

Testimony of Tamara Wagestar-Subrick, Executive Director, Council on Food, Agricultural, and Resource Economics (C-FARE) and, Howard J. Silver, Executive Director, the Consortium of Social Science Associations (COSSA). Submitted March 19, 2010.

C-FARE is a non-profit, non-partisan organization dedicated to strengthening the presence of the agricultural, natural resources, and applied economics profession to matters of science policy and federal budget determination, and we represent approximately 3,500 economists nationwide. COSSA is an advocacy organization for the social and behavioral sciences supported by more than 110 professional associations, scientific societies, universities, and research centers and institutes (a membership list is attached).

CFARE and COSSA appreciate the opportunity to submit testimony on the Fiscal Year (FY) 2011 appropriation for the **Economic Research Service (ERS), the National Agricultural Statistics Service (NASS), and the National Institute on Food and Agriculture, particularly the Agriculture and Food Research Initiative (AFRI).** For ERS we strongly support the Administration's request of **\$87.2 million.** For NASS we strongly support the Administration's request of **\$164.7 million.** For AFRI we strongly support the Administration's significant increase to **\$428.8 million.**

We are grateful for the past support the Subcommittee has given to the Nation's agricultural research activity. Our organizations understand the challenges your panel faces in choosing how to allocate constrained resources in the FY 2011 budget. Secretary Vilsack has committed the Department of Agriculture to improving its scientific endeavors. As Deputy Secretary Kathleen Merrigan told a group of USDA stakeholders on March 17, in the FY 2011 budget "research has triumphed." The Department is joining many other agencies in advancing a research agenda to tackle many of the Nation's difficult problems: climate change, energy consumption, obesity, and revitalizing rural communities. We hope that you can agree with the Administration that research, economics, and statistics are important priorities for the Nation's rural agenda.

Most world agricultural research advances in recent history have originated in the United States. These developments improve human, plant, and animal health and welfare. For instance, research in animal genomics helps to develop better science in human health. Improvements in soil and crop technology influenced the "Green Revolution" in many developing countries. Progress with food and nutrition research helps the quality and expectations of life for our nation's children. We would be remiss if we did not mention that all of these areas should be applauded for their expertise and enormous contributions to the world food and agriculture system. These advances also benefited from the social and economic research that allowed their adoption and effectiveness. With new tools for data collection and analysis, advances in social and economic analysis also provides research on trade issues which keep the United States as a predominant player in world markets.

In real dollars, recent decades have seen a slowdown in federal investment in agricultural research. Even when faced with this challenge, the rate of return for agricultural and rural research has continued at high levels. For 35 studies published over 1965-2005 that were reviewed by Professors Wallace Huffman (Iowa State University) and Robert Evenson (Yale

University), the median estimate of the social rate of return was 45 percent per year . As a rough approximation, this implies that each dollar spent on agricultural research returned about \$10 worth of benefits to the economy. (See *Economic Returns to Public Agricultural Research*, by Keith O. Fuglie and Paul W. Heisey, EB-10, USDA, Economic Research Service, September 2007, available at: www.ers.usda.gov/publications/eb10/.)

With the above information in mind, we are writing to applaud the administration's proposed FY 2011 budget support levels for many of the areas of the agricultural budget that have a strong economic and social research component. Our organization's priorities for the Administration's request are listed below.

ERS – Under its highly effective Administrator Kitty Smith, the ERS performs valuable research, data collection, and analysis to inform public and private decision makers and the public about Rural America. This information is important for our scientists as well to estimate the impacts of farm policy changes. ERS produces information and analyses to inform policy and program decisions made across the spectrum of USDA missions. The increase proposed for the FY 2011 budget would allow ERS to improve its data collections and analyses. This includes an increase of \$2 million, which would develop data and conduct economic research on the access to affordable and nutritious local foods in low income communities.

We are also delighted that ERS has been chosen to take the lead in helping to create a “community of practice” across the Federal statistical agencies to improve their capabilities as well as to pilot an administrative data project. Administrative data, information collected in conjunction with administering government programs, provide an opportunity for increasing the statistical ability to understand and address critical policy issues

NASS – NASS led by its valuable Administrator Cynthia Clark, collects and analyzes data to provide the necessary information to keep agricultural markets stable and efficient and to help maintain a consistency for all users of agricultural statistics. The FY 2011 budget request reflects priority funding areas to provide data that will help enhance the sustainability of our nation's resources. These include:

- **County Estimates Program.** The budget includes an increase of \$5 million to improve the data quality of the County Estimates program.
- **Climate Change.** Within the agricultural estimation program, an increase of \$0.8 million is proposed that will allow NASS to enhance its remote sensing activities.
- **Organic Agriculture Study.** An increase of \$0.5 million is proposed within the agricultural estimation program that will allow NASS to develop an ongoing data series on organic production, handling and distribution.
- **Census of Agriculture.** The 2011 budget includes funding to support the second year of the 2012 Census of Agriculture's five year cycle.

NIFA - NIFA, formerly the Cooperative State Research, Education and Extension Service, is responsible for administering USDA's primary competitive research grants program, the Agriculture and Food Research Initiative (AFRI) which supports investigator-initiated research with strong potential to contribute to major breakthroughs in agricultural science. The FY 2011 budget proposes a substantial increase in competitive research funding.

Roger Beachy, the director of NIFA and USDA's Chief Scientist, in a series of speeches to the President's Council of Advisers on Science and Technology, the Social Sciences Subcommittee of the Experiment Stations' Committee on Public Policy, and other groups, has laid out the high priority areas for AFRI in FY 2011. They are bioenergy, global climate change, global food security, and nutrition and health. In all of these the social and economic sciences have a role to play.

It is clear that the new priorities being pursued by NIFA clearly align with the strengths of our nation's agricultural researchers, many in the land-grant university system. Yet, at the same time, it is also unmistakable that the socioeconomic health and stability of many rural people and places is no longer rooted in agriculture. Only one in five non-metropolitan counties are classified as agriculture dependent today. Rural people are concerned about quality schools, health care access, decent and sustainable jobs, quality housing, available/affordable broadband services, wise use of natural resources, population migration, and more.

There is a strong need to remember that research and educational outreach activities on these issues are needed to advance the long-term vitality of rural communities and regions. Social and economic scientists, some attached to the nation's four Regional Rural Development Centers, could harness NIFA investments in comprehensive rural development research/extension activities that would benefit America's rural communities. We request that the Committee encourage NIFA to acknowledge these important issues that affect rural America and to provide funding for social and behavioral scientists to address these needs.

In summary, we strongly urge the Subcommittee to approve the requested increases in funding for the Economic Research Service, the National Agricultural Statistics Service, and the Agriculture and Food Research Initiative. Improving research and data on agriculture and rural America will strongly contribute to a stronger, healthier, more competitive, and prosperous nation.

Thank you for the opportunity to present our views. If you have any question or need more information, please don't hesitate to contact us: Tamara Wagestar-Subrick tamarawagestar@cfare.org or Howard Silver silverhj@cossa.org.