SOIL CONSERVATION SOCIETY OF AMERICA

To advance the science and art of good land use

STATEMENT BY

SOIL CONSERVATION SOCIETY OF AMERICA

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PROGRAM AND POLICY CHOICES

IN

AGRICULTURAL CONSERVATION

Mr. Chairman, members of the Joint Economic Committee, fellow panelists (both #1 and #2), as we have heard the many excellent witnesses in the six hearings held since May 19, everyone must be impressed, some even awed, with the broad array of issues involved in forging future public agricultural policies that will best serve U.S. citizens. Adding agricultural conservation and financing in the 1980's as you are doing today and tomorrow, is most desirable. These two days will further verify that there are no simple solutions to complex problems. However, "Post-PIK" policy must be considered while there is time, and we agree that "USDA doesn't have all the answers". You may well ask who does?

We will come away from this timely series of hearings with a better knowledge of agriculture -- our largest and most productive industry -- and its many problems. I have listened to many of the experts and how they answered your questions. I have studied the hearing transcripts.

I have 10 observations to make in about 10 minutes. (I would ask that my full statement be made part of the record.)

1. Farm policy until now is primarily economic - not soil conservation.
2. Government and agriculture are linked forever.
3. Farm policy drives soil and water conservation.
4. Scientific & technology unused.
5. Relate the market place and public interest.
6. RCA blue-print plan -- will it work?
7. Relate land use to land capabilities.
8. SCSA - advocates of the Science & Art of good land use.
9. Gloom and doom - NRI '82.
10. PIK -- RCA

First, soil conservation until this morning was seldom mentioned in the prepared statements. Farm policy, to the average listener of prior hearings, is structured as the Farm Bill of 1981 states to provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, continue assistance to low-income households, and for other purposes.

Some have expressed the need for relating farm, food foreign, and rural development policy. The major shaping of the next generation of farm policy -- and so far nobody has suggested a radically different approach -- will relate to surplus management, loan rates, target prices, disaster payments, marketing orders, increasing exports, P. L. 480, credit

and rural development, etc. etc. Soil and water conservation is far down the agenda - but increasingly is being placed in context with the other important actions - we appreciate that fairly recent development.

The May 19 dialogue between Chairman Jepsen and Secretary Block is of importance, and I'll paraphrase from the record for those who didn't hear the exchange:

"Chairman Jepsen. Finally -- [my time is up,] Mr. Secretary, but one last question -- because of economic pressures and restrictions at the individual farm level, water and soil conservation practices have become viewed as luxuries. I can't help but note, as chairman of the soil conservation subcommittee, that there was no mention of soil conservation in your remarks today with regard to the where are we going with the farm policy in this country.

What role do you see the Department of Agriculture playing in encouraging or perhaps even requiring the application of conservation practices? And what is your feeling about requiring farmers to comply with some level of minimum conservation standards if they receive federal assistance for their farming operations?

Secretary Block. Mr. Chairman, I am a great advocate of soil and water conservation.

Chairman Jepsen. I know you are.

Secretary Block. [And] I do believe that we are making a lot of progress in rural America on soil and water

conservation. It is my personal feeling that farmers should comply with some minimum soil conservation standards on their farm if they benefit from federal farm programs. I have felt that for sometime. I'm not firmly convinced that the time is right for that to be implemented. I am pleased that you are holding hearings and that you are addressing that issue in your hearings.

I am going to be interested in what is gleaned from those hearings because that has been my personal opinion for sometime.

I'm not convinced that we have the legal authority to do it, however, although I have told my attorneys that I want to know if we have that kind of authority and what kind of statutory authority."

End of quote.

My second observation is that despite the desire and hope for a market-oriented agriculture, farmers and their governments, especially with their federal government, are linked inextricably. Reluctantly, this off-and-on marriage has finally produced a fairly candid admission that though each (the government and the farmer) would prefer the next generation of farm policy to be one with no (or a minimum) of government intervention, it's probably NOT TO BE. There will continue to be a role for government in agriculture and for soil and water conservation. The quest is to have farm, food, foreign and rural development policies that are more compatible and

directly supportive of soil and water conservation.

A third observation is the importance of accepting farm policy as a significant driving force affecting the conservation of soil and water. The "entitlement" character of farm price supports and farm program spending in contrast to the controllable nature of USDA conservation actions, including research, cost-sharing credit, education, and technical assistance, forces budget decisions at both the public and private levels that postpones til later conservation investments.

It is not only driving land use and conservation - too often in the past, it has been in the wrong direction. In future set-asides, diversions, whatever - need to consider quantity (tons, pounds, etc.; not acres to manage - supply.

Fourth, the wealth of scientific information that is available about the quantity and quality of our natural resource base. We know a great deal more about how to live with the natural world than users now use. There are also findings about conservation problems other than soil erosion such as water quality (including salinity), water supply, upstream flood damage, soil toxicity, and compaction, and fish and wildlife habitat of concern to many.

We'll know more than ever when the 1982 NRI data and evaluations are made public. Hopefully soon!

Fifth, the relationship of the marketplace and the public interest. Traditional views of the marketplace suggest that,

if left alone, the forces of supply and demand will provide an appropriate level of balance in our society. This view holds considerable currency today, simplistic though it may be and in spite of the ubiquitous presence of external diseconomies affecting large portions of our population.

Although the nature of the relationship between natural resources (soil in particular), private sector land users, the public interest, and governmental roles to protect that interest is complex, it is clear that a symbiotic relationship does exist. The major soil erosion concerns for society, in a public interest sense,are significant, although diffuse. These concerns range widely; they include not only maintaining the long-run productivity of soils to ensure a stable source of food and fiber, but environmental quality is also a significant public interest concern resulting from soil erosion.

We agree that we should not stifle the viability of agriculture with too much government. However, soil conservation did not fare well in the open free-for-all market-oriented fence-to-fence-row all-out production campaigns of the early 1970s. The effect of years of dedicated land users using traditional soil conservation programs -- and the ancillary benefits of past farm policy -- that paid farmers to take land out of production to reduce agricultural output almost disappeared during this past decade as farmers patriotically responded to the high export demands and consumer price concerns for agricultural goods.

Then, the recent three-year crunch in the farm economy was not conducive to private investments for long-term soil conservation. The appraisal of resource conditions and trends were disturbing and led to the Resource Conservation Act and a better understanding that the soil conservation aspects of farm policy have too often been a by-product. We feel the time is ripe for an integrated agricultural and conservation program -- one that takes advantage of the cycles of the farm economy to also deliberately do more to protect the nation's soil.

There are those who will be reluctant to endorse this linkage and will label it "cross-compliance." By contrast, we see these dual problems as a great challenge, but are optimistic that they can be met. This will result from government's will to act based on improved and scientific understanding of conservation problems facing the nation's farmers in this decade.

Sixth, the National Program for Soil and Water Conservation - as the blueprint for the future - will it work? Several elements were left out:

During the transition period between Administrations, November 1980 to January 20, 1981, I directed the USDA-RCA staff to consolidate all prior information resulting from then three years of the RCA process. The objective was to put all available resource data, alternatives, public comments, and possible strategies into an RCA "working paper" for the new Secretary and his advisors. When they were ready for the soil

and water conservation issues, we could then provide the options available for their decisions. That "working paper" (RCA document) dated January 28, 1981, listed ten program elements, including the need to establish a complementary relationship between USDA soil and water conservation and farm program objectives. It proposed that farm programs include provisions that would encourage producers to use their land according to its capabilities.

All cropland, including potential cropland now in forest, pasture, range, or other use, would be classified. The National Cooperative Soil Survey would be the basic reference. The three categories would be:

1. Category A. These were soils where sustained annual agricultural production can be attained with no special requirements for use of conservation measures - 53% of the total U.S. cropland acreage falls in this category. (based on '77 NRI)

2. Category B. On these soils, sustained annual agricultural production without excessive erosion can be attained but does require application of approved soil conservation practices, including choice of crops and possibly intermittent production to hold erosion to a tolerable level. Over 42% of the total U.S. cropland acreage falls in this category. ('77 NRI)

3. Category C. Sustained annual production is not possible because these soils have severe limitations that restrict their long-term use to grazing, woodland, wildlife, water supply, or esthetic purposes. Over 5% of the total U.S. cropland

acreage falls in this category. '77 (NRI)

A key point: All lands in Categories A and B would be eligible for inclusion in the future farm programs for commodity loans, purchases and payments, and compatible benefits. However, lands in Category C would be excluded from federal farm program benefits - except in extreme national food supply emergencies requiring all-out production.

The approach would be mandatory for those who get federal assistance.

There are more details to the program element, but the USDA did not develop it further [after I left]. That RCA document is dated January 28, 1981. (I have a copy)

Another element left out but considered in USDA was a recommendation to states to develop and implement State Conservation Practice Acts. The cost to states of doing this was one of the reasons for the grant provision in the Farm Bill of 1981. USDA could have helped match non-federal funds, but no money is yet available.

Seventh observation: USDA has long had a Land Capability Classification System (I-VIII). It provides three major land categories: (1) capability unit, (2) subclass, and (3)class. It is based on the information derived from the Cooperative National Soil Survey. When properly interpreted, land can be labeled, by class, that is best suited long-term for use as forestland, rangeland, grassland for hay or pasture, or, most importantly, land for productive, intensive cropping year after

year. Land permanently covered with vegetation obviously will have lower soil erosion rates than croplands. Therefore, to the extent possible, government programs should require that land be used within its capability and treated in accordance with its conservation needs. The challenge is how to get it done and to have the method accepted in a free society.

First, proposals labeled the "Sodbuster" legislation sponsored by Senator William Armstrong, Rep. Hank Brown and many others has had hearings and should be in place to at least stop further federal subsidies for those highly erodible lands, that by capability class, should not be intensively cropped. SCSA urges early enactment and implementation of this idea whose time has come.

Second, with millions of acres temporarily diverted from producing certain commodities, we should quickly take advantage of every possible means of encouraging those land users who have highly erosive lands to dedicate them to a long term use (grass or trees) that best fits their natural capability. Some have spoken of a voluntary long-term conservation land reserve. The American Farmland Trust (AFT) has offered ideas along this line. A properly implemented program could reduce cropland sheet and rill erosion by about ~~eight~~ 8 billion tons annually. This would be a one-third reduction of 1977 losses - a dramatic start on a long-term land non-degredation policy in this decade.

To put this into a better perspective, a majority of

farmers are either blessed with land that is not highly erodible or they are already taking the necessary conservation measures to reduce soil loss.

Based on the 1977 National Resource Inventory (NRI), 32% (one-third) of the acreage used for cropland (131.6 million acres) suffered annual sheet and rill erosion rates of less than one ton per acre. By contrast, those lands that are intensively used, but based on their physical characteristics should be used to grow grass or trees, contributed nearly one-fifth of the total sheet and rill erosion in 1977. Our priority concern, of course, is the high soil loss on some cropland. About 25 million acres -- 6% of the cropland -- accounted for 43% of the annual cropland sheet and rill erosion in 1977. We will have better information when the results of the 1982 NRI are released later this year.

We know proposals to encourage farming within the land capabilities are not simple, because land use decisions and farming practices ultimately relate to the economics of soil conservation and the welfare of agriculture. Those who would solve the risk of continued soil degradation would first identify and then stop whatever reason triggers the process.

We should be testing the conservation provisions built into the 1981 Farm Bill but little has been done to implement them. Now honed by the conservation possibilities offered under the PIK program, there is a new awareness of the need to key future federal farm programs to resource conservation.

However, to translate that awareness into policy will require support beyond those who generally share a resource management perspective on soil conservation. We look upon soil as a natural resource - at times mismanaged because its long-term value is underestimated by the marketplace.

Eighth observation: The Soil Conservation Society of America (SCSA), founded in 1945, is a non-profit scientific and educational association dedicated since its inception to promoting the science and art of good land use, with emphasis on conservation of soil, water, air, and related natural resources, including all forms of beneficial plant and animal life. Its 13,000 members world-wide include researchers, administrators, educators, planners, technicians, legislators, farmers and ranchers, students, and many others with a profound interest in the wise use of land and related resources.

To this end, SCSA seeks, through Our Journal of Soil and Water Conservation, published six times a year and world renowned for its excellent scientific reporting and thought provoking writings, to educate so that mankind can use and enjoy these natural resources forever.

For nearly four decades, SCSA has been an advocate that a large part of the soil conservation answer lies in better understanding of the science and art of good land use. The key is how to persuade the users of land that the rate of annual soil erosion depends primarily on the physical characteristics of the land itself, and how each acre is used.

We are not original in this thinking. William Penn, in 1963's Fruits of Solitude, said,

"It were happy if we studied nature more in natural things, and acted according to nature, whose rules are few, plain and most reasonable."

and Ralph Waldo Emerson in 1870's Society and Solitude - Farming, who wrote:

"Nature works on a method of all for each and each for all."

and President F.D. Roosevelt, in his message to Congress, January 24, 1933, to establish the Civilian Conservation Corps as a Depression measure to provide work and improve the land at the same time, who stated,

"Men and Nature must work hand in hand. The throwing out of balance of the resources of Nature throws out of balance also the lives of men."

Ninth observation: One would think that by now every possible word has been written and/or spoken on these issues. We may be near the point of overkill with the natural resource data defining the problems, alternative strategies for solutions to the problems, and the consequences of inaction related to the agricultural conservation problems here and abroad. This was supposed to be the decade for action - not more talk.

Recently, though, there has been a renewed attempt to further complicate the conservation issue and confuse the public with statements saying that land for agriculture will not be an "increasingly serious constraint in coming decades"

- that soil erosion is not a problem. They seem to fear information and analysis by governments about what the future holds saying that government is "ill-equipped" to produce sound assessments of long-run future trends concerning resources. Their position is that resource and environmental problems will take care of themselves, without help from government. This despite a world population of over six billion by 2000.

We who are concerned about the future quality of our natural resource base are not salesmen of gloom and doom. We who would reduce or eliminate intramural bickering over facts and trends can serve as intellectual arbiters so that people who do not have easy access to facts, data and scientific insights can better understand the issues - and know how to recognize and when to refute false information and ill-founded conclusions.

We are confident that a great majority of U.S. citizens want their policymakers to have better data, coordination, and analytical capabilities, to be well informed and to expect government to act where appropriate. Fortunately, Congress has, over several decades, enacted laws that are the solid foundation for a variety of conservation actions. Two acts of recent years are:

(RCA)

1. P.L. 95-192 - Nov. 18, 1977 to provide for furthering the conservation, protection and enhancement of the nation's soil, water and related resources for sustained use and for other purpose and,

2. P.L. 97-98 - Dec. 22, 1981 - Title XV - Subtitle A - stating that Congress hereby reaffirms its policy to promote soil and water conservation, improve the quality of the nation's waters, and preserve and protect natural resources through the use of effective conservation and pollution abatement programs.

"Governments" at all levels -- in varying degrees -- have promoted soil conservation for 50 years; billions of private and public monies have been spent to cope with man-caused soil erosion, and for the most part practical and proven technologies are widely known and available for bringing soil losses down to tolerable levels. There has been good progress, but for each step forward, we seem to fall back two. Why do we still have difficulty solving this seemingly intractable problem?

While directing USDA soil and water conservation programs delegated to the Soil Conservation Service and its great corps of career conservationists, we were dedicated to carrying out the laws of the land. We never had adequate local resources to fully cope with all the requests made voluntarily to their local conservation districts, from land users and rural communities for assistance on their soil and water problems. Resources will always be limited and soil and water conservation is a continuing task as long as man manipulates the environment. I have long commended those thousands of land users who are stewards of the land and strive to do more; with or without help from government.

As I mentioned, the Resource Conservation Act of 1977 process finally produced "the National Program for Soil and Water Conservation" late last December. Even if it were to be funded at the Upper Bound (and the Administration's budget is well below the Lower Bound of $735 million per year set for FY 1984 through FY 1988), their soil and water conservation programs would reduce soil erosion by less than 1% per year.

Tenth observation: That same Administration -- at virtually the same time -- launched the payment-in-kind (PIK) program.

This most massive intervention of our federal government influencing the land use decisions of millions of individual producers to align supply and demand of wheat, corn, rice, cotton, and grain sorghum and to staunch farm support budget costs that are expected to hit $21 billion this year-was launched with a soil conservation halo.

Yet nowhere in the RCA document is there any reference to PIK. It's as though these two USDA programs for land users came from two separate worlds. It is the most recent confirmation that commodity and conservation policy run on separate tracks; sometimes in opposite directions.

The 1983 land use and production adjustments, although now only temporary, should benefit soil conservation this year. It depends upon how it is managed. I understand there will be some oversight at the local level on soil conserving uses of the idle lands. Had the RCA and PIK been tightly coupled,

offered in tandem in planning and implementation with the needed forethought and crosswalk and had there been provisions for some needed land use shifts to be long-term, the gains for soil and water conservation would have been dramatic in this decade. I hope we have not missed what appeared to be a golden, once-in-a-lifetime opportunity. PIK is apt to cost more than surplus grain and cotton, and financial support subsidies. It could further damage government's credibility to act in a responsible manner, and properly consider the public cost of any policy proposed in the face of record budget deficits.

Mr. Chairman, I request that the "Cost of PIK" information on pages 376 and 377 of Part 8 of the USDA Hearings before a House of Representatives Subcommittee on Appropriations for Agriculture, Rural Development, printed for the use of the Committee on Appropriations, be made a part of the record of this hearing.

The public is only now beginning to read that farm policy programs costs are up 75% in FY 1983 from FY 1982. In addition, the USDA is expected to dispense at least $12 billion of commodities in the PIK program. Even more confusing must be the "Plant for PIK" campaign recently aired, that states selected wheat and cotton farmers, under PIK, will get to sell their commodities twice: to the government and on the cash market.

The irony - and the danger for improved soil and water conservation programs in the future - is that the full costs of

present farm programs will fall due at the very time the next generation of farm policy is being enacted. Soil conservation and its costs unfortunately have always been postponed.

Resource conservation legislation helps pull through the other needs, but is never entitled! If nothing else, though, PIK proves again that the market cannot be consistently relied on for all of agriculture's needs, and that includes soil erosion reduction.

We must make more certain than in the past, that farm programs, by design and action, buy more soil and water conservation than they do now.

The SCSA appreciated this opportunity to testify. We look forward to working with you in the future. We will be pleased to respond to any questions. We'll help you in any way that we can as you shape the next generation of farm policy that will take us through this decade.