

United States Senate

WASHINGTON, DC 20510

May 23, 2019

The President
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President:

I am deeply troubled to learn that portions of the U.S. Department of Agriculture's (USDA) \$12 billion financial aid package have gone to wealthy foreigners and multinational corporations instead of the American farmers for whom the aid was intended. Media reports show that this includes \$62 million awarded to JBS, a Brazilian multinational meatpacking company owned by two brothers who have admitted to bribing officials in Brazil, are under investigation by the United States Department of Justice and were previously fined by the USDA.

Your trade wars have driven American farmers into crisis as their access to foreign markets is disrupted by retaliatory tariffs. Allowing taxpayer funds to support foreign agricultural companies, particularly corrupt foreign companies, at a time when farmers in Wisconsin and across the country are suffering from pain caused by your trade wars is outrageous and I'm calling on you to explain how you allowed this to happen.

Farmers in Wisconsin, the Midwest, and across the country have faced enormous challenges because of the impacts of the trade wars and the resulting retaliatory tariffs that have targeted agriculture products. Dairy farmers have been hit particularly hard by retaliatory tariffs and in Wisconsin, we've lost nearly 1,500 dairy farms since you took office. Farmers need better trade deals, not trade wars.

Farmer aid packages that provide payments to huge foreign companies add insult to injury. Providing aid to foreign companies that have a history of corruption and are under investigation by your own Administration is simply outrageous. Your own Department of Justice is investigating JBS for violations of the Foreign Corrupt Practices Act. Additionally, last December, a USDA investigation found that the firm had failed to follow the laws governing fair trade in livestock sales.¹ USDA found that the Brazilian company had failed to provide farmers with information on how much they were being paid for their livestock, why any livestock were purchased at a discounted rate, and even failed to document whether it had fully paid the farmers. These unscrupulous practices are unfair and wrong, and it is outrageous that the same firm that undercut farmers just last year has been awarded generous USDA contracts just months later.

¹ <https://www.ams.usda.gov/press-release/ams-reaches-consent-decision-jbs-usa-food-company>

As you pursue the additional rounds of agricultural aid in response to harm inflicted by the trade wars, I urge you to ensure that any aid does not pad the pockets of rich foreign businessmen who have done none of the work it takes to grow crops, raise livestock, and deliver nutritious food products to grocery store shelves. Also, your previous relief package failed to respond to many of the impacts felt by farmers in Wisconsin, and any additional aid package should address the impact of market losses, price drops, market uncertainty, and other factors related to the trade wars.

American farmers have faced a storm of severe challenges over the past few years, all while the trade wars that they did not ask for—and may not even benefit from—are swirling around them. At the very least, we ought to respect their hard work and contributions to the economy by directing aid in a way that most benefits American farmers and family businesses, not billionaires from other countries.

Sincerely,



Tammy Baldwin
United States Senator