## Europe Rural Development Tour Delegation Talk July 7, 2008

## Thomas C. Dorr Under Secretary for Rural Development

Good evening. Welcome, and thank you for joining us. We're going to have a great week ... a busy week ... and I'm very glad you are able to be with us. And thanks to the Farm Foundation and the Kellogg Foundation for all they've done to make this trip possible.

Before I begin I would also like to express my appreciation for our very gracious hosts at the German Marshall Fund. I have had the opportunity over the past couple of years to participate in several GMF forums ... on both sides of the Atlantic ... and GMF is doing exceptional work in promoting a responsible dialogue on issues of mutual concern.

Joe Guinan and his team ... especially Trees Robiyns and Courtney
Phillips-Youman ... have done a truly extraordinary job in arranging
the itinerary, handling the logistics and financing, and working with the
people at OECD and the EU to make this happen. Joe ... Trees ...
Courtney ... thank you.

Finally, I would also like to thank Chuck Fluharty and the folks at RUPRI for their assistance, as well as my good friend Al Johnson and my staff at USDA Rural Development and thank all of you rural and agriculture leaders.

It is easy for someone like me to lie in bed and scratch out a few thoughts about something like a Rural Opportunity Tour, but it takes a team led by people like Al to pull them together. The three Rural Opportunity Tours we've done over the last three years have been resounding successes, and that's a tribute to Al, Susan Stacey... as well as all the folks who stayed back in Washington ... you've all done a tremendous job. Thank you.

Deputy Commissioner Dorino and I first met, I believe, two years ago. It was apparent from the outset that her passion and vision for rural Europe were special. She exemplifies something that is unfortunately rare in government ... the ability to think "outside the box" ... to be constantly alert to changing circumstances, new opportunities, and the

need to challenge old habits, old policies, and old priorities. We're very fortunate that she can be with us this week.

- Not certain of the EU protocol, but certainly aware that her passion and vision for rural Europe were special.
- Not certain if it is appropriate to define this connection as one of "soul Mates", but it clear that our view of the potential of rural was beyond that of the tradtional view developed around that of food, fiber, and more recently even the environment.
- It is amazing how fast a free and industrious people can as
   Julia Simon says create more value and wealth than anyone expects.
- Just look at how quickly, actually less than 20 years after
   WWII it became apparent that the producers of free Europe
   were going to be able to produce surplus food, and poof out
   evolved CAP.
- We've struggled mightly through various rounds of GATT

and now WTO in trying to determine how to cost effectively and culturally create an environment that respects markets, the environment, and the social and cultural backgrounds of our individual countries.

- Essentially as President Bush describes the environment and sustainability....''We acknowledge the need protect the environment. We know it is appropriate to establish some international goals and standards. Yet we will implement our own individual strategies.''
- Thus in our ways I believe we have arrived at a time when both challenges and opportunities (food &fuel) (Internet and renewable energy) have created a unique entrees into recognizing both that the rural pie can grow because relatively new technologies and expanded middle class (global) needs for energy and food have reached a juncture at an opportune time.
- Although I recognize that Director Marino and I may not take

exactly the same approach or even share the same view of the exact nature of these opportunities, we know there is specialness about the time and these situations. We hope to capture whatever we can from these relationships and opportunities.

- So why are we here and what is it we hope to accomplish.
  - Let me say at the outset that I am a farmer from the State of Iowa. I actively engaged in running a family grain business, grain farm, and livestock operation essentially all my life, until coming to Washington to work for President Bush in 2001.
  - From 1977 I read virtually every title of every farm bill through today.
  - I studied the development of CAP, watched the growth of GATT, and observed both the growth in markets and the growth in protection of markets.
  - As determined in our original Agriculture Adjustment Act in

the mid 1930's, the bulk of our policy was predicated on the long held assumption that rural America would engage in the traditionally defined Social Contract of harvesting resources to fuel the industrial revolution, and urban America would provided infrastructure and education opportunities for the common man and woman rising in rural America.

- Even today as back then we continually tend to overlook the outcomes which occur beyond those of the intended. In the case of the AAA we intended to fuel the Industrial Revolution and sustain a rebound in rural America, we just never thought about the fact that we would need to move people to fill the new industrial jobs which were created. Even when that became more and more apparent we simply refused to acknowledge the obvious while we financed the historical.
- Today we are confronted with a similar situation. We, all of us, won the cold war.....price of freedom. We knew middle class incomes would create new demand for food.....we however all overlooked the demand for energy......and

although we all realize that technology, specifically the internet and distribute computing have completely altered the dynamic of the industrial model....we're transitioning to the knowledge model.....we still really refuse to acknowledge the robust changes and opportunities created which allow clever people to retain or return to their rural roots, or perhaps even plant them for the first time.

So it is my hope that we're going to have an opportunity this week to explore these issues ... to learn from and share with our cousins across the water.

My hope this week is that we can reinvigorate the direct dialogue ... farmer to farmer ... producer to producer ... rural leaders to rural leaders at the grassroots level.

We share many similar problems ... and many similar opportunities.

Let's begin again to work together to find solutions. Thank you.