

**WIREC Agriculture, Forestry, and Rural Development
Washington, D.C.
March 5, 2008**

**Thomas C. Dorr
Under Secretary for Rural Development**

Plenary B Agriculture, Forestry and Rural Development

- **Moderator: Thomas Dorr**, Chairman, Secretary's Energy Council, Under Secretary for Rural Development, United States Department of Agriculture
- **Speaker: Chuck Conner**, Deputy Secretary of Agriculture, United States Department of Agriculture
- **Speaker: Marcos Jank**, President and CEO, Brazilian Sugar Cane Industry Association (UNICA)
- **Speaker: Andrzej Dycha**, Under Secretary of State, Ministry of Agriculture and Rural Development, Republic of Poland
- **Speaker: Richard Tolman**, CEO, National Corn Growers Association
- **Speaker: Honorable Arthur Cua Yap**, Secretary, Department of Agriculture, Republic of the Philippines

Good morning, and welcome. Thank you, Harry [Baumes], for that very kind introduction.

Before beginning, I would like to acknowledge the enormous personal contribution that Dr. Baumes has made to WIREC 2008. As chairman of the WIREC Agenda Committee, he was one of the principal members of the Inter-Agency Working Group that planned this conference.

Many people have contributed to WIREC but if there is a single individual whose fingerprints are on all the important details, that person would probably be Harry Baumes. I might add that we're very proud he is one of our people at USDA. Harry, thank you.

It is a distinct pleasure to be with you this morning to introduce a truly distinguished panel on "Agriculture, Forestry, and Rural Development."

Our speakers and topic this morning reflect a world that is growing steadily smaller and more interconnected. I am a lifelong farmer and businessman. Prior to taking an inherently temporary job in Washington, D.C. six years ago, I had spent the previous 30 years growing corn, soybeans, and hogs in northwest Iowa.

When I came to Washington, I knew a great deal about agriculture but frankly had very little idea that USDA Rural Development had an international dimension. I have since learned differently. So have we all.

The factors driving a “Rural Renaissance” in the United States are in fact transnational in character ... the end of the Cold War and the globalization of the economy ... broadband and distributed computing ... improving diets as hundreds of millions of people move into global middle class... and last but not least, the renewable energy revolution.

All of these things are interconnected. They translate into growing demand for agricultural commodities, both for food and for feedstocks. They offer historic opportunities, both on and off the farm, for economic growth, jobs, and wealth creation in rural areas.

Biofuels are now driving corn and soybean prices. Wind, because of its siting requirements, is an essentially rural resource. Solar power has important urban applications, but utility-scale solar development as well as off-grid applications will also be largely rural.

The impacts are large. In the United States, to take just one measure, farm equity has more than doubled to \$2 trillion in the last decade. That is an amount larger than the GDP of all but the world's six largest countries.

Renewable energy is not the only reason, but it is a major reason. And we are barely scratching the surface. If 20 or 30 years from now the United States can displace a billion barrels of imported oil with biofuels, that alone is a new market larger than today's net farm income. Again, the potential impacts are very large.

Taking advantage of these opportunities ... and maximizing the benefit for rural residents ... is our topic this morning. This involves many issues. The technical potential of renewable energy resources is just the beginning of the discussion.

Renewable energy involves inherently distributed resources. Biofuels, for example, will require the development of a new transportation infrastructure to gather feedstocks and move product to distant markets. It will require new information systems infrastructure ... broadband and distributed computing ... to integrate distributed wind and solar resources into the grid ... to efficiently gather and manage distributed

biomass resources ... and to accurately price resources in a dynamic and highly decentralized networked system.

It will challenge rural investors and traditional rural lenders to step up to new opportunities and new lines of business. Patterns of ownership make a difference. If we want to maximize the benefit to rural residents, equity ownership and rural wealth creation are tangible considerations.

Finally, the build-out of renewable energy will challenge governments to address the logistical, regulatory, and tax issues underlying the emergence of not one, but several, major new industries.

These are significant challenges. With us today to discuss them are five outstanding advocates and leaders for renewable energy:

- **Speaker: Chuck Conner**, Deputy Secretary of Agriculture, United States Department of Agriculture
- **Speaker: Marcos Jank**, President and CEO, Brazilian Sugar Cane Industry Association (UNICA)
- **Speaker: Andrzej Dycha**, Under Secretary of State, Ministry of Agriculture and Rural Development, Republic of Poland
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Chuck Conner

Our first speaker, Chuck Conner, is Deputy Secretary of Agriculture, United States Department of Agriculture. Born and raised on a family farm in Benton County, Indiana, Deputy Secretary Conner has spent his professional life in the service of American agriculture:

- **For many years on Capitol Hill as a senior staff aide in the United States Senate;**
- **In the private sector as President of the Corn Refiners Association;**
- **In the White House as Special Assistant to President Bush for Agricultural Trade and Food Assistance;**
- **And for the last three years as Deputy Secretary and Acting Secretary of Agriculture.**

U.S. farm policy is complex, but there is no one ... I repeat, no one ... more expert in the intricacies of farm policy ... or more committed to agriculture and rural America. It has been a privilege for me to work

with Deputy Secretary Conner over the last three years, and I am glad he is able to join us today. Please welcome Deputy Secretary Chuck Conner.

Marcos Sawaya Jank

Marcos Sawaya Jank is President and CEO of the Brazilian Sugar Cane Industry Association (UNICA). Founder and Former President of the Brazilian Institute for International Trade Negotiations (ICONE), Dr. Jank also serves at the University of Sa~o Paulo as (1) Associate Professor at the School of Economics and Business and (2) Coordinator of Research and Graduate Courses at the Institute for International Relations.

Dr. Jank has served both the Government of Brazil and a number of major international organizations in senior leadership and consulting roles. He is also no stranger to Washington and the United States, having worked in Washington with the International Development Bank and as a visiting researcher at Georgetown University and the University of Missouri-Columbia.

Please join me in welcoming Dr. Marcos Jank.

Andrzezej Dycha

No discussion of agriculture, forestry, and rural development could be complete without a European perspective. Our next speaker, Andrzej Dycha, serves as the Under Secretary of State for Agriculture and Rural Development in the Republic of Poland.

Prior to assuming his duties at the Department of Agriculture, Mr. Dycha distinguished himself in a series of portfolios with the European Parliament in Brussels. His significant responsibilities have included work on agricultural and environmental issues as well as broader budget and political questions. Today he is a leader on questions involving the modernization of Polish agricultural and its implications for rural development.

I have had the privilege in the past couple of years of participating in a number of OECD and EU discussions of rural development, and I am delighted to welcome Under Secretary Dycha for a return visit here.

Under Secretary Dycha, we are glad to have you with us today.

S. Richard (Rick) Tolman

I have had the privilege of knowing our next speaker, Rick Tolman, for many years. Mr. Tolman serves as Chief Executive Officer of the National Corn Growers Association. Its mission is to create and increase opportunities for corn growers.

NCGA represents more than 32,000 individual members in 47 states, 48 affiliated state organizations and hundreds of thousands of growers who contribute to state checkoff programs. It is a leading advocate for sustainable agriculture, ethanol, and the carbohydrate economy.

Mr. Tolman has also served on the USDA Agricultural Trade Advisory Committee for grains and oilseeds, as Chairman for the Midwest Area River Coalition (MARC 2000). He has been appointed as a member of the Society of Industrial Leaders and to the Gerson Lehman Group Councils as an expert on agriculture. He also has served as a guest researcher with the Japan Science and Technology Agency.

It is my great privilege to welcome Mr. Rick Tolman.

The Honorable Arthur Cua Yap

A lawyer by profession , The Honorable Arthur Cua Yap serves currently as Secretary of the Department of Agriculture in the Republic of the Philippines.

Prior to being appointed to the Department of Agriculture by President Arroyo, Secretary. Yap led a turnaround of the financially troubled Philippine International Trading Corporation and served as Administrator of the Philippine National Food Authority from 2002 to 2004.

As Secretary of Agriculture, he has marshaled the Department's resources behind the five (5) pillar program: completion of more irrigation and road infrastructure; access to technology; extension services and rural credit; building post-harvest drying and storage facilities for in farm production use; and access to domestic and international markets.

Secretary Yap is a strong advocate of sustainability and profitability for farmers. Please join me in welcoming the Honorable Arthur Cua Yap.