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COMMITTEE ON  
WAYS AND MEANS

JOINT ECONOMIC  
COMMITTEE

Congress of the United States  
House of Representatives  
Washington, DC 20515-0306

May 20, 2022

President Joseph R. Biden  
The White House  
1600 Pennsylvania Ave, NW  
Washington, DC 20005

CC: Ambassador Katherine Tai  
United States Trade Representative  
600 17<sup>th</sup> St, NW  
Washington, DC 20508

Dear President Biden,

I write to you today, deeply troubled by the inaction your administration has taken to proactively take steps to help prevent a domestic and global food crisis. At a time of record high inflation and skyrocketing food prices across the country, and millions across the world at risk of starvation, I urge your administration to take immediate steps to look for creative solutions for what I believe is a moral obligation for American leadership to reduce suffering resulting from a global food shortage both here and abroad.

We have by now seen the dire warnings, and Americans across the country are seeing the effects every time they go to the grocery store. Our farmers and ranchers already well know that global fertilizer prices have increased tremendously. According to the International Fertilizer Association, Russia supplies 23% of the world's traded volume of ammonia and 46% of the world's ammonium nitrate. When it comes to potash, sanctions on Russia and Belarus combined have resulted in a disruption of 41% of the world's supply of this key fertilizer component<sup>1</sup>. These are raw materials that cannot be easily replaced.

Due to record high inflation in the U.S., the United States Department of Agriculture's (USDA) Food Price Outlook for 2022 has found that overall food prices are predicted to rise in 2022 between 5-6%<sup>2</sup>. It gets worse when one looks at the specifics that USDA's Food Price Index has published. Poultry prices are expected to rise between 7.5-8.5%, beef and veal, dairy, and cereal

<sup>1</sup> [https://www.fertilizer.org/Public/News\\_Events/IFA\\_News/2022\\_04\\_21\\_An\\_Unfolding\\_Food\\_Crisis.aspx](https://www.fertilizer.org/Public/News_Events/IFA_News/2022_04_21_An_Unfolding_Food_Crisis.aspx)

<sup>2</sup> <https://www.ers.usda.gov/data-products/food-price-outlook/summary-findings/>

and bakery product prices are all expected to rise between 6.0-7.0%, and aggregate categories of fruits and vegetables are expected to rise between 4.5-5.5%.

The Food and Agriculture Organization (FAO) of the United Nations' Food Price Index reached an all-time high in March 2022, with respective Cereal, Meat, Dairy and Vegetable Price Indexes all reaching record highs this spring<sup>3</sup>. Over the last three years, Russia and Ukraine combined accounted for around 30 percent and 20 percent of global wheat and maize exports respectively<sup>4</sup>, and combined with unfortunate crop conditions here at home as well as Black Sea ports that are blocked by Russia, these staple food commodities rising prices will disproportionately affect our brothers and sisters in developing countries. It has been estimated that food purchases account for more than 20% of consumer spending across most of the emerging world and about 40% in sub-Saharan Africa<sup>5</sup>. As global economic conditions worsen and inflation rises worldwide, more and more developing economies will have higher borrowing costs and debt. Many people may be pushed into poverty and lower nutrition. World Bank President David Malpass has recently echoed similar concerns.

While your administration's policies have undoubtedly contributed to our record high inflation, such as injecting trillions of unneeded dollars into the economy under the American Rescue Plan, there are steps that your administration can and should be advocating for that can help reduce the potential suffering of millions both here at home and around the world.

One is to push back against export restrictions, or what some have pointedly called "food protectionism". Taking protectionist steps to restrict the export of various commodities only increase global food prices, disproportionately hurting the working poor and those already in poverty. There are an estimated two dozen countries that have enacted some sort of export restriction on food, whether it be certain oils, grains, or other food products. This only exacerbates current supply chain challenges and contributes to high prices Americans are seeing.

A natural venue at which the United States should lead against export restrictions is the World Trade Organization (WTO). I am pleased that the WTO Director General has advocated for outcomes at the upcoming Ministerial Conference that help address the current food security crisis.<sup>6</sup> The United States should use its voice at the WTO to lead in this effort, helping to ensure that export restrictions do not become the norm, but rather the exception. WTO rules, including Article XI of the GATT, already prohibit export restrictions except in certain limited circumstances, and the United States should use our influence to support broad compliance with the letter and spirit of these rules when it comes to food products. Advancing this objective should be a key element as your administration makes clear its vision for reforming the WTO to serve its intended purpose and benefit the American people.

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<sup>3</sup> <https://www.fao.org/worldfoodsituation/foodpricesindex/en/>


<sup>4</sup> <https://www.fao.org/newsroom/detail/fao-food-price-index-posts-significant-leap-in-march/en>

<sup>5</sup> <https://www.economist.com/finance-and-economics/2022/04/02/surging-food-prices-take-a-toll-on-poor-economies#>

<sup>6</sup> [https://www.wto.org/english/news\\_e/news22\\_e/tnc\\_04may22\\_e.htm](https://www.wto.org/english/news_e/news22_e/tnc_04may22_e.htm)

I urge you and your administration to take immediate steps to ensure Americans have a safe, stable, and affordable supply of foodstuffs and fertilizer components. I believe we have a moral obligation to do so. The recently released roadmap for Global Food Security—Call to Action is a good start. Export restrictions will only exacerbate a supply chain crisis, and the United States should lead on ensuring that the free trade of commodities continues to flow.

Sincerely,

A handwritten signature in blue ink, appearing to read "David Schweikert". The signature is fluid and cursive, with a large initial "D".

David Schweikert  
Member of Congress