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UNIVERSITY OF MINNESOTA

INTERNATIONAL AGRICULTURAL PROGRAMS

and INTERNATIONAL SERVICE for NATIONAL

AGRICULTURAL RESEARCH (ISNAR)



AGRICULTURAL RESEARCH POLICY SEMINAR

APRIL 15-25, 1985

Proceeding for Modules I and II

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TALKING POINTS

1985 AGRICULTURAL RESEARCH POLICY SEMINAR

THESE REMARKS ARE DIVIDED INTO THREE PARTS. FIRST OF ALL, I WILL BRIEFLY DESCRIBE THE AGRICULTURAL RESEARCH SERVICE AND STATE THE MISSION OF THE AGENCY. SECOND, I WILL DISCUSS THE CIRCUMSTANCES THAT SURROUNDED THE ARS PLANNING EFFORT--OUR PROGRAM PLAN. THEN, I WILL CONCLUDE WITH SOME OBSERVATIONS ABOUT THE PLANNING PROCESS.

1. THE AGRICULTURAL RESEARCH SERVICE IS THE PRINCIPAL SCIENTIFIC RESEARCH AGENCY OF THE U.S. DEPARTMENT OF AGRICULTURE.

- * OUR MANY FACILITIES--139 LOCATIONS VARYING IN SIZE--ARE LOCATED STRATEGICALLY ACROSS THE MAJOR FARM AND RANGE-LAND ECOSYSTEMS AND CLIMATIC ZONES OF THE UNITED STATES. THIS NUMBER INCLUDES FACILITIES IN EIGHT FOREIGN COUNTRIES. CONSEQUENTLY, ARS HAS THE ABILITY TO BRING RESEARCH EXPERTISE TO BEAR ON THE SAME NATIONAL PROBLEM IN SEVERAL DIFFERENT GEOGRAPHIC LOCATIONS.
- * OVER 8,500 PEOPLE ARE EMPLOYED BY ARS, AND ABOUT ONE-THIRD OF THIS NUMBER ARE SCIENTISTS AND ENGINEERS WORKING IN RESEARCH. THE REMAINDER PROVIDE TECHNICAL AND ADMINISTRATIVE SUPPORT. THE CURRENT OPERATING BUDGET FOR ARS IS NEARLY HALF A BILLION DOLLARS. OUR APPROPRIATION HAS REMAINED RELATIVELY LEVEL IN TERMS OF CONSTANT DOLLARS OVER THE PAST DECADE.

REMARKS BY DR. THOMAS J. ARMY, DEPUTY ADMINISTRATOR, NATIONAL PROGRAM STAFF, AGRICULTURAL RESEARCH SERVICE, U.S. DEPARTMENT OF AGRICULTURE, BEFORE THE 1985 AGRICULTURAL RESEARCH POLICY SEMINAR, APRIL 15, 1985, MINNEAPOLIS, MINNESOTA.

- * THE MISSION OF THE AGRICULTURAL RESEARCH SERVICE IS TO DEVELOP AND CARRY OUT RESEARCH THAT IS DESIGNED TO PRODUCE THE NEW KNOWLEDGE AND TECHNOLOGIES NECESSARY FOR THE CONTINUED VITALITY OF AMERICA'S FOOD AND AGRICULTURAL ENTERPRISE. AS A FEDERAL RESEARCH AGENCY, ARS (1) ADDRESSES PROBLEMS THAT ARE OF LEGITIMATE NATIONAL CONCERN, (2) CONDUCTS RESEARCH THAT IS APPROPRIATE FOR THE FEDERAL GOVERNMENT, AND (3) EXPLOITS THE UNIQUE CAPABILITIES OF ARS SCIENTISTS AND THE FACILITIES THEY OPERATE. THIS COMBINATION FORMS AN INTEGRATED AND COORDINATED NATIONAL RESOURCE THAT IS NOT DUPLICATED BY OTHERS IN THE ENTIRE U.S. AGRICULTURAL RESEARCH AND DEVELOPMENT SYSTEM.

2. ABOUT FOUR YEARS AGO, WE DECIDED TO PLAN FOR THE FUTURE IN TERMS OF A FIXED-SIZE ORGANIZATION, RATHER THAN AN EXPANDING ORGANIZATION.

- * WE GOT A LOT OF ENCOURAGEMENT TO RECHART THE COURSE OF THE AGENCY.

- o JULY 1981, A GENERAL ACCOUNTING OFFICE STUDY CONCLUDED THE U.S. AGRICULTURAL R&D SYSTEM DOES NOT PERFORM NATIONAL LONG-RANGE PLANNING AND THE USDA/STATE PROGRAMS ARE INDEPENDENTLY PLANNED.

- o DECEMBER 1981, THE OFFICE OF TECHNOLOGY ASSESSMENT SUBMITTED A STUDY WHICH NOTED THAT THE USDA EXPENDITURES ARE PROPORTIONATELY THE SMALLEST OF ANY MAJOR FEDERAL RESEARCH AGENCY.
- o THE WINROCK CONFERENCE, HELD TWO AND A HALF YEARS AGO, PROVIDED A SUMMARY OF KEY ISSUES CONFRONTING THE AGRICULTURAL RESEARCH COMMUNITY. THE RESEARCH COMMUNITY WAS CHARACTERIZED AS "PREOCCUPIED WITH INSTITUTIONAL PROTECTION AND MAINTENANCE."
- * THERE WERE OTHER FACTORS THAT EMPHASIZED THE NEED FOR A NATIONAL RESEARCH PROGRAM PLAN THAT WOULD CONTRIBUTE TO THE LONG-TERM STABILITY OF AMERICAN AGRICULTURE.
 - o OVERLAPPING ROLES OF FEDERAL, STATE AND PRIVATE SECTORS.
 - o WORKING ON TOO MANY THINGS AT TOO MANY LOCATIONS.
 - o RESTRAINTS ON RESEARCH BUDGETS BECAUSE OF THE STATE OF THE ECONOMY.
 - o COMMODITY SURPLUSES INCREASE EXPORT NEED.
 - o HIGHER FARM COSTS MEAN LOWER PROFITS.
 - o DWINDLING RESOURCE BASE.
 - o OUR BASIC KNOWLEDGE STOREHOUSE BEING DEPLETED.
 - o NEW ERA OF BIOTECHNOLOGY, POTENTIAL BREAKTHROUGHS SIGNIFICANT TO AGRICULTURE.

- * A YEAR AGO, THE O'KANE REPORT WAS SUMMARIZED IN THE CONGRESSIONAL RECORD. THE REPORT HAD BEEN CONDUCTED AT CONGRESSMAN WHITTEN'S REQUEST.
 - REPORT SAID ARS HAS BEEN IN A DECLINE.
 - REPORT FAULTED ARS FOR LACK OF NATIONAL LEADERSHIP GOALS.
 - REPORT SAID ARS LACKS PRIORITIES AND ACCOUNTABILITY.
 - REPORT SAID PUBLISH-OR-PERISH SYNDROME HINDERS SCIENTIFIC INVESTIGATIONS.
 - REPORT SAID ARS IS IN NEED OF A TECHNOLOGY TRANSFER UNIT.

- * I SUGGEST THAT ARS WAS THE WHIPPING-BOY BECAUSE IT'S IMPOSSIBLE TO TAKE ON ALL THE LAND-GRANT UNIVERSITIES. I SUGGEST THAT ARS HAS TAKEN THE BRUNT OF THE CRITICISM, BUT THE CRITICISM IS NOT SPECIFIC TO MY AGENCY. IT IS A CRITICISM OF THE WHOLE AMERICAN AGRICULTURAL RESEARCH SYSTEM. BUT WHEN IT COMES TO CRITICISM, ARS HAS BEEN THERE.

- * SO, PARTIALLY IN RESPONSE TO THESE PRESSURES AND OBSERVATIONS, WE DECIDED THAT ARS WOULD BE MANAGED BY A NATIONAL PLAN--NOT BY A COMPENDIUM OF PLANS--AND THAT NATIONAL PLAN WOULD INCORPORATE A CONSTANT DOLLAR OR FLAT BUDGET PROJECTION AS THE UNDERLYING ASSUMPTION.

- * LET ME NOW BRIEFLY DISCUSS THE ARS PLANNING PROCESS.
BEGINNING IN THE FALL OF 1981, THE PROGRAM PLAN WAS DEVELOPED WITH CONTRIBUTIONS FROM MORE THAN 500 ARS SCIENTISTS IN CONSULTATION WITH COLLEAGUES FROM THE UNIVERSITIES AND INDUSTRY. THE PLAN CHARTS THE APPROACH FOR THE SHORT- AND LONG-TERM NEEDS OF THIS AGENCY. THE CONCEPT OF THE PLAN IS DYNAMIC. I ASKED FOR A PLAN THAT WOULD:
 - O SELECT THE HIGHEST PRIORITY AGRICULTURAL NEEDS.
 - O SHOW THAT WE KNOW WHERE WE ARE HEADED AND WHAT WE EXPECT TO ACCOMPLISH.
 - O MAKE THE BEST USE OF OUR RESOURCES: BUDGET, PEOPLE, FACILITIES, AND NATIONAL ORGANIZATIONS.
 - O BE APPROPRIATE FOR OUR FEDERAL ROLE AND COMPLEMENTARY TO STATE AND PRIVATE RESEARCH PERFORMERS.
 - O THE ARS PLAN IS DESCRIBED IN THE TWO DOCUMENTS PROVIDED WITH YOUR SEMINAR WORKING PAPERS.
- * THIS LONG-RANGE PLAN WAS PUBLISHED IN JANUARY 1983. IT ESTABLISHES GOALS FOR ARS RESEARCH AND SPECIFIES OBJECTIVES AND APPROACHES FOR REACHING THOSE GOALS OVER A LONG TIME SPAN--THE NEXT 20 TO 50 YEARS.

- * THE PROJECTS IN THE PROGRAM PLAN REFLECT OUR EMPHASIS ON MISSION-ORIENTED, FUNDAMENTAL, LONG-RANGE, HIGH-RISK RESEARCH. THE PLAN INCLUDES SIX OBJECTIVES THAT FORM THE ARS PROGRAM STRATEGY:
 - O RESEARCH TO IMPROVE SOIL AND WATER CONSERVATION,
 - O PLANT PRODUCTIVITY,
 - O ANIMAL PRODUCTIVITY,
 - O COMMODITY CONVERSION AND DELIVERY,
 - O HUMAN NUTRITION, AND
 - O INTEGRATION OF SYSTEMS.

- * IN FEBRUARY OF 1983, THE 6-YEAR IMPLEMENTATION PLAN WAS PUBLISHED. IT SPECIFIED THE AREAS OF RESEARCH WHICH ARS WOULD EMPHASIZE AND DE-EMPHASIZE IN THE SHORT-TERM FUTURE--TO THE END OF THIS DECADE.
 - O INTENDED INCREASES IN FUNDING WERE EQUALED BY INTENDED DECREASES IN FUNDING.
 - O THIS CONSTANT DOLLAR FUNDING ASSUMPTION FORCED THE VERY DIFFICULT DECISIONS THAT HAD TO BE MADE. THE DOCUMENT PROVIDES THE BASIC GUIDANCE FOR YEAR-TO-YEAR BUDGET DEVELOPMENT AND RESEARCH PLANNING.

- * THE PROGRAM PLAN REPRESENTS FAR MORE SCIENCE THAN ARS HAS THE RESOURCES TO MANAGE AT ANY ONE TIME. THE PLAN PROVIDES A FRAMEWORK FOR CHOOSING THE HIGHEST PRIORITY RESEARCH.

- * THE CHANGES RESULTING FROM THE 6-YEAR IMPLEMENTATION PLAN WILL REDIRECT FUNDS FROM SOME LOWER PRIORITY RESEARCH AREAS:
 - O INCREASES EFFORTS IN SOIL AND WATER, PRODUCT-USE (POST-HARVEST), HUMAN NUTRITION, AND AGRICULTURAL SYSTEMS.
 - O SHIFTS CROPS AND ANIMAL PRODUCTION RESEARCH TO BROADEN THE BASE OF FUNDAMENTAL KNOWLEDGE, FROM GENETIC ENGINEERING TO THE BIOTECHNOLOGIES.
 - O SHIFTS ARE NOT REGARDED AS A REDUCTION OF EMPHASIS IN CROP AND ANIMAL PRODUCTION. THE INCREASED RESEARCH EMPHASIS ON SOIL AND WATER, PRODUCT USE, HUMAN NUTRITION, AND AGRICULTURAL SYSTEMS WILL BENEFIT CROP AND ANIMAL PRODUCTION. ANY BUDGET INCREASES WILL MEAN ACTUAL INCREASED DOLLARS FOR RESEARCH ON ALL SIX OBJECTIVES.

- * THE PLAN SEEKS PRODUCTION EFFICIENCY GAINS THAT LOWER THE COST OF PRODUCTION AND INCREASE THE DOLLAR VALUE RECEIVED BY FARMERS FOR THEIR PRODUCTS, RATHER THAN INCREASING PRODUCTION ALONE.

- * THE 6-YEAR PLAN REQUIRES SIGNIFICANT CHANGES IN THE MAKEUP OF ARS PROGRAMS. THE PLAN FOCUSES ON REDIRECTION RATHER THAN INCREASES IN APPROPRIATED FUNDS. ADJUSTMENTS WILL BE MADE SYSTEMATICALLY FOR THE BALANCE OF THE DECADE.

- * THE PLAN HAS ALREADY DRAMATICALLY RESTRUCTURED THE AGRICULTURAL RESEARCH SERVICE.
 - o THE 4 GEOGRAPHIC REGIONS OF THE AGENCY HAVE BEEN REALIGNED AND THE AREAS AND CENTERS HAVE BEEN REDUCED IN NUMBER FROM 25 TO 11.
 - o SAVINGS REALIZED FROM REDUCED PERSONNEL SLOTS WILL BE USED TO EXPAND OUR HIGH PRIORITY RESEARCH.

- * SINCE JUNE 1981, ARS HAS REDUCED OVERHEAD BY ALMOST 12 MILLION DOLLARS. PUT IN OTHER TERMS, OVERHEAD COSTS ARE NOW ABOUT 10 PERCENT OF OUR BUDGET.
 - o LESS THAN 3 YEARS AGO, THEY AMOUNTED TO OVER 15 PERCENT.
 - o BY USING THESE AND OTHER MANAGEMENT-DERIVED FUNDS, ARS WILL PERMANENTLY INCREASE ITS RESEARCH PROGRAMS BY APPROXIMATELY 15.5 MILLION DOLLARS. A MAJOR PORTION OF THESE FUNDS IS BEING TARGETED FOR BIOTECHNOLOGY RESEARCH PROGRAMS.

- * IT IS THE TASK OF MANAGEMENT TO REVIEW EVERY PROJECT PERIODICALLY TO MAKE SURE THE HOPED-FOR RESULTS WILL BE WORTH THE CAPITAL INVESTMENT.
 - o SUCH DECISIONS FREQUENTLY MEAN MOVING MONEY AND PEOPLE AROUND--NEVER VERY POPULAR WITH THE PEOPLE CONCERNED.

- * IN GETTING THE MAXIMUM USE FROM EVERY RESEARCH DOLLAR, THE FUTURE PRESENTS AT LEAST AS GREAT A CHALLENGE FOR MANAGERS AS IT DOES FOR RESEARCHERS WHO ARE CARRYING OUT THE SCIENTIFIC OBJECTIVES.

3. Now, I want to make some general comments about the strategy for developing acceptance for a plan and the planning process.

- * FIRST OF ALL, IT IS NECESSARY TO CREATE AN ATMOSPHERE THAT IS CONDUCTIVE TO ACTION.
 - O ARS OWES A DEBT OF GRATITUDE TO THE CRITICS. IF IT HADN'T BEEN FOR ALL THOSE STUDIES AND REPORTS ARTICULATING OUR PROBLEMS WITH NUMBING REGULARITY, AN ATMOSPHERE MIGHT NEVER HAVE BEEN CREATED WHICH PROMPTED A COORDINATED PLANNING EFFORT.
- * SECOND, IT'S NECESSARY TO DEVELOP A LOGICAL PROCEDURE FOR CREATING THE PLAN. BUT THE MOST LOGICAL PROCEDURE WILL PROBABLY NOT BE ACCEPTED BY SPECIAL INTERESTS WHO SEE THEMSELVES AT A DISADVANTAGE. "WHOSE OX IS GOING TO BE GORED?"
 - O THERE WILL BE WINNERS AND LOSERS. IN THE PROCESS, THE PLAN BECOMES AN ORPHAN--UNCLAIMED AND UNLOVED.
- * WE KNEW THOSE WHO WERE GOING TO LOSE WOULD DO EVERYTHING POSSIBLE TO DEFEND THEIR ACTIVITY AND BE UNSUPPORTIVE OF THE PLANNING PROCESS.

- O BUT WE DIDN'T REALIZE THAT THOSE WHO WERE GOING TO WIN WOULD BEHAVE IN A VERY QUIET AND PASSIVE MANNER, AND ALSO FAIL TO SUPPORT THE PROCESS--LIKE A POKER PLAYER WITH FOUR-OF-A-KIND IN HIS HAND. FRANKLY, TO USE THE PHRASE OF THE IMMORTAL SAM GOLDWYN, "WE WERE UNDERWHELMED."

- * WHEN OUTSIDE POLITICAL INTERESTS ARE BROUGHT IN, WE WONDER IF IT IS WORTH THE EFFORT.

- O BUT THE EFFORT IS WORTH IT. IT CAN BE DONE, AND ULTIMATELY LOGIC AND PERSISTENCE WILL PREVAIL.
- O CREDIBILITY GETS SUPPORT--IT'S AS SIMPLE AS THAT.

- * FOUR POINTS ARE NECESSARY TO THE PLANNING PROCESS:

- O CLEARLY REVIEW, DEFINE AND EXPRESS THE MISSION OF THE ORGANIZATION--ANY RESEARCH ORGANIZATION.
- O SECOND, DEVELOP CRITERIA TO BE USED IN EVALUATING THE RESEARCH IN THE PROGRAMS. "DOES THE PROGRAM FIT WITHIN THE MISSION?"
- O THIRD, DEVELOP CRITERIA THAT DETERMINE WHETHER THE PROGRAM ENJOYS A HIGH PRIORITY WITH USERS. ESTABLISH A CLOSE WORKING RELATIONSHIP WITH USER GROUPS.
- O FINALLY, DEVELOP CRITERIA TO DETERMINE THE POTENTIAL FOR SUCCESS.

- * INCREASED SUPPORT WILL COME ONLY WHEN WE CAN ASSURE OUR USERS AND OUR LEADERS--AT THE STATE AND FEDERAL LEVELS--THAT WE KNOW THE PROBLEMS AND WE ARE WORKING ON SOLUTIONS WITH LEAN AND EFFICIENT ORGANIZATIONS. I CAN ASSURE YOU THAT PROBLEM-ORIENTED PROGRAMS THAT ARE PRODUCTIVE, WELL-DESIGNED, AND EFFICIENTLY ORGANIZED WILL ATTRACT SUPPORT!