



Food aid for the 21st century

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When it comes to providing hunger relief to needy people around the world, the United States has been a leader since World War II. And if early reports about the Obama administration's 2014 budget are true, then the U.S. will have a golden opportunity to provide even more food to the hungry while spending less taxpayer dollars in the years ahead.

For the past 60 years, the U.S. has invested an average of \$2 billion annually in food aid and saved many millions of lives. Food aid has been an influential "soft power" tool in advancing American foreign policy goals. However, our laws have long required that the bulk of our food aid be purchased in the U.S. and then transported on U.S.-flagged ships to the far-flung places where it is needed. This requirement, combined with other outdated practices, have increased the costs and diminished our flexibility in responding quickly to crisis. The administration's proposal would reportedly change this approach by issuing cash-grants that can go to purchasing food both from the U.S. and in or near areas where the hungry live.

This reform would speed up the delivery of aid to people facing starvation while maximizing our use of taxpayer dollars. Multiple studies by the GAO, leading academics and others suggest that purchasing food nearer to hunger crisis areas would cut in half or more the seven months it now takes to buy food here and ship it half way around the world. And the cost savings would be enormous. The U.S. Agency for International Development estimates that up to half of its spending on food aid now goes to ocean transportation costs.

Our agricultural, foreign policy and national security objectives would be better served by focusing our efforts more precisely toward getting food aid as quickly as possible to the people who desperately need it. The United States is the only food aid donor that still gives food in-kind rather than cash. Now is the time for flexible food aid program that uses our foreign assistance monies more efficiently and ensures America's leadership in the fight against global hunger.

The reported changes would also end an outmoded practice called "monetization." This is where the U.S. purchases and transports home-grown food commodities around the world and gives them to non-governmental organizations. Agencies then sell those commodities into local markets and use the proceeds to support their local development projects. While the intent is admirable, the practice typically returns only 50 to 70 cents on the taxpayer dollar, with almost a third of the money never reaching the intended recipients. A more transparent, efficient and effective approach would be for our government to provide additional direct support to these aid groups for development projects and then monitor

how the money is spent.

There is another problem with the way we currently deliver food aid. The sale of U.S. commodities in developing countries often drives down local market prices, thereby discouraging local food production. This runs counter to our goal of helping countries grow enough food to feed their own people, so that they can move beyond a reliance on humanitarian aid and, at the same time, develop their economies through growth in agriculture. A cash-based food aid system would support the wider goal of helping farmers in poor countries get access to markets for their produce, get higher prices for their crops and become more productive and sustainable.

Indeed, this reform would better align our humanitarian efforts with the U.S. government's Feed the Future program, which spends \$1 billion per year empowering small farmers in low-income countries to increase their agricultural production. Experts predict that farmers in developing countries will have to double their output over the next several decades in order to avoid global food insecurity on a massive scale. Meanwhile, growth in agriculture has been shown to be at least twice as effective in reducing poverty as growth in other sectors, as more than half of the 870 million people who are chronically hungry rely on agriculture for their livelihoods.

Last year, a survey by the Chicago Council on Global Affairs indicated that 91 percent of Americans believe that fighting world hunger should be an important U.S. foreign policy goal. To maintain that level of support, we need to make sure our programs maximize use of taxpayer dollars and are complementary to each other.

The administration's budget may include sensible changes to do that. By bringing more flexibility to the way we distribute food aid, our programs will save more lives, serve more hungry people and do more to advance America's reputation and interests around the globe. In a world that continues to look to American leadership in times of crisis, there is no better time to make every dollar count.

Catherine Bertini served as executive director of the U.N. World Food Program 1992-2002. Dan Glickman served as agriculture secretary 1995-2001. They are co-chairs of The Chicago Council on Global Affairs' Global Agricultural Development Initiative.