

**Lessons Learned: Leadership Perspectives and Experience on the National  
Costs of Climate Change**

Testimony of Ambassador Terry Branstad  
before the Senate Committee on the Budget

United States Senate

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## **Lessons Learned: Leadership Perspectives and Experience on the National Costs of Climate Change**

Chairman Whitehouse, Ranking Member Grassley, Members of the Committee, I am honored to be invited to testify before you today on the subject of “Lessons Learned: Leadership Perspectives and Experience on the National Costs of Climate Change.”

I have spent my career in public service to the great state of Iowa and the United States of America. Leadership is a privilege that I do not take for granted.

After three terms in the Iowa House of Representatives from 1973 to 1979 and one term as Lieutenant Governor from 1979 to 1983, I served as governor of Iowa from 1983 to 1999 and again, from 2011 to 2017. Iowa's unemployment rate went from 8.5% when I took office to a record low 2.5% by the time I left office in 1999. In my first year as governor, the state budget had a \$90 million deficit. By 1999, Iowa had an unprecedented \$900 million budget surplus.

When I became governor for the second time in 2011, Iowa had a projected deficit of \$700 million. Needless to say, running a deficit was not acceptable on my watch. Once again we turned projected deficits into surpluses, and now, Governor Kim Reynolds is doing an outstanding job of keeping us on the track.

Iowa ended fiscal year 2022 with a surplus of \$1.91 billion in the General Fund, \$830 million in reserve funds, and \$1.06 billion in the Taxpayer Relief Fund. Focusing on the budget, cutting taxes, and instituting growth oriented policy is a proven formula for success.<sup>1</sup>

As Iowa's former Governor, it is clear to me how agriculture can be a significant boon to our economy and can have an enormously positive impact on climate change. America's agricultural leadership gives our farmers a competitive advantage in the global marketplace and the opportunity to lead the world in food and energy marketplaces.

The agricultural potential of the world is virtually untapped. Plants – including corn, wheat, and rice – are not just essential to feeding the world's population; they are also the Earth's best batteries and Nature's best solar panels. Researchers at the Carnegie Institution and Stanford University estimate that up to 1.8 million square miles of abandoned lands globally, equivalent to nearly half the land area of the U.S., could be available for growing energy crops.<sup>2</sup>

The most significant opportunities for agriculture in the U.S. to bring down emissions are increasing yields on existing cropland, utilizing abandoned cropland effectively, and unleashing the power of renewable biofuels.

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<sup>1</sup> <https://governor.iowa.gov/press-release/2022-09-27/gov-reynolds-announces-iowa-budget-surplus-191b-significant-drop-top#:~:text=Fiscal%20Year%202021's%20budget%20surplus%20was%20%241.24%20billion.>

<sup>2</sup> <https://www.sciencedaily.com/releases/2008/06/080623113722.htm>

U.S. crop yields have skyrocketed thanks to continuous innovations in precision farming and seed technology, coupled with good old-fashioned American ingenuity. According to the USDA, “even as the amount of land and labor used in farming declined, total farm output nearly tripled between 1948 and 2019.”<sup>3</sup>

Farming practices, such as strip-till, no-till, and cover crops, are quickly expanding across the Midwest and becoming more profitable – because reducing fertilizer reduces input costs for farmers and increases crop yields.

Today, one bushel of corn can produce 2.9 gallons of ethanol fuel, 15 pounds of animal feed (for dairy, beef, swine, poultry, and even aquaculture), or 16 pounds of captured biogenic carbon dioxide (for bottling, dry ice wastewater treatment, and other uses). This ethanol reduces lifecycle greenhouse gas emissions by 46% compared to gasoline.<sup>4</sup> Once again, we can reduce our emissions and improve our economic standing at the same time. Alarm is not the answer.

As a country, we should support energy diversity and development of all domestic resources, creating an "all of the above" energy strategy. Wind energy provides 60 percent of Iowa's electricity. I signed Iowa's pioneering Renewable Portfolio Standard (RPS) back in 1983. This standard directed Iowa utilities to incorporate renewables into the state's energy mix, and it continues to drive billions in private investment in Iowa. The use of renewables can help us build our manufacturing base, create jobs, lower energy costs and strengthen our energy security.

My experience as U.S. Ambassador to China put Iowa's economic success into greater perspective. I have visited the former Soviet Union and China, and I have seen the disaster that socialism left behind. Free enterprise and limited government are absolutely critical for economic vitality.

China is the world's largest greenhouse gas emitter, and its water and air quality are extremely poor. The actions that the Chinese government have taken against the people in Hong Kong and the continued mistreatment of the Uighurs is unconscionable.

I look forward to today's conversation.

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<sup>3</sup> <https://www.ers.usda.gov/data-products/ag-and-food-statistics-charting-the-essentials/farming-and-farm-income/>

<sup>4</sup> [https://afdc.energy.gov/files/u/publication/2022\\_ethanol\\_industry\\_outlook.pdf](https://afdc.energy.gov/files/u/publication/2022_ethanol_industry_outlook.pdf)