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Renewing American Leadership
In the Fight Against Global Hunger and Poverty:
The Chicago Initiative on Global Agricultural Development

EXECUTIVE SUMMARY

The Obama administration and the new Congress have a historic opportunity in 2009 and beyond to restore America's global leadership in the fight against hunger and poverty.

Of the more than 1.4 billion people in the world who survive on less than \$1 a day, over half of them live in Sub-Saharan Africa and South Asia and depend on agriculture for their livelihoods. In Africa per capita production of food staple crops is lower today than it was three decades ago, and one out of three small farm families is malnourished. In large parts of South Asia, a still stagnant agriculture keeps 400 million rural dwellers in desperate poverty.

With renewed American commitment and international collaboration, it is within the world's grasp to offer fresh hope to small farmers in Sub-Saharan Africa and South Asia. We know how to help these farm families provide for their own food needs, reducing their dependence on costly food aid, and to raise their incomes, improving opportunities for their children.

But today America's agricultural development policies are broken:

- U.S. assistance for agricultural development in Africa has declined by 85 percent since the 1980s.
- Food aid, a vital tool in dealing with emergencies and malnutrition, especially among children, is not a substitute for policies to increase self-sufficiency in food production and farm incomes.
- The capacity of the U.S. government to work with others in promoting agricultural development has been greatly weakened.

With few exceptions much of the international community has also neglected agricultural development in the poorest areas of the world over the last 25 years.

The Chicago Initiative on Global Agricultural Development—a proposal from a bipartisan group of interested Americans—holds the promise of a second Green Revolution in Sub-Saharan Africa and South Asia. It will return agriculture to the center of United States development policy and make it a focus of cooperation among and within nations.

The actions by the United States recommended here will, if implemented in 2009 and sustained through much of the next decade, help lift at least 270 million people in Sub-Saharan Africa and South Asia out of poverty by 2020.

The success of this initiative and its component actions depends upon close collaboration with African and Asian regional, national, and local institutions, and must benefit from ongoing consultations with the Africans and Asians who must own and implement these actions.

Forging this partnership will not be possible, however, without the positive example, the impetus to change, and the leadership of the United States.

In addition to addressing the greatest humanitarian challenge of our era, The Chicago Initiative on Global Agricultural Development will deliver important benefits to the United States. It will:

- Reconnect America to the developing world with a new message of hope and cooperation.



- Engage many of America's most effective and successful institutions, including our land grant colleges of agriculture, private agricultural companies, nongovernmental organizations, and philanthropic foundations, in a public-private collaboration.
- Help mitigate the eventual impact of climate change on agriculture and livelihoods in subtropical Africa and South Asia, two regions where the effects are expected to be most severe.
- Provide a hedge against the danger that lagging food production in Africa could lead in the future to political instability and the conditions that produce failed states.
- Demonstrate America's renewed commitment to positive partnership with other nations on the most pressing global issues.
- Increase mutually beneficial trade between the U.S. and Sub-Saharan Africa and South Asia and, over the long run, increase commercial U.S. exports to those regions and decrease the need food aid.

The Chicago Initiative on Global Agricultural Development consists of five separate but inter-linked Recommendations:

Recommendation 1: Increase support for agricultural education and extension at all levels in Sub-Saharan Africa and South Asia.

- Restore the number of agricultural students, scholars, and policymakers from Sub-Saharan Africa and South Asia supported by USAID for advanced training at American universities or agribusiness firms.
- Increase the number of American agricultural universities partnering with universities in Sub-Saharan Africa and South Asia.
- Provide direct support for agricultural education, research, and extension, for youth, women, and men, through rural organizations, universities and training facilities.
- Build a special Peace Corps cadre of agriculture training and extension volunteers, working closely within African and Asian institutions, to provide on-the-ground practical training, especially with and for women farmers.
- Support primary education for rural girls as well as boys through school feeding programs based on local or regional food purchase.

Recommendation 2: Increase support for agricultural research in and for Sub-Saharan Africa and South Asia.

- Provide greater external support for agricultural scientists working in the national agricultural research systems of selected countries in Sub-Saharan Africa and South Asia.
- Provide greater support to agricultural research conducted at the international centers of the Consultative Group on International Agricultural Research.
- Provide greater support for collaborative research between scientists from Sub-Saharan Africa and South Asia and scientists at U.S. land grant universities.
- Create a competitive grant fund to support agricultural innovation for poor farmers in Sub-Saharan Africa and South Asia.

Recommendation 3: Increase support for rural and agricultural infrastructure, especially in Sub-Saharan Africa.

- Support a revival of World Bank lending for agricultural infrastructure in Sub-Saharan Africa and South Asia, including lending for transport corridors, as well as for rural energy, water, and farm-to-market roads.
- Align the plans of Millennium Challenge Corporation funds already obligated for rural roads and other agricultural infrastructure projects in Sub-Saharan Africa and South Asia, with those of the World Bank.

Recommendation 4: Reform institutions for delivering agricultural development assistance.

- Strengthen the leadership role of USAID.
- Rebuild USAID's in-house capacity to design and administer agricultural development programs.
- Improve interagency coordination for America's agricultural development assistance efforts.
- Strengthen the capacity of the U.S. Congress to lead in creating agricultural development assistance policy.
- Improve the performance of international agricultural development institutions, most notably the Food and Agriculture Organization of the United Nations.

**Recommendation 5: Reform U.S. policies that raise barriers to agricultural development abroad.**

- Repeal the Bumpers Amendment.
- Repeal the U.S. cargo preference requirement for in-kind food aid delivered to the poorest countries of Africa and South Asia.
- Increase funding for local purchase of food aid.
- Terminate the practice of “monetizing” American food aid.
- Revive international negotiations aimed at reducing trade-distorting policies, such as agricultural subsidies.
- Encourage biofuels policies that move toward a greater emphasis on non-food feedstocks.
- USAID should review its longstanding objection to any use of targeted subsidies (such as vouchers) to reduce the cost to poor farmers of key inputs such as improved seeds and fertilizers.

The total budget cost of embracing this Chicago Initiative on Global Agricultural Development will not be large. We estimate the cost of implementing our recommendations at \$250 million in year one, compared to \$83 million being spent now on these activities. Total costs of the actions that we propose would increase to the desired long-term levels in five years, so that, when the initiative is fully funded in year five, the cost will be \$860 million annually, only 1.7 percent of the \$50 billion target for all development assistance President-elect Obama cited in his campaign.

