

Benefits of Trade to the U.S. Corn Refining Industry

Trade matters to the U.S. economy...

- ❖ **Free trade increases access to higher-quality, lower-priced goods.** More affordable imports help ease inflationary pressure in the United States.
- ❖ **Free trade means more growth.** At least half of U.S. imports are not consumer goods; they are inputs for U.S.-based producers, according to economists from the Bureau of Economic Analysis.
- ❖ **Free trade improves efficiency and innovation.** Over time, free trade works with other market processes to shift workers and resources to more productive uses, allowing more efficient industries to thrive.
- ❖ **Free trade drives competitiveness.** Free trade requires American businesses and workers to adapt to the shifting demands of the global marketplace. These adjustments are critical to remaining competitive, and competition is what fuels long-term growth.
- ❖ **Free trade promotes fairness.** When all parties follow the same rules-based system, there is less opportunity for cronyism, or the ability of participating nations to skew trade advantages toward favored parties.

Trade matters to the U.S. corn refining industry...

- ❖ In 2015, **exports of refined corn products contributed \$2.3 billion** to the U.S. economy.
- ❖ The U.S. corn refining industry is a key player in international markets due to the abundance and quality of our feedstock. Exports of refined corn products account for nearly **20 percent of total shipments**.
- ❖ The benefits of trade trickle through many different sectors to generate economic growth. Based on a 2013 U.S. Department of Agriculture estimate, for every **\$1 of agricultural exports, another \$1.22 is generated in business activity**.
- ❖ **U.S. agriculture exports support more than 1 million jobs** on and off the farm, and contribute hundreds of billions of dollars to the gross domestic product. This includes transportation workers, food processors, sales and marketing representatives, packers and longshoremen. Exports provide job security for well-paid positions in the corn refining industry and further economic growth in the rural communities where refining plants are located.
- ❖ **The World Trade Organization (WTO) and trade agreements set strong, enforceable rules and obligations** between member countries. The United States' participation in the WTO and trade agreements with 20 countries ensures that the corn refining industry's investments are secure at home and abroad.