

Remarks by Cochairs of The Chicago Council on Global Affairs' Global Agricultural Development Initiative – Dan Glickman, former U.S. Secretary of Agriculture and Catherine Bertini, former Executive Director of the UN World Food Program¹

**HEARING - “Promoting Global Food Security: Next Steps for Congress and the Administration”
U.S. Senate Committee on Foreign Relations
April 22, 2010**

Chairman Kerry, Senator Lugar, and members of the committee, thank you for giving us the opportunity to appear before you to discuss our on-going work to identify opportunities for the United States to provide leadership in advancing global food security.

The Chicago Council on Global Affairs' Global Agricultural Development Initiative, which we cochair, purposes to examine the risks posed to the U.S. and the world by rural food insecurity, explore the role of agricultural development in alleviating those risks, and identify opportunities where the U.S. can better address these challenges by a renewed focus on agricultural development in its foreign assistance programs.

The work of the Global Agricultural Development Initiative builds upon a study conducted by The Chicago Council in 2008-2009, which explored the challenges posed by global food insecurity in Sub-Saharan Africa and South Asia and the appropriate role for this issue in U.S. foreign and development policy. The study concluded that nearly 2/3 of the people living on less than \$1 a day live in rural areas and depend on agriculture for their livelihoods. Moreover, the study also found that it was in America's security, economic, and diplomatic interests to work aggressively to alleviate the problem of global poverty, and that the most effective way to do so was through investing in the development of sustainable agriculture and food systems in the developing world. For these investments to be effective, they must target smallholder farmers, as they make up the majority of the world's rural poor, and pay special attention to the critical role women play in farm-level decisions. This study built upon the momentum created by Senators Lugar and Casey's introduction of the Global Food Security Act (S. 384) in summer 2008.

We appeared before this Committee in March 2009 to present our study's recommendations for how the United States could provide international leadership to begin reducing global food insecurity through increased investments in agricultural development. The study's full conclusions and recommendations can be found in the report, *Renewing American Leadership in the Fight Against Global Hunger and Poverty* (The Chicago Council on Global Affairs, 2009).

Since last year, food security, and the important role agricultural development can play in advancing it globally, has continued to be discussed among those in the U.S. and international communities. The food price crisis of 2008, the spread of abject hunger and poverty to over 1 billion people in 2009, and the need to nearly double food production to meet the global demand by 2050, has caused world leaders to give new attention to how agricultural development in poor regions can expand the sufficiency and sustainability of the world's food supply.

¹ The views expressed in this statement are those of Dan Glickman and Catherine Bertini and may not reflect the views of Refugees International, the Maxwell School at Syracuse University, or The Chicago Council on Global Affairs.

The U.S. Senate responded quickly to these developments by introducing the Lugar-Casey Global Food Security Bill in summer 2008. Upon taking office, President Obama has made clear his commitment to global food security. At the G-20 Summit in April 2009, the President called for a doubling of U.S. support for agricultural development in FY10-FY13. At L'Aquila in July 2009 the G-8 announced a new \$22 billion multinational food security initiative. In September 2009, Secretary Clinton made public the U.S. government outline for its Global Hunger and Food Security Initiative, and developing country leaders continued to recognize the need to invest in their own food security. Finally, as we speak, the World Bank, U.S. Department of Treasury, and others are launching the Global Agriculture and Food Security Program, a multilateral trust fund that purposes to finance efforts in developing countries to improve agricultural productivity, nutrition, and access to food. We were pleased that President Obama requested that Secretary Clinton oversee the development and implementation of a U.S. food security strategy, and applaud the attention, priority, and leadership the Secretary has given to this issues since early 2009.

In spite of these initial commitments, further progress in overcoming global food insecurity faces many obstacles. In times of economic hardship, it can be politically challenging to get sustained support for foreign assistance programs, however beneficial to U.S. interests they may be. Moreover, many critical issues – ranging from the on-going conflicts in Afghanistan and Iraq, to reforms of healthcare and immigration policies – continue to vie for Administration and Congressional attention. Finally, it will be challenging, yet not impossible, to sustain U.S. leadership and financial and technical support for a long-term U.S. food security initiative.

It is our firm conviction that a long-term, well-resourced commitment by the U.S. government to alleviating global food insecurity can drastically reduce global poverty, and that such a commitment is in the nation's security, economic, and diplomatic interests. On-going U.S. leadership, at both the Executive and Congressional levels, in partnership with developing nations, other bilateral and multilateral donors, international organizations, NGOs, and private sector stakeholders, will be critical to a U.S. initiative's success.

Advancing global food security will continue to be in America's economic, security, and diplomatic interests for the foreseeable future. Agricultural development has been demonstrated as the most effective way to alleviate rural poverty over the long-term. Nearly seventy-five percent of the world's poor resides in rural areas and depends on agriculture for their livelihoods. Moreover, the majority of population growth projected to occur between now and 2050, and therefore much of the increase in demand for food, will take place in developing countries. Investments in agriculture and food systems reduce poverty directly by increasing farm incomes and the availability and access to food, and indirectly, by generating employment and reducing food prices. These investments have been demonstrated to be twice as effective in reducing poverty as investments in other development sectors.

Investing in global food security also advances U.S. national security interests. Through on-going leadership on food security, the U.S. can renew ties and relationships in regions of heightened strategic concern, increase its political influence and improve its competitive position, while hedging against the serious future danger of political instability. The U.S. is already seeing the benefits of investing in agricultural development as part of its larger foreign policy strategies in Afghanistan and Pakistan. There are further opportunities to strengthen relationships with regions of heightened concern, throughout Africa and Asia, by providing fundamental investments needed to stimulate economic growth. U.S. global food security policy also mobilizes the talent and influence of America's best institutions – its world-renowned agricultural research apparatus and

land-grant universities. To address rural poverty and hunger in these regions is a wise and efficient deployment of America's "soft power".

Moreover, investments in agricultural development will help the United States hedge against future demands on the agricultural and food sectors. By 2050, research suggests that global demand for food will double due to increases in population growth, shifts in dietary preferences, changes in climate, and scarcer resources. Climate change and resource scarcity, primarily the growing limited availability of fresh water, will affect agricultural productivity worldwide – from farms in Nepal and Ethiopia to those in Iowa and Kansas. If the world is going to be able to meet the growing demand for food, and avoid a significant increase in poverty, it will need to produce more, using fewer resources, in increasingly temperamental climactic conditions. Experts suggest that farmland in the developing world, much of which is currently under-utilized due to lack of irrigation and access to productivity enhancing inputs and technologies, will be some of the only land where it will be feasible to dramatically increase production to meet the needs of the global food supply.

Finally, increased economic growth in the developing world will create new trade and investment opportunities for American business. Already in South Asia, where GDP growth averaged above 8 percent between 2005 and 2008, American investors and exporters are making important gains. In 2007, U.S. total exports to Sub-Saharan Africa totaled \$14.4 billion, more than double the amount in 2001. Research also suggests that as production in the developing world increases incomes are raised and dietary preferences shift, causing demand for U.S. agricultural commodities increases. A renewed American focus on alleviating poverty reduction through agricultural development will pay significant economic dividends in the long-run, to both U.S. businesses and the U.S. farmer.

The Obama Administration and 111th Congress have recognized the importance of providing political leadership and financial support for a U.S. global food security initiative. The Administration's Global Hunger and Food Security Initiative led by Secretary Clinton and now by USAID Administrator Rajiv Shah, and the President's request to Congress of \$1.8 billion for funding towards agricultural development in FY11, are important first steps. However, passing authorizing legislation, which supports and complements the Administration's Initiative, will be critical to the long-term success of a U.S. global food security policy.

Institutionalizing global food security as an official component of U.S. development policy will cement for the long-term the good work this Administration and members of Congress, many present at this hearing, have done on these issues to date. Empirically, policies that have been supported by both the Executive and Congressional branches have had the greatest success, in part because they have been reviewed and resourced over a multi-year period. The U.S. Food Assistance Programs, the President's Emergency Plan for Aids Relief (PEPFAR), and the Millennium Challenge Corporation (MCC) have improved the lives of millions worldwide, and continued to be effective after the Presidents, Cabinet Members, and Members of Congress that fought for their establishment left office.

Legal authorization of U.S. global food security efforts also gives direction and coordination to the various entities in the U.S. government that are working on these issues. A recent GAO report identified 19 U.S. agencies that carry out or are involved in food security activities. The current Administration has set up tools to begin coordination of these agencies' programs, but legislation will provide an official framework to direct differing agencies' mandates and provide a permanent mechanism for coordination and cooperation.

Finally, legislation would provide a framework for regular review and evaluation of U.S. food security policy. These are useful tools for overseeing and implementing agencies to help see if programs are having the desired impact on the ground, but it also would also provides transparency and Congressional understanding of America's work in this area, which would help support the regular, annual appropriation for a national food security policy.

Although there are other urgent priorities confronting the Congress, the time is ripe to consider and pass legislation on global food security. International and national leaders and multilateral organizations are giving significant attention to the challenge of global poverty because of the recent food price crisis and ongoing period of economic distress. Moreover, unlike many other issues facing Congress and the Administration, global food security, and decreasing international poverty and hunger, has always been a bi-partisan issue. Relatively small investments in agricultural development (\$1-\$2 billion/annually), if done strategically and sustained long-term, are responsible and effective uses of taxpayer dollars because of their proven success. According to a 2008 study by the International Food Policy Research Institute in Washington, D.C., if total investments in agricultural research and development in Sub-Saharan Africa were increased to \$2.9 billion annually by the year 2013, the number of poor people living on less than \$1 per day in the region would decline by an additional 144 million by 2020. If annual agricultural research and investments in South Asia were increased by \$3.1 billion by 2013, a total of 125 million more citizens in this region would escape poverty by 2020, and the poverty ration in the region would decrease from 35 percent to 26 percent.

As the Administration and Congress continue to develop a national global food security policy, we offer the following recommendations based on our experience working on development, agriculture, and emergency assistance issues in the U.S. Executive and Congressional branches and international organizations:

- **Provide sustained political and financial support for agricultural development for the next decade.**

Unlike investments in other areas of development, where the results can be seen shortly after program implementation, agriculture and food systems are built through long-term, strategic investments across multiple sectors (e.g. research, education, infrastructure development, local and national trade capacity) and by engaging multiple stakeholders (e.g. bilateral and multilateral donors, international organizations, recipient countries, NGOs, businesses, and local civic organizations). Because of these complexities, it will take time for agricultural development to produce its full impact on the ground. However, if the U.S. can sustain its leadership and provide technical support and small financial investments to a global food security initiative for a decade, it will produce the desired result: higher productivity on small farms in underdeveloped countries, higher incomes for small farmers and their families, a dramatic increase in the global supply of food, and a significant decrease in the number of people, especially women, living on less than \$1 a day.

- **Strengthen and improve USAID as the leading institution to advance the U.S. global food security initiative.**

Successful assistance policies cannot emerge from inadequate institutions or from institutions that do not coordinate with each other and lack strong political leadership. A strong institutional framework is required to turn good ideas into operational policies and ensure that any added budget resources appropriated by Congress will be put to proper and effective use.

We recommend that clear lines of authority and command be established inside the executive branch, emanating first from the White House, then through a single lead agency for international rural and agricultural development and hunger reduction. We believe a revitalized and strengthened USAID should be that lead agency. USAID has been carrying out agricultural development and U.S. foreign assistance policies for decades, and is uniquely positioned within the State Department to coordinate America's development policy with its overall foreign policy goals. However, in recent years USAID has been significantly weakened. To restore its strength, we recommend USAID be given an independent relationship with the Office of Management and Budget in order to give it authority and flexibility to most effectively carrying out U.S. development and food security activities. Its leadership on the Global Hunger and Food Security Initiative should be supported by the White House, other cabinet agencies, including the U.S. Department of State, and in any corresponding legislation. Finally, in order to play this enlarged role in the area of agricultural development, USAID must be given enhanced professional staff resources in addition to an increased budget.

- **Improve America's food assistance policies by increasing the authorization and appropriation of funds for local and regional purchase of food aid.**

America is the world's largest donor of food aid to hungry people, a matter of justifiable national pride. Hundreds of thousands of lives have been saved through this assistance, and hundreds of millions of lives improved. The in-kind food assistance provided and distributed by the United States, the World Food Program, other bilateral donors, international organizations, and NGOs should be commended as one of the greatest emergency relief and development tools the international community has to alleviate global hunger. However, our food aid programs, which are effective in emergency situations, do not go far enough in dealing with long-term, systemic problems, and America does not get enough payoffs from its large food aid budget because of several long-standing practices in the way it is delivered.

There are many ways that America's food aid policies could be improved, but we would especially recommend increasing authorization and funding for local and regional purchase in long-term development situations. International purchase allows food to be procured much closer to the beneficiary, reducing transport costs and ensuring compatibility with local diets. Local purchase also supports local markets, putting more money into the pockets of poor farmers, which in turn, boosts sustainable local and regional agricultural development and helps reduce poverty.

- **Increase support for agricultural research, education, and extension.**

Significant investment – both financial and technical – into increasing agricultural research, education, and extension programs in the developing world will be critical to advancing global food security. The Administration's Global Hunger and Food Security Initiative and the Lugar-Casey Global Food Security Bill both have provisions to increase support for these components. We recommend that these areas be a key focus of any national global food security policy and should include providing financial support to the Consultative Group for International Agricultural Research (CGIAR), individual country's National Agricultural Research Systems (NARS), and to the Collaborative Research Support Programs (CRSPs) run out of U.S. land-grant universities. Moreover, the U.S. should also support the development of higher education capacity and performance within specific regions in the developing world. These institutions could provide research, technology development, and extension services to best suited to expand agricultural productivity in its region.

- **Begin implementation of a U.S. food security initiative quickly.**

There is no time to waste in implementing a U.S. global food security initiative. Under a “business-as-usual” scenario, rural poverty and hunger will continue to worsen. These problems will become far more difficult to address with every year of inaction. The time to begin implementation of this policy is now.

We applaud and support the initial steps both the U.S. Administration and Congress have taken to make food security a central component of U.S. development and foreign policy. We want to thank Senators Lugar, Kerry, and Casey, and the other members here today, for their leadership on these issues. Many of the actions outlined in the Administration’s Global Hunger and Food Security Initiative and the Lugar-Casey Global Food Security Bill have been proven effective in the past – through the remarkable earlier achievements of the Green Revolution – when adequately funded. If Administration and Congressional leadership for a U.S. global food security initiative is sustained for the next decade, and the correct technical and financial resources provided, it could lift millions out of hunger and put them on the path towards self-reliance. It would also invest in America’s political, economic, and security interests; its institutions; and its moral ideals.