



Dyson
Cornell
SC Johnson College of Business

Christopher B. Barrett

Stephen B. & Janice G. Ashley Professor of Applied Economics
International Professor of Agriculture
The Charles H. Dyson School of Applied Economics and Management
Cornell SC Johnson College of Business
College of Agriculture & Life Sciences

Professor, Department of Economics
Faculty Fellow, David R. Atkinson Center for a Sustainable Future

340D Warren Hall
Cornell University
Ithaca, New York 14853
t. 607.255.4489
e. chris.barrett@cornell.edu
w. <http://barrett.dyson.cornell.edu/>

July 15, 2019

The Honorable Pat Roberts
United States Senate
Chair, Senate Agriculture Committee
Washington, DC 20510

The Honorable Debbie Stabenow
United States Senate
Ranking Member, Senate Agriculture Committee
Washington, DC 20510

Dear Chairman Roberts, Ranking Member Stabenow, and Members of the Committee:

Thank you for this opportunity to provide written testimony on the Senate Agriculture Committee's July 18, 2019, hearing on Agriculture Research and 2018 Farm Bill Implementation.

Over the course of my 25 years as an internationally recognized agricultural economics researcher, I have come to appreciate deeply that the United States Department of Agriculture(USDA)'s publicly funded research on food, agriculture, and natural resources is world class. It is the envy of our partners and competitors in the global marketplace. The United States is the most productive agricultural and food economy in the world in no small measure due to USDA research, including that directly undertaken by USDA's Economic Research Service (ERS) or the National Institute of Food and Agriculture (NIFA). And the gains from USDA research stretch far beyond our nations' farms and ranches. Workers throughout the value chain, from farm to fork, benefit from USDA research that protects them from injury or illness and that boosts their productivity and paychecks. Our schoolchildren have access to nutritious breakfasts and lunches in part due to that research. And American families enjoy the healthiest, safest, and most affordable food choices in human history thanks to the fruits of USDA research.

It therefore astonishes me that USDA leadership puts all of that at risk as it pursues a reckless, hasty, ill-justified relocation of ERS and NIFA. I write to you today to voice my deep concern about the relocation of and proposed funding cuts to ERS and NIFA. The proposed relocation and funding cuts imperil the long-term success of these esteemed research agencies, which in turn jeopardizes the success of the American farm and food system. And for what? USDA leadership has yet to articulate a coherent, credible rationale for squandering the legacy built up by the generations before us.

The most alarming and immediate consequence will be the loss of a large number of highly qualified ERS and NIFA staff. In June, Politico reported that because of the

breakneck pace at which the USDA has moved forward with this relocation, as many as four out of five employees at ERS have already or will quit, including 90 or more percent of employees who study climate change, conservation, the environment, the state of the rural economy, nutrition, and food safety programs.¹ At NIFA, more than 70 percent of all employees are expected to quit. Were these unskilled workers, USDA could plausibly replace them quickly, with minimal disruption. But these are highly trained, experienced researchers. Many of them have at most a handful of equally skilled peers in the world. Replacing these talented scientists will be difficult, slow and very expensive. Seasoned government administrators have estimated that this loss of staff will “set ERS back five to 10 years” according to Gale Buchanan, USDA chief scientist under President George W. Bush, and Catherine E. Woteki, chief scientist in the Obama administration.² Other nations’ agricultural research is catching up to, and in some sectors surpassing, America’s. If we lose a decade, we risk falling irreversibly behind, thereby damaging the US food economy, including not just our farmers, ranchers, farmworkers, and entrepreneurs, but every one of us who puts food on our family’s table.

At no point has the USDA leadership provided a specific explanation for how this relocation will improve public investment in agriculture research. In fact, improving agriculture research wasn’t even a goal of the reorganization.³ Indeed, the Administration’s FY 2020 budget proposed \$229 million in cuts to USDA research.⁴ For ERS, the Administration proposed a 30% cut and an additional 52% cut to staff years. The FY2020 budget request proposed eliminating a broad swath of ERS research, including on beginning farmers and ranchers, rural economies, and food and nutrition assistance programs, among other topics. The future of U.S. agriculture and the health of Americans depends on investing more in food and agriculture research, not less.

Moving ERS and NIFA to a specific region will almost inevitably skew research in favor of that region, to the detriment of farmers, ranchers, researchers, and consumers in the rest of the country. I live in a small farming town in upstate New York, where dairy farmers and orchard owners currently struggle to keep their heads above water. They depend on reliable research and data to help them identify and enter foreign markets, to help them keep up with fast-breaking innovations, and to inform sensible federal food and agriculture policies. They tell me that they worry that agencies will abandon them once they relocate to a specific, distant agro-ecology where dairy and horticulture play a relatively minor role. The purpose of having scientific and statistical research agencies based in the nation’s capital, or its immediate metro area, is to prevent any regional focus from impeding serving the national interest, rather than specialized local ones.

At a time when the federal government is irresponsibly running large spending deficits, the proposed relocation only aggravates our fiscal problems. The most careful analysis yet conducted on the proposed relocation, undertaken by the Agricultural and Applied Economics Association (AAEA), finds that the relocation will cost taxpayers between \$83 and \$182 million, rather than saving \$300 million dollars as predicted by the USDA in shockingly sloppy analysis.⁵ AAEA found that the USDA’s analysis did not consider social net benefits of the research conducted by ERS and NIFA, nor did it account for

¹ <https://www.politico.com/story/2019/06/25/department-agriculture-union-relocation-1554201>

² https://www.washingtonpost.com/science/2019/06/13/usda-research-agencies-will-move-kansas-city-region-perdue-announces/?utm_term=.d77968a57963

³ <https://www.usda.gov/media/press-releases/2018/08/09/usda-realign-ers-chief-economist-relocate-ers-nifa-outside-dc>

⁴ <https://www.obpa.usda.gov/budsum/fy2020budsum.pdf>

⁵ <https://www.aaea.org/UserFiles/file/Report-MovingUSDAResearchersWillCostTaxpayers-AAEAReport2019june19final.docx.pdf>

the costs associated with reduced productivity both in the short and long term. No private sector Board would permit a business' executives to undertake actions with such monumental long-term consequences on the basis of such shoddy analysis. The Congress must hold USDA leadership similarly accountable.

In early April I had the great honor of being invited and sponsored by the United States Government to present the 15th Annual George McGovern Lecture to the United Nations Agencies in Rome. In that talk, I made the case that global food issues pose an existential threat to stable, healthy, sustainable societies around the world.⁶ A central theme of that lecture was that scientific research has succeeded in the past in overcoming major food and agricultural challenges, and that sound science can and will rescue us again if we just invest and believe in the research. Hence my alarm that USDA leadership proposes regress rather than progress via proposed funding cuts and relocation of ERS and NIFA.

The United States might never recover what USDA leadership throws away today in an ill-considered, unnecessarily hasty relocation. Who will design, implement, and evaluate effective support measures for the many farmers hurt by the dangerous trade war on which the Trump Administration has embarked, without bankrupting taxpayers in the process? Will we ever be able to keep up with the farmers and agribusinesses in Australia, China, India, Brazil, and other nations whose governments are building up, rather than tearing down, their countries' agricultural and food research infrastructure? How will we justify to our children and grandchildren the damage being done now, cavalierly trading their futures for some short-term political gain?

I therefore respectfully request that the Senate Agriculture Committee act immediately to stop the relocation of ERS and NIFA. Members of the Committee should also do everything they can to ensure that these agencies receive increased funding in future fiscal years.

Sincerely yours,



Christopher B. Barrett
Stephen B. and Janice G. Ashley Professor of Applied Economics
International Professor of Agriculture
Professor of Economics
Faculty Fellow of the David R. Atkinson Center for a Sustainable Future
Cornell University

Co-Editor-in-Chief, *Food Policy*
Editor, Palgrave Studies in Agricultural Economics and Food Policy

Elected Fellow, American Association for the Advancement of Science
Elected Fellow, Agricultural and Applied Economics Association
Elected Fellow, African Association of Agricultural Economists

This testimony reflects my personal views. In no way do I speak for Cornell University or its administrators.

⁶ A recording of the lecture is available at <http://www.fao.org/webcast/home/en/item/4973/icode/>.