



555 E. Wells Street, Suite 1100 | Milwaukee, WI 53202 | (414) 918-3190 | Fax: (414) 276-3349 | www.aaea.org

August 28, 2018

The Honorable Pat Roberts  
Chair, Committee on Agriculture, Nutrition, and  
Forestry  
United States Senate  
Washington, DC 20510

The Honorable Debbie Stabenow  
Ranking Member, Committee on Agriculture,  
Nutrition, and Forestry  
United States Senate  
Washington, DC 20510

The Honorable K. Michael Conaway  
Chair, Committee on Agriculture  
United States House of Representatives  
Washington, DC 20515

The Honorable Collin Peterson  
Ranking Member, Committee on Agriculture  
United States House of Representatives  
Washington, DC 20515

**RE: Preserve Economic Research Service effectiveness as research agency in Capital vicinity**

Dear Chairmen, Roberts and Conaway and Ranking Members Stabenow and Peterson:

The undersigned groups, coordinated by the Agricultural and Applied Economics Association (AAEA), strongly support the high caliber of unbiased and scientifically rigorous economic research of the USDA Economic Research Service (ERS). On August 9, 2018, the Secretary of Agriculture announced a realignment that would move the ERS out of the research division of the USDA and would relocate its staff outside the Capital area. This realignment follows an FY 2019 budget request by the Administration that proposed to cut the ERS budget by 48 percent. (This does not include \$10M of the remaining funds that were suggested for staff compensation packages.) We are appreciative that appropriators did not accept this cut. We, the undersigned, respectfully request that you do all within your power to achieve the following:

**1. Maintain (and/or increase) the budget and personnel for the USDA Economic Research Service.** This intramural agency is a critical part of the research and delivery infrastructure. It is a world premier economic research and statistics institution that reflects the prominence of the United States agricultural sector worldwide. In addition, economics is a key part of interdisciplinary research and extension services, which contributes to both intramural and extramural USDA research programs. We ask that you support the Economic Research Service (ERS) and other research and extension programs at sustainable levels. This would mean a) no cuts in personnel, b) replacement of all retirees, and c) no cuts to data and statistical resources.

**2. Ensure the independence of the Economic Research Service, which focuses on long-term research, data, and statistical curation, from the USDA Office of the Chief Economist (OCE), which focuses on specific (and often shorter term) policy analysis.** Since economics is a science, we find it most appropriate for it to remain in USDA Research, Education, and Economics (REE) Mission Area. Our primary concern is that this key source of information not be lost or diminished. The integrity of long-term research, data, and statistics resources are our most critical concern. If

the ERS does reside in the OCE, we urge that procedures be put in place to ensure a firewall to protect against politicization of these critical resources.

**3. Keep a critical mass of ERS employees retained within the National Capital Area.** To relocate the ERS outside of the Washington, D.C., vicinity would a) trigger a loss of staff who are necessary to maintain research capacity, b) undermine collaboration with other federal agencies, and c) reduce national-level access to ERS expertise.

Economic research at ERS addresses important questions for the American public and the policy makers who represent us: How well does the current farm safety net allow farmers to manage risk? How would changes to trade policy affect farmers and consumers? What are low cost ways to track and help insure food safety? What are the economic benefits and costs of USDA programs? What is the payoff to public investments in agricultural research? These questions are predominantly national in scope and would not be addressed by the private sector; their answers require public investment at the federal level.

ERS is the intramural economic research agency of the USDA. As such, it provides timely, impartial, research-based economic analysis to meet the needs of the public, of the Executive and Congress, of U.S. universities, and of USDA partner agencies. The ERS plays a unique role in providing economic expertise and data-driven models that enable timely, objective analysis. Examples include: 1) agricultural market price and quantity forecasts using U.S. and international data, 2) international trade analysis and analysis of global land use, 3) analysis of consumer food choices and expenditures, and 4) analysis of farm sector economics, including the impact of energy, biofuels, and conservation policies. The ERS is a global leader in modeling the economics of agriculture and food, with widely cited research. We would be remiss if we did not mention the outstanding service that the USDA ERS provides in curating key datasets for the profession to use in the field at land-grant and non-land grant universities. Finally, we sincerely appreciate its leadership and expertise in collaborative research endeavors that highlight the local and regional nature of the land grant universities' expertise as well as the national expertise that is housed at the ERS.

Again, we argue to:

1. **Maintain (and/or increase) the budget and personnel for the USDA Economic Research Service.**
2. **Ensure the independence of the Economic Research Service, which focuses on long-term research, data, and statistical curation, from the USDA Office of the Chief Economist, which focuses on specific (and often shorter term) policy analysis.**
3. **Keep a critical mass of ERS employees retained within the National Capital Area.**

Thank you in advance for your thoughtful consideration of this request.

#### Associations

- **Agricultural and Applied Economics Association**
- **American Statistical Association**
- **Association of Population Centers**



- **Association of Public Data Users**
- **Council of Professional Associations on Federal Statistics**
- **Consortium of Social Science Associations**
- **Food Distribution Research Society**
- **Industry Studies Association**
- **National Association for Business Economics**
- **Northeastern Agricultural and Resource Economics Association**
- **Population Association of America**
- **Rural Sociological Society**
- **Western Agricultural Economics Association**

#### **University Departments**

- Department of Agricultural & Resource Economics, **University of Arizona**
- Department of Agriculture and Resource Economics, **University of California, Berkeley**
- Department of Agricultural and Resource Economics, **University of California, Davis**
- Department of Agricultural and Resource Economics, **Colorado State University**
- Food and Resource Economics Department, **University of Florida**
- Department of Agricultural and Consumer Economics, **University of Illinois at Urbana-Champaign**
- Department of Economics, **Iowa State University**
- Department of Agricultural Economics, **University of Kentucky**
- Department of Agricultural Economics & Agribusiness, **Louisiana State University**
- Department of Resource Economics, **University of Massachusetts**
- Department of Agricultural, Food, and Resource Economics, **Michigan State University**
- Department of Applied Economics, **University of Minnesota**
- Department of Agricultural Economics, **Mississippi State University**
- Department of Agricultural Economics and Economics, **Montana State University**
- Department of Natural Resource and the Environment, **University of New Hampshire**
- Department of Agricultural, Environmental, and Development Economics, **The Ohio State University**
- Mike Woods, Professor and Department Head, Dept. of Agricultural Economics, **Oklahoma State University**
- Department of Applied Economics, **Oregon State University**
- Department of Agricultural Economics, Sociology, and Education, **The Pennsylvania State University**
- Department of Agricultural, Food and Resource Economics, **Rutgers University**
- Department of Agricultural and Resource Economics, **University of Tennessee Institute of Agriculture**
- Division of Food and Nutrition Policy and Programs, **Tufts University**
- Department of Agricultural and Applied Economics, **Virginia Tech**
- Department of Agricultural & Applied Economics, **University of Wyoming**

#### **College Deans**



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Agricultural & Applied  
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- David Ackerly, Dean, College of Natural Resources, **University of California, Berkeley**
- Lynn Wooten, Dean, The Charles H. Dyson School of Applied Economics and Management, **Cornell University**
- Ronald Hendrick, Dean and Professor, College of Agriculture and Natural Resources, **Michigan State University**
- Charles Boyer, Vice President for Agriculture, Dean and Director, College of Agriculture, **Montana State University**
- Cathann Kress, Dean and Vice-President for Agriculture, College of Food, Agricultural, and Environmental Sciences, **The Ohio State University**
- Dan Arp, Dean and Professor, College of Agricultural Science, **Oregon State University**
- Bret Hess, Interim Dean, College of Agriculture and Natural Resources, **University of Wyoming**