

March 4, 2004

Honorable Jim McDermott  
1035 Longworth House Office Building  
U.S. House of Representatives  
Washington, DC 20515

Dear Representative McDermott:

I am writing to express Oxfam America's support for your efforts to extend and expand important trade measures as part of the African Growth and Opportunity Act (AGOA). Although Oxfam has reservations about AGOA's contributions to broad-based sustainable development, we believe your bill – AGOA III – is an improvement over the current program and can help avert a looming crisis, as important textile benefits expire in September 2004.

Oxfam believes that trade can be an important engine for economic growth and poverty reduction in poor countries. But, too often, trade rules hinder rather than help the poor benefit from trade.

AGOA III is a step in the right direction of moving U.S. trade policy into closer alignment with the goal of helping developing countries and reducing poverty. Importantly, the proposed legislation offers new opportunities to African countries to trade with the U.S. in markets that are currently closed. In particular, expanding agricultural imports from African countries could offer significant benefits to some of the poorest people on the continent, many of whom rely solely on small agricultural production for their livelihoods.

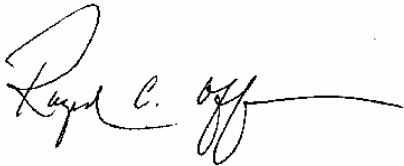
In addition, simplifying and reducing restrictions on import rules for garments and other products could provide a real benefit for African countries. We appreciate the legislation's emphasis on, and support for, African countries to identify trading opportunities.

However well-intentioned, AGOA has failed to live up to its promise of offering major new trading opportunities for Africa. While imports from Sub-Saharan African countries have increased, the majority of this trade is in extractive commodities, like oil and minerals, that offer comparatively little employment for small producers and regional businesses.

For AGOA to really help Africa, the U.S. must provide increased trading opportunities for the kinds of things that Africa produces, particularly the agricultural products generated by small farmers and enterprises.

In general, Oxfam feels that the U.S. can afford to be much more generous in its trading relations with poor countries. Indeed, we have a responsibility to lead the way. AGOA III would make progress toward offering Africa more opportunities to trade with the U.S.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Raymond C. Offenheiser". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Raymond C. Offenheiser  
President  
Oxfam America