

# Farm Futures

## Bringing Agriculture Back to U.S. Foreign Policy

*Catherine Bertini and Dan Glickman*

IT IS NOT easy for Americans to understand the starvation that afflicts much of the developing world. Families in the poorest parts of Africa and Asia spend up to 80 percent of their incomes on food; for the average U.S. household, that would mean an annual grocery bill of \$40,000. Yes, there are hungry Americans in the millions, and the U.S. food-stamp program is operating at record levels. But hunger in the United States does not put tens of thousands of infants into hospitals and require them to be hooked up to feeding tubes. Nor does it lead to stunting, wasting, and debilitating forms of malnutrition, such as kwashiorkor and marasmus.

Yet even if Americans strain to comprehend the depth of hunger that plagues much of Africa and Asia, they do care about it. They know that chronic hunger among Afghans, Congolese, or North Koreans can pose a threat to their national security. Surveys conducted by the Pew Research Center have consistently revealed that Americans want to make ending hunger and poverty a priority for U.S. foreign policy. A recent survey conducted by the Chicago Council on Global Affairs showed that the American public feels

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aid to poor farmers overseas should play a more prominent role than any other form of U.S. development assistance.

Sadly, as global food emergencies have grown worse, the United States has been playing defense, desperately pouring \$2.1 billion into food aid in 2008 to cope with a global food crisis that led to riots in more than 30 countries. Last year, a potent mix of high Asian demand, persistent drought in Australia, commodities speculation, high energy prices, and the diversion of crops to biofuels led to the greatest run-up in grain prices in decades. And although most food prices have since declined somewhat, many of the world's poor are still going hungry.

With the Obama administration struggling to address an economic crisis at home, the question arises, how much money will be left for the world's hungry? With the growing intensity of domestic economic distress, some Americans may have little interest in even considering that question. Yet the consequences of neglect would be immense. The Obama administration should make agricultural development its number one priority for foreign aid and actively enlist support from other donors and the International Monetary Fund and the World Bank.

A NEW APPROACH

THE GREATEST successes in economic development in history have begun with agriculture: the agrarian revolutions in England and France, which set the stage for the Industrial Revolution; the green revolution in South Asia in the 1960s and 1970s; and the mass movement of rural Chinese farmers out of poverty in the 1980s under Deng Xiaoping. All allowed farming communities to overcome hunger that had limited worker productivity, to increase rural income, to provide locally for the food needs of growing populations, and to improve school attendance.

The traditional approach to development—attacking poverty and assuming that rising incomes will take care of hunger—has simply not worked well enough. Developing countries must take the battle to where the problem lives: rural farming communities that often have little connection to markets, even domestic ones, and, as a result, have not profited from traditional investments in

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development. Roughly 80 percent of the hungry in Africa live on small farms. In these communities, the farming is done largely by women, who have traditionally received meager support for farm inputs, few loans to buy equipment, and little education in better farming methods. Yet worldwide, women own barely two percent of the land and receive only five percent of agricultural-extension services. Targeting and adapting agricultural development assistance to female farmers, who also are primarily responsible for the nutrition of their families, is one of the most important and most neglected ways to increase rural incomes and food availability.

Meanwhile, as the West focuses on climate change and debates carbon credits and limits on industrial emissions, massive damage is being done to the environment in developing countries, where a lack of agricultural technology and infrastructure perpetuates bad farming practices. Pressure on water and land resources has even become an element in regional political conflicts, as in Darfur.

Fortunately, Africa has significant untapped land resources and fertile soil that could be developed responsibly. More land could be brought into production if farmers moved away from rain-fed, low-technology agriculture, which is vulnerable to the vagaries of the weather, and if inputs such as improved seeds and fertilizers were delivered to small farmers. What might all this cost? Some nongovernmental organizations (NGOs) and academics label current U.S. food donations a “Band-Aid.” Well, if the Band-Aid alone is costing billions, what would it cost to cure the disease? The UN’s Food and Agriculture Organization (FAO) recently set the price tag at a frightening \$30 billion in additional annual investments globally, almost double the entire foreign-aid budget of the United States.

That level of investment is not likely needed—and anyway, developing countries could not likely absorb it immediately if it were provided. But regardless, fear of the eventual costs should not be the primary factor in determining whether to press ahead. With the number of people living with hunger now rapidly approaching one billion, it is time for the United States to show renewed leadership—and once again be seen as an innovator. Putting agriculture back at the center of U.S. development aid should be a key element in a foreign policy that reintroduces the United States to the world.

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... PAVED WITH GOOD INTENTIONS

How DID food once again become such a serious political issue? Some observers have rightly pointed out that the current global strain on food supplies is, in fact, very familiar. During the last energy crisis, in the mid-1970s, a similar price surge in food occurred; President Richard Nixon even cut off exports of soybeans to Japan. The Saudis stepped in with large cash donations to the UN food agencies, and world leaders solemnly assembled for a food summit in Rome, just as they did last June.

There were promises of reform in the mid-1970s—just as there are today. But as soon as price pressures subsided, as they are doing again now, little changed, and agriculture quickly dropped down the list of development priorities. Because global food prices were declining, the global community overlooked the fact that hunger-related diseases steadily held their place as the number one threat to health globally, claiming more lives than AIDS, malaria, and tuberculosis combined.

U.S. policy has been to treat the symptoms of hunger with food aid. Food for Peace and other such U.S. programs have carried out the single greatest humanitarian effort in history, saving tens of millions of lives and supporting child nutrition and education for the world's poor. But it is time to address the underlying causes of the disease rather than treating just the symptoms.

Some analysts point out that, ironically, the very institutions that have downplayed the importance of agriculture for much of the last few decades—the World Bank, the World Trade Organization, the U.S. Agency for International Development (USAID), and the major NGOs—are now lining up, hats in hands, seeking donor funds for agricultural development to fix problems that their neglect helped create. But assigning blame is not constructive. Besides, there were advocates in all these agencies who saw the threat even before the numbers of hungry started to climb again in the mid-1990s.

Still, even a cursory analysis of how major donors have funded development will show that farming has long taken a back seat to more politically fashionable projects. This neglect of agriculture was reinforced by the success of the green revolution and by relatively low global grain prices, which made agricultural development seem a lower priority.

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In fact, the United States has been feeding needy people abroad ever since a U.S. food shipment was first dispatched to help Venezuelan earthquake victims nearly two centuries ago. And it was the United States that created the concept of modern development assistance after World War II. After spending hundreds of billions of dollars on foreign aid, any American taxpayer—especially in this economy—has the right to ask what happened to the aid sent in the past. Some of it was no doubt wasted or even stolen, but that is far from the whole explanation. The broader question remains: If the ranks of the hungry and malnourished have once again begun to swell, just what went wrong?

First, Washington has invested too little money and talent in combating the root causes of hunger. U.S. aid to agriculture in Africa has dropped 85 percent since the 1980s.

Although the United States has led the world in food aid for Africans, it has spent 20 times as much on food aid as on helping Africans better feed themselves. Since 1980, USAID's staff has been cut nearly by half and agricultural specialists have been virtually eliminated. And in 1993, the House Select Committee on Hunger was disbanded, removing an important legislative venue for highlighting the social and political impact of hunger and malnutrition.

In real 2008 dollars, U.S. investment in agricultural development abroad dropped from \$400 million a year in the 1980s to only \$60 million in 2006. This occurred despite the fact that there was virtually no improvement in grain yields in Africa during that time. Washington was not alone in reducing funding. Other donors—and even the developing countries' governments themselves—all followed suit in neglecting agriculture. When funds were provided for agricultural development, donors often focused on stimulating investment, but hunger and malnutrition are most prevalent in rural areas where no one would likely invest to begin with.

In the 1990s, China, now the world's largest food producer, boosted its agricultural-research expenditures by 82 percent, and the developed world collectively spent 36 percent more in those years, even when food prices were historically low. By contrast, in Africa, the increase

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in agricultural-research funding was a mere 7 percent during this period. Exacerbating the situation was the fact that the United States cut its aid for agricultural research in Africa by 75 percent between 1981 and 2000. Between 1980 and 2003, total global official aid to developing countries for agricultural research fell by a staggering 64 percent, from \$5.3 billion to just \$1.9 billion in 1999 dollars.

What has distorted the picture even more is that the lion's share of public and private investment in agricultural research has been spent on temperate-climate crops, such as those grown in Europe, Japan, and North America. Much of that research is of marginal use in tropical and subtropical Africa. It has done little to help Africans cope with the growing impact that climate change and variations in rainfall have had on agricultural systems already vulnerable to cycles of drought.

Second, aid efforts have been hampered by developed countries' shortsighted trade and economic policies. The European Union, Japan, and the United States have continued trade policies and crop subsidies that have made it impossible for poor African and Asian farmers to compete. Biofuel programs—in some cases because investment came before the right technologies were in place—contributed to the historic global rise in grain prices in 2007 and 2008, as cropland moved from food production to producing raw materials for conversion into fuels. Military and other commercial interests, in themselves legitimate, have also intruded on foreign aid, reducing and distorting the effects of assistance. The Bumpers Amendment, which precludes funding agricultural projects that help developing countries produce crops that might compete with U.S. farmers, has further hampered aid efforts.

Third, not enough was done to keep multilateral institutions such as the development banks and the FAO focused effectively on hunger. Although the World Bank neglected agriculture for decades, it is now mending its ways and doubling its agricultural investment. But the FAO, despite some good work on issues such as biotechnology and technical standards for trade, has failed to deliver many successful programs and has developed a reputation with donors for poor management. A recent independent evaluation of the FAO devoted most of its 400 pages to cataloging the organization's administrative shortcomings. The U.S. State Department has been on the losing end of

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a decades-long battle between donors and developing countries over control of the agency, with the FAO's management exploiting the friction and often casting the United States in the role of a rich bully.

Finally, aid to end hunger has been distorted by the imposition of Western political views. In the 1980s, the political right pushed hard to reduce the role of the public sector in supplying development aid, arguing that unfettered private markets always do a better job. But this premise ignores the fact that markets in the world's most successful agricultural economies have often been anything but free of public intervention and government subsidies. Why should Africa be expected to be different?

The UN Development Program has calculated that the largest movement of people out of poverty in history took place in China in the mid-1980s, when Deng introduced a mix of free-market economics and subsidies for rural farmers. Democratic and increasingly free-market India, in contrast, continues to struggle with millions of chronically malnourished people, even though it has the largest domestic food-aid program in the world. In the United States and Europe, the necessity of some subsidies in agriculture, especially for land and water conservation, is widely accepted. No one has found a way to make the United States' own small farms competitive in a free market without public subsidies of one kind or another. Nonetheless, for decades, the World Bank and many Western aid agencies preached a rather purist version of free-market capitalism, without subsidies, as the solution to the hunger problems of developing countries. To those countries' government officials, many educated in the United States and Europe, it must have sounded like a treatise on chastity penned by Casanova.

On the left, agricultural-development aid has been hampered by opposition to agricultural modernization and mechanization from some environmentalists and NGOs. A few of these opponents exhibit a nearly Luddite-like aversion to modern agricultural innovation, especially with regard to genetically modified (GM) crops. Worries about using excessive water or chemicals, which made sense when it came to the countries of the old green revolution, simply do not in the context of nonirrigated Africa. Rather than adapting development approaches to local conditions, both the right and the left have seemed wedded to a one-size-fits-all ideological approach.

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The United States is generally seen as the major proponent of agricultural approaches that reflect the ideology of the right; the continental European donors are most often seen as the advocates of the left. (The United Kingdom remains apart, a mix of the two.) One upside of the latest global food crisis has been a willingness to begin to move away from self-defeating rigidities on both ends of the political spectrum; food riots have a way of concentrating minds and opening them up to new possibilities.

CHANGE AT HOME

AFTER THE 2007–8 global surge in food prices led to widespread protests, UN and donor task forces began to multiply. Interestingly, much of the thinking they have produced is not all that new. And it is surprisingly consistent: calls for liberalizing agricultural trade, scaling back subsidies to farmers in the developed world, increasing investment in agricultural research, and providing education to poor farmers. Indeed, the basic formula for a solution to hunger and rural poverty in Africa and other developing regions has not changed that much, although some new elements are clearly needed.

If the United States is to lead this effort, it must first clean up its own house. It should strengthen and coordinate its aid efforts at the executive-branch level through the National Security Council, giving much increased attention to agriculture, hunger, and malnutrition as part of an overall “soft power” approach. Aid must again play a bigger part in U.S. diplomacy, and State Department staffers must become more actively engaged.

Washington should also strengthen the leadership role of USAID. The administrator of USAID should head the Millennium Challenge Corporation and the President’s Emergency Plan for AIDS Relief. And agriculture-focused staff at USAID and the U.S. Department of Agriculture should be increased, and the Peace Corps should create a special cadre devoted to agricultural development.

Congress should pass the 2008 Lugar-Casey Global Food Security Act as part of a drive to boost funds for agricultural research, education, and extension, with particular support for a second green revolution, this one in Africa. The inherently inefficient “monetization” of food aid,



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in which donated U.S. food is sold locally to generate development funds, should be scaled back. The Bumpers Amendment should also be scaled back, especially as it relates to developing countries, and the cost of cargo preference should be shifted within the government, thus freeing up resources for agricultural development and emergency food aid. The House Select Committee on Hunger should be reestablished, so that there is a focal point in Congress for debate and oversight over global hunger and malnutrition.

In the field, the United States needs to adopt different tactics in designing both agricultural-assistance projects and food-aid operations. It should strengthen research, training, and other links between the U.S. land-grant universities and historically black colleges in the United States and their counterparts in the developing world and encourage them to work on specific issues, especially communications technology in agricultural-extension work. It should better address the impact of drought and climate change on small farmers, with measures such as basic crop insurance and the innovative famine-insurance proposal based on rainfall indicators devised by the World Food Program and the World Bank. It should jettison preconceived ideological approaches to aid and show more flexibility on issues such as subsidies and GM foods. It should coordinate U.S. aid better at the country level, both internally and with international institutions and NGOs. And it should purchase more food locally to stimulate market development in sub-Saharan Africa and South Asia.

Washington also needs to start listening better to the Africans and Asians in need. This means better engaging with rural communities, and especially women, in designing local agricultural projects; partnering with developing-country governments, NGOs, and the private sector to help shape agricultural strategies; and cooperating more with regional entities in Africa, such as the New Partnership for Africa's Development (NEPAD) and its Comprehensive Africa Agriculture Development Program, the Southern African Development Community, and the African Union. The Alliance for a Green Revolution in Africa is becoming a vehicle for agricultural development partnerships between donors,

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developed-country institutions, and African public and private institutions and is well placed to work with the United States in promoting agricultural education, adaptive research, and extension focused on smallholder agriculture. Above all, the United States must focus on the 400 million small farmers and their families in Africa who are most vulnerable to hunger, especially the women. Since eight out of ten farmers in Africa are women, and six out of ten in Asia are women, women's unique needs must be better addressed in all U.S. aid efforts.

There are other critical policy initiatives in agricultural development that the Obama administration is unlikely to be able to undertake on its own. Reform of the FAO is an obvious one, given the failure of reform efforts in the past. But the most essential one is reforming the global trade and subsidy policies that have unwittingly hurt poor farmers in the developing world. Any move in that direction, whether within the context of renewed World Trade Organization negotiations or not, will not be politically viable without the cooperation of the European Union, Japan, the Cairns Group of 19 agricultural exporting countries, and other major trading nations. Some unilateral trade and subsidy reforms are theoretically feasible, but U.S. farm groups will be reasonably skeptical of any concessions that are not balanced by greater market access abroad for their food exports.

THE NEXT GREEN REVOLUTION

THERE IS a widespread tendency to despair about hunger in Africa. But despite the rise in malnutrition rates on much of the continent, many countries have managed to feed booming populations on their own. The United States is now spending billions on food aid, but the actual tonnage delivered is at the lowest level since the Kennedy administration and is increasingly used for emergency situations, such as in Darfur. However precariously, most Africans are largely being fed with their own local production and with commercial imports.

Egypt, for example, has given priority to agricultural development and has managed to wean itself from food aid, even as its population has more than doubled since the 1970s. Throughout Africa, some progress is, in fact, being made even where there is not adequate support for the agricultural sector. Accordingly, there is little doubt

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that a U.S. foreign-aid policy refocused on agricultural production could yield significant results, especially if African leaders follow through on the promises they have made in NEPAD to raise domestic investment in the farming sector and to allocate at least ten percent of their own budgets to that sector.

Is it realistic to expect the United States and other donor countries—which have just pledged over \$3 trillion to prop up a teetering global financial structure—to suddenly pour even more funds into the task of ending global hunger? Will President Barack Obama be in a position to mount a massive aid campaign for the hungry poor in Africa and Asia when confronted with a huge, \$664 billion current account deficit and declining household wealth? Official development assistance from members of the Organization for Economic Cooperation and Development had already begun to decline before the global financial crisis, slipping from \$104 billion in 2006 to \$102 billion in 2007. And much of the apparent gains in development assistance in recent years have been in the form of debt forgiveness, which does little for the hungriest and poorest countries (which were never rich enough to acquire much debt).

To a degree, private megadonors, such as the Bill & Melinda Gates Foundation, are stepping in and making up the funding shortfalls. The Gates Foundation has made agriculture a priority, with new funding for seed development, agricultural extension and education, and market development. Along with the Rockefeller Foundation, the Gates Foundation is the principal supporter of the Alliance for a Green Revolution in Africa, which holds great promise. But the collapse in the global stock exchanges has spared few foundations, private donors, or universities. Even those donors with the best of intentions cannot give away money they do not have.

The bottom line is that the Gates Foundation and others will no doubt have a positive impact on agricultural development—especially as efforts to promote a second green revolution bear fruit. But private donors will never be able to do enough on their own, especially since some of the obstacles to ending hunger stem from misguided economic policies, both international and domestic, rather than a lack of donor funding. Even with these historic opportunities for successful public-private partnerships, an effective response to global hunger will also require new political commitments by governments.

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The global funding picture is, of course, not an encouraging one. But it is a mistake to think that the sheer size of the aid investment is the sole measure of success. Historically, by far the most effective U.S. initiative against world hunger, the promotion of the first green revolution, was a relatively inexpensive intervention, spurred at first by private donors, principally the Rockefeller and Ford Foundations. Progress is possible without investing all that much more in public funds.

The chance for the United States to help save millions of lives ought to be enough to justify giving top priority to food and agriculture in U.S. foreign aid, as well as enlisting the help of other G-8 members and new partners. But there are other clear benefits to the United States as well. The Bush administration's heavy funding of AIDS initiatives, such as the President's Emergency Plan for AIDS Relief, and its consistently taking the political lead on the issue of Darfur were seen by African leaders as a sign that the continent had finally found its rightful place on a U.S. president's agenda. Africa is one of the places that George W. Bush could visit today and still expect a hero's welcome. No doubt, even more will be expected of Obama.

Making foreign aid, especially to the hungry and poor, a central part of the National Security Council's mandate is logical for a new administration that seems to recognize the limits of force in global politics. Doing this would also mirror recent moves at the UN to break down the walls between debates on humanitarian issues and debates on political issues. Increasingly, in part because of the situation in Darfur, the UN Security Council has turned to humanitarian aid when confronting political problems.

A global initiative against hunger led by the United States would further enhance the United States' reputation in the developing world and be less likely to be seen as politically or ideologically motivated. Unlike a "war on terror," a "war on hunger" attracts few critics and can even help defuse domestic conflicts in areas that are already inherently unstable, such as the Democratic Republic of the Congo, Somalia, and Sudan. Meaningfully engaging the land-grant university system in the United States and the U.S. private sector as part of this initiative would no doubt strengthen them as well and even create export opportunities for U.S. goods and technology.

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Although there is the potential for conflict over a hunger initiative on the issue of introducing more GM crops, this conflict is more likely to be with Europeans than with Africans or Asians, both of whom are increasingly inclined to accept the technology. There will no doubt be NGOs, especially in Europe, that will see U.S. efforts on seed research and dissemination involving GM-crop technology as some secret plot to support Monsanto, but they are likely to be in the minority. The issue is not how such an initiative will be perceived in London but how it will be seen in Lusaka.

## THE HAND THAT FEEDS

THE SPIKES in food prices last year brought down at least one government (in Haiti) and worried many others, prompting them to impose food-export restrictions and other counterproductive measures in order to support domestic agriculture. The link between food insecurity and politics is not always straightforward: widespread hunger does not inevitably have severe political consequences, and the modern state has shown a remarkable ability to suppress political dissent even under the most appalling economic conditions. Yet there is a connection.

The relationship between hunger and political instability is often subtler. For example, there is evidence that Islamic fundamentalists in Afghanistan and Pakistan are using free food to lure hungry students into madrasahs that preach hate and extremism. There is also evidence that the Taliban are successfully recruiting in areas of Afghanistan where agriculture is failing. Hunger can make the desperately poor willing to do the bidding of any hand that feeds them.

Most important, there is a compelling moral case for President Obama to move hunger and malnutrition to the top of his list of aid priorities. No mother anywhere should have to see hunger in the eyes of her child or trade away her future for a simple meal. Reaching out to those in need will do as much for the United States as for those it helps. 🌍