



NATIONAL COALITION FOR FOOD AND AGRICULTURAL RESEARCH

October 19, 2011

RE: Support for Funding for Food and Agricultural Research

Dear Members of the Joint Select Committee on Deficit Reduction:

The National Coalition for Food and Agricultural Research (National C-FAR) urges you to place a high priority on funding for food and agricultural research as you carry out your important charge and develop overall budget proposals for the future.

National C-FAR believes **the nation has a serious deficit in federal funding for food and agricultural science**, just as the nation has a budget deficit. This food and agricultural science funding deficit is serious, long running and unsustainable. Failure to address this research deficit will have real negative consequences, not just to our food and agricultural system but to the entire U.S. economy.

The success of the agriculture and food industry plays a significant role in the overall health and security of the U.S. economy and has been one of the few bright spots in recent years. In 2010, U.S. farms and ranches spent \$288 billion to produce goods valued at \$369 billion; the value of U.S. food and agriculture exports is expected to be more than \$140 billion in 2011, creating a record trade surplus of \$42.5 billion. Furthermore, the jobs of 21 million Americans depend on the vitality of the U.S. agriculture and food sector.

Recent studies have concluded that funding for scientific research for food and agriculture needs to be increased steadily and significantly if future challenges are to be met. For example, in *“Public Agriculture Research Spending and Future U.S. Agricultural Productivity Growth: Scenarios for 2010-2050,”* a USDA Economic Research Service report (EB-17, July 2011) states:

- By 2050, global agricultural demand is projected to grow by 70-100 percent. Meeting this demand from existing agricultural resources will require raising global agricultural total factor productivity (TFP) by a similar level.
- If U.S. public agricultural R&D spending remains constant until 2050, the rate of agricultural TFP growth in the U.S. is projected to decline, with U.S. agricultural output increase by 40 percent by 2050.

Similar conclusions are expressed in *“Investing in a Better Future through Public Agricultural Research,”* (CAST Commentary QTA2011-1, March 14, 2011):

- Publicly funded food and ag research in the U.S. has been essentially flat over the past two decades.
- Public funding of agricultural research in the rest of the world has outpaced investment in the U.S.
- With agricultural research funding delays, productivity increases are expected to slow, and world food prices will rise more rapidly than otherwise projected during the next 40 years.
- Numerous studies find rates of return on public ag research investments of 20 to 80%. Huffman and Evenson (2006) estimate a marginal rate of return of approximately 50%.
- There is an important and necessary role for public research because the private sector faces weak incentives to undertake research in numerous areas of national interest.
- Agricultural research is a low-cost source of future productivity and output increases; but advances in the frontiers of science translate into long lags before benefits are realized, typically 15-20 years.

National C-FAR serves as a forum and a unified voice in support of sustaining and increasing public investment at the national level in food and agricultural research, extension and education. National C-FAR is a nonprofit, nonpartisan, consensus-based and *customer-led* coalition established in 2001 that brings food, agriculture, nutrition, conservation and natural resource organizations together with the food and agriculture research and extension community.

National C-FAR appreciates the opportunity to share its views.

Respectfully Submitted,

A handwritten signature in black ink that reads "R. Thomas Van Arsdall". The signature is written in a cursive style with a large initial "R".

R. Thomas (Tom) Van Arsdall, Executive Director
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CC: House Appropriations Subcommittee on Agriculture
Senate Appropriations Subcommittee on Agriculture
House Committee on Agriculture
Senate Committee on Agriculture