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American Statistical Association Maintains Agriculture Secretary Perdue's Upheaval of USDA Research Arm Not in the Best Interest of Rural America, US Food and Agriculture

Calls on US Senate to protect the integrity of USDA science and evidence-based policymaking

With USDA's announcement <u>today</u> that the Economic Research Service (ERS) and National Institute of Food and Agriculture (NIFA) will be relocated to the Kansas City region, the executive director of the American Statistical Association (ASA), Ron Wasserstein, issued this statement:

Secretary Perdue is well on his way to dismantling a federal statistical agency that is one of the best agricultural economics research institutions in the world, having yet to provide a single justifiable reason for doing so. Today's decision is a big win for Kansas City and the immediate geographical area, but it comes at too great a cost for the nation. National policy is made in Washington, DC. It is common sense that these ERS and NIFA, so vital to informing food and agriculture policy, should be located where national policy is made.

We understand the appeal of moving federal jobs from Washington to help the economies of other regions of the US. However, helping a local economy should not come at the expense of scientific research and evidence-based policymaking for food, agriculture and rural economies more broadly.

We all pay for a dismantled Economic Research Service that will never get back to its current number-three ranking in the world for agricultural economics research. The relocation disrupts the quality, breadth and timeliness of ERS' reports on topics ranging from trade and farm income to nutrition assistance and commodity projections to rural economies and food safety. Being located outside DC also means it will be far removed from its primary audiences and collaborators, not to mention the rich talent pool so appealing to Amazon for its new headquarters. Such setbacks will affect the work of ERS in the long-run.

We will also pay for USDA's research funding agency being dissociated from the planning and collaborations that happen in person in Washington with funding agencies for health, energy, international development, basic research and more. The interdisciplinary research NIFA coordinates with the other agencies is especially important to ensuring we keep a growing population fed and nourished on existing farmland.

USDA's cost-benefit analysis is, in reality, a post-hoc justification for their move, showing costsavings for rent. What it will not show is the bigger savings that could have been achieved by moving the agencies into USDA-owned spaces in the National Capital Region. Its analysis is also unlikely to show the additional costs of doing business from two locations. Leadership and staff will have to travel between the two locations in addition to the locations they currently visit. There will also be the additional costs for the ERS and NIFA stakeholders who will need to travel to Kansas City in addition to DC. One should also consider the costs already noted of the likely effects to the quality, breadth and timeliness of the agencies' work.

Finally, we are deeply concerned for the <u>integrity of USDA science</u>. Secretary Perdue's relocations of ERS and NIFA and realignment of ERS appear, at least, to disregard the work of ERS and NIFA and, at worst, as an attempt to undermine their work. The secretary's budget requests to slash ERS funding indicate a desire to undercut the work of ERS. USDA's requirement that its scientists label their journal-published work as "preliminary"—finally <u>reversed last month after an outcry</u>—also seems more an attempt to undermine USDA science than good policy. If Secretary Perdue had consulted with scientific leaders and experts before announcing his ERS and NIFA plans or had made course corrections since, perhaps we wouldn't be as concerned for USDA scientific integrity. Our concerns would also likely be lessened if there were a Senate-confirmed—with broad bipartisan support—chief scientist in place at USDA.

Without checks in place for the integrity of science at USDA, we thank the US House for its efforts to stop Secretary Perdue's ERS/NIFA moves and call on the US Senate to protect the integrity of USDA science and evidence-based policymaking.

The ASA and the broader community have been strongly opposed to Secretary Perdue's counterproductive moves for the following reasons: (i) the detrimental impacts to the agencies and greater USDA mission area; (ii) the lack of justification for the moves; and (iii) the lack of consultation with experts and the stakeholder community.

Wasserstein highlighted the detrimental impacts of the relocations in his statement. For the now-abandoned realignment component, the originally proposed administrative transfer of the ERS from the USDA research mission area to the office of the chief economist (OCE) in the secretary's office jeopardized ERS's policy-neutral reporting and the perception thereof. The integrity of the science, analysis and statistical reporting from the Research, Education, and Economics (REE) mission area is overseen and protected by the Senate-confirmed chief scientist and REE undersecretary. Such protection and focus on scientific integrity are lacking under the OCE, which also has a responsibility to support the secretary's policies. Further, such a reorganization would have removed ERS from the leadership of REE in prioritizing and coordinating USDA research, education and analysis.

The USDA stakeholder community has thoroughly dissected Secretary Perdue's rationale provided in the USDA short press release in August, which gave three main reasons: (i) "to improve USDA's ability to attract and retain highly qualified staff"; (ii) "to place these important USDA resources closer to many of its stakeholders"; and (iii) "to benefit the American taxpayers." It was asserted the realignment will "enhance the effectiveness of economic analysis at USDA." The ASA provided an especially thorough

¹ The ASA issued this press release <u>upon the initial reports</u> of the relocation to Kansas City. Initial reports did not include realignment news. We have made minor modifications to this paragraph to acknowledge USDA will not move forward with the realignment plans: "<u>The agency of ERS will remain under the Research, Education, and Economics mission area."</u>

consideration of USDA's rationale and concluded the "likely negative effects of the USDA plans seem far greater than any supposed problems or asserted benefits."

USDA's credibility in presenting a justified and transparent case for moving ERS and NIFA was further undermined by the absence of a publicly available cost-benefit analysis and the use of misleading data. In supporting their claim that ERS suffered a staff attrition problem, USDA reported the ERS had a 4.5 percentage point greater annual average attrition rate than the rest of USDA for the past five years. It was later revealed the administration used attrition data that included summer interns. More accurately, the ERS annual attrition rate is less than lambde higher than the whole of USDA for permanent employees for the last five years (FY13–FY17), according to data provided by the USDA to Sen. Pat Roberts and Sen. Debbie Stabenow. These actions also present concerns for practicing sound evidence-based policymaking and being stewards of objective, reliable data.

USDA has been unable to show that recruitment has been an overly burdensome challenge for either agency or that any challenges will be lessened in Kansas City. Indeed, especially for ERS, recruitment is likely to be more of a challenge outside Washington, DC. The Office of Personnel Management noted last fall the challenge of recruiting economists and other science-related professionals and put in place direct hire—appointing authorities and a new pay system. Therefore, recruiting challenges will likely be greater in Kansas City, at least for economists where the expected lower pay will negate any cost-of-living gains. The Washington area has several advantages for hiring specialized professionals as noted already by Amazon's decision to place its second headquarters there. Among the advantages are the many opportunities for dual-career households. For economists specifically, the other three of the top four ranked agricultural economics research institutions in the world are all in the Washington, DC, area.

USDA's process for making the decisions uprooting its research arm is as concerning as the detrimental impacts of their moves and the lack of justification. In particular, to the best of anyone's knowledge, neither Secretary Perdue nor his staff consulted Congress or any of the USDA research community, including: (i) current or former leadership of REE, ERS or NIFA; (ii) any land-grant university representatives that have been USDA's partners in agricultural research since 1862; and (iii) USDA REE stakeholders and other research/analysis experts. While the USDA acknowledged some communications missteps regarding their initial announcement and have promised they are now listening to Congress and the research community, they have not heeded multiple messages from Congress—for example, the FY19 appropriations report language directing USDA to "include all cost estimates for the proposed move of the two agencies, as well as a detailed analysis of any research benefits of their relocation" as part of their FY20 budget justification—or made any changes to their initial plans or otherwise substantively addressed the comments to indicate they are taking the concerns to heart.

The opposition to Secretary Perdue's plans has been broad. The ASA is one of many groups opposing the moves. In March, 108 organizations signed a letter to House and Senate appropriators urging they block the USDA moves. The chief scientists and REE undersecretaries from the previous two administrations have also actively opposed the moves, including in testimony before the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies and a letter to Congress that has since been signed by 79 other leaders in the land-grant university system. Former USDA officials and leaders of federal statistical agencies also voiced their concerns in October. In November, the ASA Board of Directors issued a statement of concern for the USDA Economic Research Service and on the vital and unique role of federal statistical agencies.

See also the May 22 press release, ASA praises House appropriations bill blocking USDA research arm upheaval, the May 6 press release, USDA's Research Short-List Announcement Another Step in Wrong Direction for Food and Agriculture Research and Policy, the March 25 press release, 101 Agriculture, Food, and Science Organizations Urge Congress to Block USDA Moves; the March 12 press release, American Statistical Association, Other Leaders Maintain USDA's Upheaval of Research Arm Unwise, Counterproductive; and the December 5 press release, The American Statistical Association Board of Directors Decries USDA Undermining of Federal Statistical Agency and Evidence-Based Policymaking.

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About the American Statistical Association

The ASA is the world's largest community of statisticians and the oldest continuously operating professional science society in the United States. Its members serve in industry, government and academia in more than 90 countries, advancing research and promoting sound statistical practice to inform public policy and improve human welfare. For additional information, please visit the ASA website at www.amstat.org.

As part of ASA's commitment to support the importance of government statistics for evidence-based policymaking, ASA created <u>Count on Stats</u>. In partnership with over a dozen organizations, the initiative is designed to educate and inform the public about the critically important nature of federal data. Without federal agencies' data collection and analysis, we would not have key insights into nutrition, economic trends, community issues, public safety, agriculture, and countless other facets that are vital to our society. For additional information, please visit the Count on Stats website at <u>www.countonstats.org</u>.