

Our Common Interest

Ending Hunger and Malnutrition

2011 Hunger Report

21st Annual Report on the
State of World Hunger

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Bread for the World Institute provides policy analysis on hunger and strategies to end it. The Institute educates its network, opinion leaders, policy makers and the public about hunger in the United States and abroad.

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Todd Post

On the Web

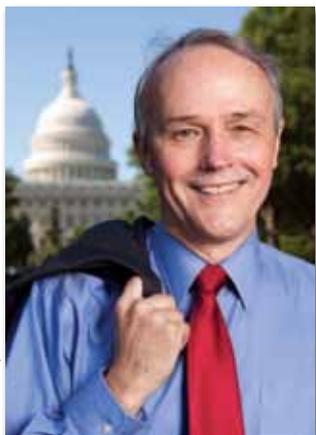
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www.bread.org/hungerreport

FOREWORD

DAVID BECKMANN

PRESIDENT, BREAD FOR THE WORLD INSTITUTE, AND 2010 WORLD FOOD PRIZE LAUREATE



Joe Portnoy

The world has made historic progress against hunger, poverty, and disease over the last several decades. I see this as God moving in our history. It is the great exodus of our time.

But the global economic crisis has provoked a major setback for hungry and poor people in the United States and

around the world. Poor people in developing countries have been especially hard-hit by high grain prices. There are now 925 million undernourished people in the world.

Yet we have exceptional opportunities to change U.S. laws and structures in ways that would moderate the crisis for poor people and set the stage for reductions in hunger and poverty when the economy recovers.

Congress has taken a series of actions that have helped poor people in this country. These include the crisis-response bills developed by Presidents George W. Bush and Barack Obama, health care reform, and new rules to curb the exploitation of low-income people by financial institutions. Bread for the World's members and churches are campaigning to strengthen nutrition programs for children and maintain tax credits for the working poor.

Bread for the World and Bread for the World Institute are also supporting needed changes in response to increased hunger and poverty worldwide. I am grateful that President Obama and Secretary of State Hillary Clinton have launched a well-designed U.S. initiative to strengthen agriculture in poor countries. They are also using the influence of the U.S. government to get many other governments, including poor-country governments, to help raise the productivity of poor farmers.

I am especially excited about a new opportunity to make rapid progress against child malnutrition. Recent studies from around the world have given us new knowl-

edge about the types of nutrition programs that have the biggest impact. Based on this knowledge, the major international agencies and many civil society organizations have agreed on a common strategy to scale up nutrition. As an American, I am proud that Secretary Clinton recently launched a "1000 Days" call to action, forcefully calling on other political leaders around the world to seize this opportunity to reduce child malnutrition.

Bread for the World members have also campaigned, with remarkable success, to achieve reforms that will make U.S. foreign assistance more effective in reducing poverty. Bread for the World's grassroots network, working in coalition with many other groups, built support for foreign aid reform among Republicans and Democrats in Congress. The administration incorporated reform ideas in its hunger and health initiatives, and President Obama has issued a directive on development policy to the entire U.S. government. For the first time since President John F. Kennedy, the U.S. government has a comprehensive strategy to support economic growth and poverty reduction in developing countries.

Bread for the World's 2011 Offering of Letters will encourage both parties in Congress and the President to work together to improve the efficiency and effectiveness of U.S. foreign assistance. We will also continue to work for the funding needed to tackle hunger, health problems, and child malnutrition in poor countries.

Despite widespread pessimism about the political process, we have clear opportunities to achieve change for hungry and poor people through the political process. To seize these opportunities, people of faith and conscience need to become more active, communicating with their members of Congress and mobilizing others in church and community. God is calling us—right now—to change the politics of hunger.

A handwritten signature in black ink that reads "David Beckmann". The signature is fluid and cursive.

Rev. David Beckmann
President,
Bread for the World and Bread for the World Institute

A MESSAGE FROM

THE HONORABLE ELLEN JOHNSON SIRLEAF

PRESIDENT OF THE REPUBLIC OF LIBERIA



I want first to congratulate Rev. David Beckmann on winning the World Food Prize. This is an affirmation of Bread for the World's work and all the tireless efforts of Bread for the World's members and sympathizers. You deserve this and it is my hope that it energizes you and strengthens your commitment to poor and

hungry people around the world.

The partnership between people of faith and their elected representatives is not new to us in Liberia. In our experience, the Church has provided quality service in education and health, reaching people who otherwise would not have had access to basic services.

I believe our experience in Liberia is instructive about what happens when foreign aid is properly designed, targeted and aligned. When a country collapses as completely as ours did, the role of partners become an indispensable component of recovery. The basic institutions of governance that should have guided our revival were destroyed or compromised, making a complete overhaul necessary. This was the challenge Liberia faced when my administration took office in January 2006. Against this backdrop one begins to appreciate how vital foreign assistance is to a country in our situation.

As we moved forward to design a Poverty Reduction Strategy, we wanted the process to be as inclusive as possible. To consolidate and deepen our nascent democracy, we had to find a way to include our people in deciding the course of our reconstruction and economic rehabilitation. Through consultative meetings all over the country, our citizens made clear their priorities and from that a strategy was created. For the first time in Liberian history, we have a road map for our future that was truly laid by the people themselves.

A practically non-existent economy put the implementation of our Poverty Reduction Strategy outside

our means. We did not have the expertise or money to execute it. We turned to our partners and their support has been invaluable. They have supported our roads, hospitals, clinics, schools and electricity projects. Partners have trained our security services and equipped our hospitals. Their support has helped us keep our promise to the Liberian people. In so doing we have demonstrated the value and worth of their contribution in determining our development strategy. We have deepened our relationship with our people and strengthened the legitimacy of our Government. This would not have been possible without foreign assistance.

The Government of Liberia will continue to make significant effort to effect a gradual reduction of dependence on external aid. But this process cannot be rushed, especially given the challenges we face. High-quality aid remains crucial to our development, and that of countries that share similar conditions, in the medium term. By making aid more coherent, more targeted and dedicated to support priorities selected by the recipient countries, donors will be able to increase the quality of aid. It will be the most responsible use of taxpayers' money and have the largest impact on target populations. With sufficient high-quality aid, the Liberian Government will be able to deliver more efficient services to citizens, stimulate economic growth and reduce poverty.

We welcome President Obama's global hunger and food security initiative, Feed the Future. This program has the promise of delivering food security in places like Liberia. By providing support to agriculture and its supporting infrastructure, significant progress will be made against hunger and poverty. In Liberia, this program could provide support for feeder/farm-to-market roads so that inputs are brought to farmers and farmers are able to bring their goods to market. Feed the Future would successfully fulfill its objectives if it is aligned with recipient countries' development agenda.

My hope is that Bread for the World's members and sympathizers will remember this when they urge their representatives and senators to support stronger U.S. partnerships with developing countries that will ultimately end hunger.



Our Common Interest:

Ending Hunger and Malnutrition

2011 IS A TIME OF OPPORTUNITY TO ACHIEVE LASTING PROGRESS AGAINST GLOBAL HUNGER AND MALNUTRITION.

For the United States, it is a time of renewing our commitment to this objective and strengthening partnerships with countries that are eager to work together in this common interest.

The dramatic surge in global hunger as a result of a spike in food prices in 2007-2008 galvanized support in both rich and poor countries for raising agricultural investments to the top of their development priorities. It also brought into focus the long-term consequences of hunger, especially for the youngest children. During the 1,000 days from conception to the second birthday, the consequences of malnutrition are irreversible.

Malnutrition and hunger are one and the same in the U.N. Millennium Development Goals (MDGs). Progress toward MDG 1, eradicating extreme poverty and hunger, is measured by reductions in the number of underweight children. In 2008, the distinguished medical journal *The Lancet* attracted international attention with a series of articles on maternal and child malnutrition—in particular finding that a third of all early childhood deaths are the result of malnutrition. Nutrition is important in meeting all of the MDGs.

Executive Summary

The report includes an assortment of data tables on hunger, poverty, malnutrition, and the Millennium Development Goals, updated regularly at www.hungerreport.org.



The foods consumed by poor people are predominantly staple grains like rice, sorghum, and maize. These are cheap and fill the stomach to quell hunger pains. But people, especially children, need more than cereals to live a healthy life. Good health depends on dietary diversity: protein from animal products, groundnuts and legumes, and the vitamins and minerals in fruits and vegetables.

Increases in international funding for agriculture present an opportunity to develop stronger linkages between food security and nutrition. Historically, agricultural programs have rarely focused on improving nutritional outcomes. One exception is a U.S.-funded program implemented by Helen Keller International (HKI) in Bangladesh from 1993-2003. The program provided seeds and technical assistance to families to plant homestead gardens with nutrient-rich vegetables.

Child malnutrition rates in Bangladesh are among the highest in the world. A poor family's diet consists of rice and little else. When the program started, Vitamin A deficiency was causing 30,000 Bangladeshi children to go blind every year. HKI reported that children in households participating in the homestead garden program consumed significantly more nutrient-rich foods. Moreover, the households earned on average an additional \$8 per month by selling

their surplus, and studies showed that families used this extra income to purchase additional healthy foods not grown in the gardens, such as legumes and animal products.



The Bangladesh Homestead Gardening program, supported by USAID and Helen Keller International, combined agriculture and nutrition programming in one. The program targeted women, the primary caregivers of the malnourished children.

The U.S. Government Responds to Hunger and Malnutrition

Feed the Future, a bold new U.S. government initiative, will significantly increase investments in improving the productivity and livelihoods of small-holder farmers, a neglected area of U.S. development assistance that pays direct dividends in lower rates of hunger and poverty. Feed the Future also focuses on improving dietary quality, paying special attention to the nutritional status of mothers and children.

The initiative started with 20 countries, most of them in sub-Saharan Africa with the remainder in Asia, Central America, and the Caribbean. Feed the Future has adopted a country-led approach, meaning that partner countries set priorities for how they want the aid to be invested—whether school nutrition programming; agricultural research; improving access to inputs, extension services, and rural credit; or another area related to food security. National governments consult with nongovernmental stakeholders to set the investment priorities together. Next, the governments coordinate with the

U.S. Agency for International Development (USAID) and its implementing partners on a strategy that ensures effective monitoring and evaluation. An integral part of a country-led approach is building the institutional capacity of national governments to sustain the progress begun using foreign assistance.

The establishment of Feed the Future does not correct the structural weaknesses that limit the effectiveness of other U.S. development assistance programs. In fact, one such weakness cuts across all programs, including Feed the Future: the erosion of technical expertise at USAID, the lead development agency in the U.S. government. The main cause of this loss of technical capacity for agricultural programming is staff attrition. For nearly 20 years before the launch of Feed the Future, agricultural programming was not a priority for USAID.

Other structural weaknesses in U.S. development assistance run deeper—they can only be overcome if they are addressed by policymakers. Rewriting the Foreign Assistance Act (FAA) is the most effective way to achieve comprehensive reform of U.S. development assistance. The FAA was enacted in 1961. Legislation written 50 years ago cannot reflect the changed circumstances and emerging priorities the country faces in the 21st century. The U.S. government is committed to helping poor countries develop. Congress should pass foreign assistance legislation that clearly establishes the importance of poverty reduction and development in U.S. foreign policy. Rewriting the FAA will improve the quality of development assistance and strengthen the case for funding it to ensure success.

U.S. Leadership Drives International Action

At a time when policymakers are called on to defend every line in the national budget, the United States and other developed countries have pledged to invest resources and political will in fighting global hunger and malnutrition. The timing speaks volumes for how seriously world leaders take hunger and malnutrition as threats to global stability and the common good.

Figure s.1 **Impact of Malnutrition Interventions on MDGs**

MDG 1: Eradicate extreme poverty and hunger	Reducing 'prevalence of underweight children under five years of age' is an agreed target for MDG 1. Reducing malnutrition increases economic growth.
MDG 2: Achieve universal primary education	Reducing malnutrition increases cognitive development and contributes to learning and school completion rates.
MDG 3: Promote gender equality	Promoting better nutrition practices contributes to empowering women and to reducing discrimination against girls in family feeding practices.
MDG 4: Reduce child mortality	Enormous impact of lower malnutrition on child mortality.
MDG 5: Improve maternal health	Improved maternal nutrition and reduced maternal mortality through programs of behavior change and iron and folic acid supplementation.
MDG 6: Combat HIV/AIDS, malaria and other diseases	Reduces maternal and child mortality caused by the interaction of malnutrition with HIV/AIDS and other infectious diseases.
MDG 7: Ensure environmental stability	Better nutritional practices mean more effective use of available food and so better adaptation to environmental stress (Target 7a), increased health impact from improved access to water and sanitation (Target 7c), and improvement in lives of slum dwellers (Target 7d).
MDG 8: Global partnership for development	Addressing hunger and malnutrition around the world is a key element of, and argument for, the global partnership for development. This applies particularly for the least developed countries (Target 8b), where levels of malnutrition are highest.

Source: U.N. High-Level Task Force on Global Food Security and Nutrition.

With Feed the Future, the United States is not only in step with the rest of the international community on fighting hunger and malnutrition, but leading.

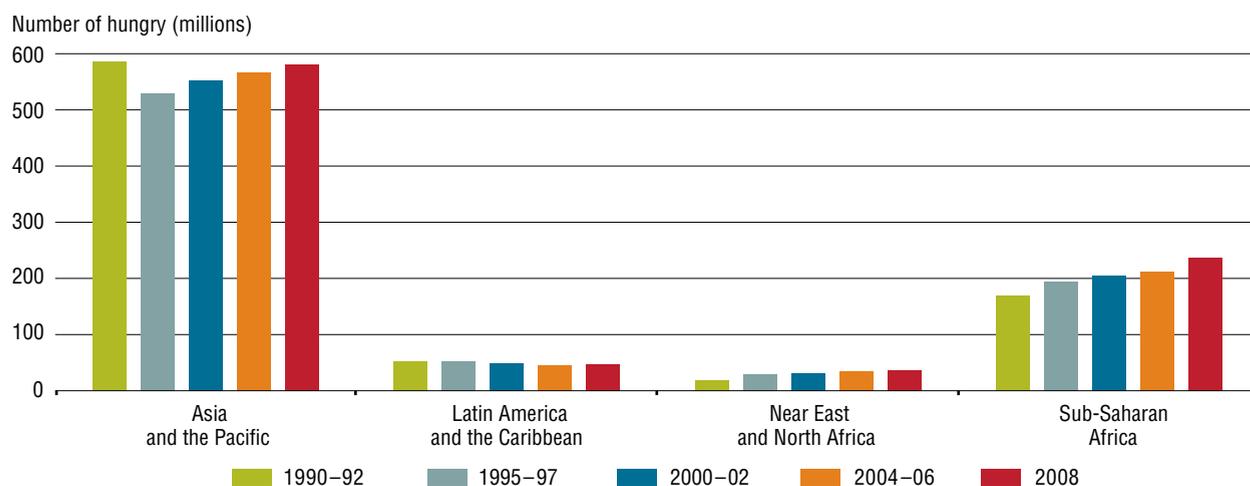
But without international cooperation on other global problems, these investments are in danger of going to waste. Everything Feed the Future and other international efforts are hoping to achieve in the near term could be wiped out by climate change in a few decades or less. People in sub-Saharan Africa will suffer some of the worst effects because so many rely on agriculture for their livelihood. By 2020—in less than 10 years—farmers in some African countries could see their crop yields reduced by as much as 50 percent as the result of persistent drought.

The collapse of negotiations on a climate change treaty, the breakdown in the Doha Round of multilateral trade talks, and the fact that many of the issues contributing to the 2007-08 rise in food prices have not been adequately addressed mean that poor people remain vulnerable despite the new plans and investments in agriculture and nutrition. In 2011 and beyond, the international community must find ways to extend the political will we now see dedicated to reducing hunger and malnutrition to complementary issues where there is as yet little or no meaningful coordination and effort.

With Feed the Future, the United States is not only in step with the rest of the international community on fighting hunger and malnutrition, but leading. To develop the initiative, the U.S. government went through a rigorous consultation process with U.S. civil society groups, including Bread for the World—in the process, it demonstrated that the United States will adhere to the same standards it expects of partner governments in developing countries. Feed the Future’s embrace of country-led development shows other donors that with this initiative, the United States is committed to best practices in international development. The emphasis on bottom-up approaches using local community expertise tells poor and hungry people that the United States stands with them in this initiative.

U.S. leadership may not decide the fate of every hungry child, but we should not understate how much it means either. When the United States leads, other countries know that overall resource commitments will be higher. The influence of the United States as the largest donor makes it possible to

Figure s.2 Hunger on the Rise Throughout the World (selected regions, 1990-92 to 2008)



Source: U.S. Food and Agriculture Organization (FAO).

leverage commitments from others. We've seen this before many times, from debt relief, to the Global Fund to Fight AIDS, Tuberculosis and Malaria, to the more recent establishment of the World Bank's multi-donor trust fund, the Global Agriculture and Food Security Program (GAFSP). In each case, the United States stepped up its commitments and so did other donors, all of which made it possible to do things that weren't possible before.

The challenges of the 21st century are increasingly global in nature. To effectively manage these challenges, the United States has an important role to play in working together with other nations. With international cooperation needed now more than ever, building and strengthening international institutions to address global problems is essential.

The 2011 Hunger Report recommends:

Feed the Future, a bold new U.S. initiative, may be the best opportunity to come along in decades for the United States to contribute to lasting progress against global hunger and malnutrition. It should have the strong support of the U.S. public.

Fighting hunger and malnutrition effectively requires a comprehensive approach that:

- Focuses on smallholder farmers and rural development
- Emphasizes nutrition, especially for pregnant women and young children
- Empowers women
- Strengthens safety nets
- Quickly deals with hunger emergencies

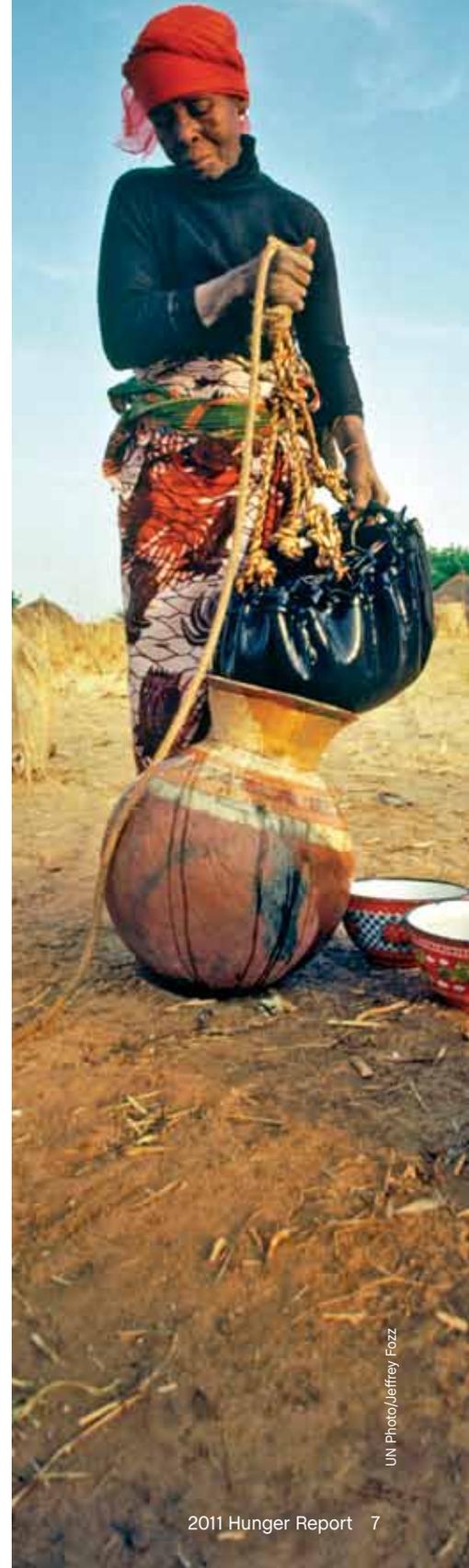
When providing development assistance, the U.S. government should:

- Adopt a clear definition of country-led development that defines and sets operational standards for country-led development.
- Allow funding to flow, with transparency and accountability, through national governments.
- Build national governments' capacity to sustain the progress begun with development assistance.
- Build civil society's capacity to hold national governments accountable for development outcomes.

Congress should rewrite the 1961 Foreign Assistance Act to make it clear that poverty reduction and development are key elements of U.S. foreign policy. The new legislation should improve the effectiveness and flexibility of U.S. development assistance to be responsive to needs in partner countries by untying aid, reducing earmarks, making longer-term commitments, and strengthening the technical capacity of USAID.

The United States should take the lead in strengthening international institutions that are complementary to U.S. bilateral assistance in fighting hunger and malnutrition.

A woman draws water from a deep well in Tomboberi, Niger.



WINDOW OF OPPORTUNITY

by Kathleen Kurz,
Academy for Educational Development

U.S. Secretary of State Hillary Rodham Clinton, speaking at CARE's annual conference in May 2010, could not have made a stronger case for investing in maternal and child nutrition.



Margaret W. Nea

“As governments and organizations search for strategic interventions in the fight against poverty, nutrition represents a ripe opportunity and one that can be addressed from many different angles. Now, whether the primary focus of these programs is agriculture, health, or education, nutrition is the common thread because it’s an issue that cuts across every sector. It’s an economic issue. The World Bank estimates that up to 3 percent of gross domestic product is lost to under-nutrition in the hardest-hit countries. It’s an education issue. Undernourished children struggle to learn and to stay in school, and it is, of course, a health issue.

“Nutrition plays the most critical role in a person’s life during a narrow window of time—the 1,000 days that begin at the start of a pregnancy and continue through the second year of life. The quality of nutrition during those 1,000 days can help determine whether a mother and child survive pregnancy and whether a child will contract a common childhood disease, experience enough brain development to go to school and hold a job as an adult.

“The science of nutrition points to a strategy. If we target that brief critical period during which nutrition has the biggest impact and focus on improving nutrition for expectant mothers, new mothers, and young children, we can accomplish several things at once. We can save lives, we can help children start life on a better path, and we can bolster economic development and learning down the road.

“For the first time, the United States is focusing our investments on that 1,000-day window. We’re identifying millions of young children who need nutritional support and we’re sticking with them for a three-year period to give them a foundation to lead healthy lives.... We’re trying to make nutrition the intersection of two major new policy initiatives—the Global Health Initiative, a six-year, \$63 billion effort to strengthen the health systems of our partner countries and Feed the Future, our hunger and food security initiative of at least three years and \$3.5 billion to improve agricultural systems from farms to markets.

“Our principal concern [is] our children. Ultimately, that’s who we’re working to protect—the children whose lives and futures are most vulnerable to the dangers and deprivations of poverty. Their health is a leading indicator of a nation’s stability, security, and prosperity. I often tell people as I travel around the world, “If you want to know how stable a country is, don’t count the number of advanced weapons, count the number of malnourished children.”

Reducing and preventing malnutrition is the right thing to do to allow children the chance to reach their potential. Secretary Clinton’s remarks make a compelling case for the central importance of nutrition in all U.S. foreign assistance for international development.

Nutrition assistance in developing countries has been administered primarily in two ways: through health programs in non-emergency settings and through food aid programs in emergency settings. Much more should

WINDOW OF OPPORTUNITY

be done to promote nutrition in health systems and in emergency responses, but also opportunities should not be missed to promote nutrition more widely in agricultural programming. Nutritious foods can be a source of income generation and market development as well as part of trade systems—all means by which households could improve their food security.

A window of opportunity is available now to define how Feed the Future and the Global Health Initiative can join forces to do a better job than past U.S. international development programs to promote maternal and child nutrition. In 2010, USAID and other U.S. agencies planned how to invest the new resources. In 2011, they begin to implement the plans, and we will be able to track how well the investments are leading to improvements in maternal and child nutrition.

Bread for the World and other anti-hunger organizations have urged policymakers to use investments in Feed the Future and Global Health Initiative to improve maternal and child nutrition to the greatest extent possible. Staff is already “at the table” asking questions of policymakers who are making plans now within these initiatives. And at the program implementation stage, Bread for the World Institute will be a watchdog to monitor whether programs are making a real difference for maternal and child nutrition around the world.

Here are some of the key questions we should be asking:

- Can agricultural supply chains—largely focused on the storage and processing of staple crops such as corn, rice, and wheat, and of cash crops such as sugar and cotton—be strengthened not only to add financial value, but also to add nutritional value? That is, can diversity in the food chain be enhanced, for example by promoting foods rich in key vitamins and minerals, such as milk, meat, eggs, vegetables, and fruit?
 - Can a diverse diet then be promoted to consumers throughout the country? We know it is possible
- to improve nutrition outcomes in small programs occurring in isolated situations. The challenge is bringing nutrition programming up to scale.
 - Can biofortification programs—in which the seeds of certain foods are vitamin- and mineral-enhanced so the harvested crops are of higher nutritional value—be expanded? Evidence from across the world shows that investments in agricultural research are crucial to reducing hunger. Similarly, research to improve nutrition offers potential to reduce hunger.
 - Can U.S. government investments be used to encourage the private sector to invest in food storage and processing techniques so less food is lost in the post-harvest period? In areas without adequate storage systems, for instance, more than half of the harvest may be lost due to spoilage.
 - Can the programs be monitored to ensure that women take part in decisions on how household income will be spent? As the secretary said in her remarks at the CARE conference, “All of the research going back decades demonstrates the best development strategies are focused on women; that focusing on a woman, helping a woman get better nutrition, getting access to credit, getting education, improves life for the families.”
 - Can we make sure farmers with small or no land holdings whose families are vulnerable to hunger and malnutrition benefit from the Feed the Future and Global Health Initiatives? Despite increasing numbers of people migrating to urban areas, the rural sector remains the epicenter of the global hunger and malnutrition crisis. The worst off are smallholder farmers and landless agricultural workers.

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Feed the Future, a bold new U.S. initiative, may be the best opportunity to come along in decades for the United States to contribute to lasting progress against hunger and malnutrition.

Facing the Challenge:

Ending Hunger and Malnutrition

CHAPTER SUMMARY

2011 IS A TIME OF OPPORTUNITY TO ACHIEVE LASTING PROGRESS AGAINST GLOBAL HUNGER AND MALNUTRITION.

For the United States, it is a time to renew its own commitment to this goal and strengthen its partnerships with other countries to accomplish it. Feed the Future, a bold new U.S. government initiative, will significantly increase investments in improving the productivity and livelihoods of smallholder farmers—a sorely neglected area of U.S. development assistance, yet one that can pay off directly in fewer hungry and malnourished people. A dramatic surge in global hunger as a result of a spike in staple food prices in 2007-2008 galvanized support in both rich and poor countries for moving agriculture to the top of their development agendas. It also brought into focus the long-term consequences of a spike in hunger, especially for the youngest children. During the 1,000 days from conception to age two, the consequences of malnutrition are irreversible. U.S. investments must focus on improving dietary quality as much as quantity, paying special attention to the nutritional status of mothers and children. This chapter sets the stage for the rest of the report by highlighting what has occurred over the last few years that created this international consensus and where we go from here.



Entering a therapeutic feeding center for the first time is unsettling. Therapeutic feeding centers are for young children suffering from severe malnutrition. Three staff from Bread for the World Institute visited such a center in rural Ethiopia at the height of the “hungry season,” the period before the next harvest when food is most scarce. The center was a few hundred kilometers from Ethiopia’s capital city of Addis Ababa, and it was a Spartan environment. The room where the children were treated was bare except for blankets spread across the concrete floor. There were a dozen children there that day, their mothers sitting beside them. They had carried their children here on foot, some walking from more than 10 miles away.

At therapeutic feeding centers, children receive Plumpy’nut, a veritable miracle food that restores them to life. The peanut butter paste comes sealed in a foil package smaller than a Pop Tart. The mothers feed those strong enough to keep swallowing the Plumpy’nut, and these children soon have peanut butter smears on their chin and lips. If you view the scene out of context, it couldn’t be more timeless: a mother feeding her child. But this is a meal that most families are spared. The super-fortified food has only one purpose: to keep deathly ill children alive.

Small children can tolerate no breaks from the nutritious diet they need. Children under 2 are the most vulnerable of all to malnutrition. Malnutrition at an early age kills millions of children every year—it is implicated in a third of all deaths of children younger than 5—and leaves survivors with lifelong physical and mental disabilities.¹ Their suffering costs money too: countries with high

levels of child malnutrition lose an estimated 2 to 3 percent of their Gross Domestic Product or GDP.²

What we see in a therapeutic feeding center are the grimmest cases. Malnutrition is pervasive in poor countries. In the villages where the children who come to this center live, it is likely that every boy and girl is chronically malnourished. The U.N. Children’s Fund (UNICEF) estimates that 50 percent of all Ethiopian children under 5 are chronically malnourished, meaning they lack adequate vitamins and minerals for good physical and mental development.³ As they grow up, they will be prone to illness, do poorly in school, and earn less income as adults than they would have otherwise, and then their own children face a higher risk of repeating this cycle.

Malnourished women give birth to malnourished babies. They also face an increased chance of dying during childbirth.⁴ Malnutrition increases the likelihood that a pregnant woman who is HIV-positive will pass the virus on to her baby.⁵ The World Health Organization estimates that 40 percent of women worldwide are iron deficient.

All women, not just those with children, are at risk when food is scarce. A 2009 study by the International Food Policy Research Institute (IFPRI) found strong correlations between malnutrition and gender inequality



An Ethiopian mother and child wait for a health care worker to examine the child. Fifty percent of all Ethiopian children are chronically malnourished.

across the globe.⁶ Women suffer twice the rate of malnutrition of men. Nor are children spared: girls are twice as likely to die from malnutrition as boys.⁷

The U.N. Millennium Development Goals (MDGs), universally recognized benchmarks of progress in human development, clarify the unbreakable connection between women and children. Women and children make up the majority of poor and hungry people.⁸ Reducing hunger and poverty is MDG 1. Other goals include reducing child mortality (MDG 4), improving maternal health (MDG 5), and promoting gender equality and empowering women (MDG 3), including enrolling more girls in school.

Where there is hunger and poverty, there is almost always poor access to maternal and child health care, more girls out of school, and other problems related to the MDGs as well. The connections work in a positive way too: for example, in a study tracking the years 1970 to 1995, increases in women's education were associated with a 43 percent reduction in child malnutrition.⁹ Information on how all developing countries are doing on the MDGs is available starting on page 158.

From the 1960s through the early 1990s, hunger rates were falling. Since the mid-1990s, hunger and malnutrition have been on the rise. Policymakers, facing daunting 21st century challenges like climate change and swelling populations in poor urban areas of the developing world, must not stand still as global food security continues to erode.

About a billion people in the world are hungry, in part because of misguided policies forged by rich governments, poor governments, and multilateral institutions alike. For too long, agriculture has been neglected and food security has been treated as an

Key Terms Used Throughout This Report

Food insecurity means that people are undernourished as a result of the physical unavailability of food, their lack of social or economic access to adequate food, and/or inadequate food utilization.

Food security means that all people have physical, social, and economic access to sufficient safe, nutritious food to meet their dietary needs and food preferences for an active and healthy life.



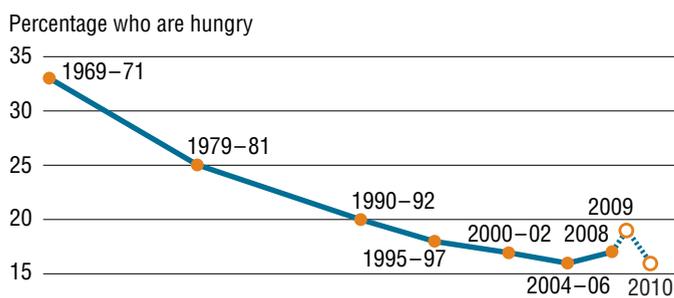
Hunger is a condition in which people lack sufficient macronutrients (energy and protein) and micronutrients (vitamins and minerals) for fully productive, active, and healthy lives. Hunger can be a short- or long-term problem with many causes and a range of effects ranging from mild to severe.

Malnutrition occurs when people's diets do not provide adequate nutrients for growth and maintenance of health, or their bodies cannot fully utilize the food they eat due to illness. Malnutrition includes being underweight for one's age, too short for one's age (stunting), dangerously thin for one's height (wasting), and/or deficient in vitamins and minerals (micronutrient deficiencies).

Nutrition security means all individuals and households are food secure, have good access to preventive and curative health care, and can take advantage of healthy and sustainable care practices such as basic sanitation.

Source: United Nations

Figure i.1 **Percent of Hungry People in Developing Countries, 1969–71 to 2010**



Source: FAO.

automatic byproduct or dividend of economic growth. The policies have it backward: food security must come first. It leads to a more productive population, which then creates and sustains economic growth. The good news is that today's policymakers are realizing and trying to rectify their mistake.

The Makings of a Hunger Crisis

The Millennium Development Goals use reductions in child malnutrition rates as a benchmark of progress against hunger.

Between 2005 and 2008, global food prices increased by 83 percent and more than 100 million additional people were pushed across the threshold into hunger. There were food riots in 37 countries, all of them nations whose hunger rates were high even before the price hikes.¹⁰ The riots were predominantly an urban phenomenon. Most of the world's poor and hungry people live in rural areas, but in the face of steep price increases, poor families in urban areas are no better off than those in rural areas.

2010 was the first year ever that the world's urban population outnumbered people in rural areas. The outmigration of people from rural to urban areas continues to accelerate, so that according to U.N. projections, the world's population will be more than 70 percent urban by 2050.¹¹ The poor nations of Asia and Africa are urbanizing fastest. The compelling reason that people leave rural areas is to find work. The opportunities in the city may be few and far between, but this is better than the complete lack of options

in many rural areas. Rapid urbanization creates many new problems and dilemmas for the governments of developing countries. One of them is that overcrowded conditions and hunger are a combustible mix. Authorities worry about the possibility of further rioting when food prices rise again.

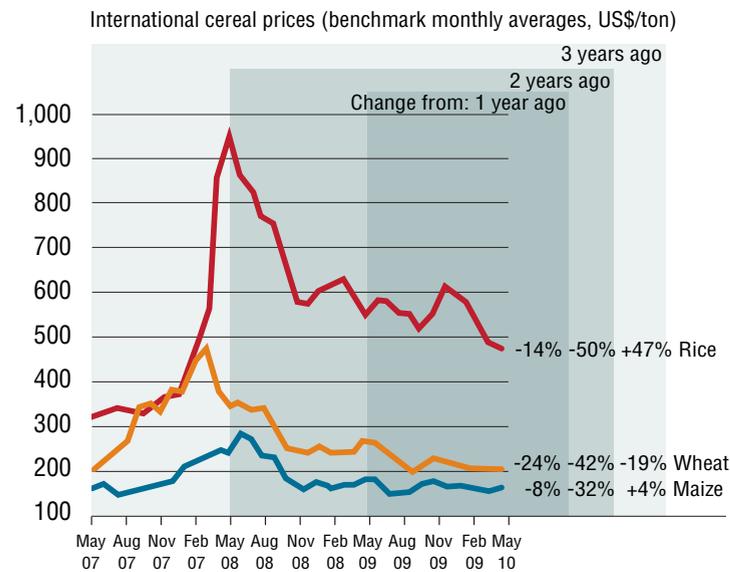
Why did the sharp rise in food prices cause so much suffering for so many people? A look at the daily realities inside a poor household helps explain. A key fact: poor families spend between 60 and 80 percent of their entire income on food purchases.¹² Thus, a small increase in the price of food could make the difference in whether a family has to pull a child out of school, can no longer afford to purchase vital medicines, or can't fix a leaking roof. Second, poor people's diets consist primarily of staple grains like maize, rice, wheat, millet, and sorghum.

From 2005 to 2008, grain prices rose much

more steeply than other food prices. Maize almost tripled in price, rice rose by 170 percent, and wheat was up 127 percent.¹³ If your family spends 70 percent of its income on a staple grain, and its price doubles, the math simply doesn't add up.

In Addis Ababa, the slums are teeming with poor families and malnourished children. As in other developing countries, many poor people who

Figure i.2 **Food Prices Below Peak in 2008, Still Higher than Pre-Crisis levels**



Source: FAO, 2010.

make the city their home have migrated here from rural areas of the country in search of jobs. Construction projects need laborers, and a craftsman's skills are easily transferred from rural to urban environments. Men take these jobs. It's common for them to leave their wives and children behind in the countryside—one reason why women make up the majority of smallholder farmers in developing countries.

The home we enter on our Bread for the World Institute visit is reached down a passage of thin alleyways with the guidance of an aid worker. Homes are crowded against each other. While they appear sturdy enough, there is something makeshift about this community, as if tomorrow all the residents could be gone, probably replaced by others in similarly transient states. The homes have no toilets; the cooking area is communal. A hundred feet away, the neighborhood's main street is bustling with activity. A market is open and people of all ages are passing through.

Aid workers in this slum community greet the children they meet by measuring the circumference of their upper arms. This is the quickest way to tell whether the child is malnourished. The mothers don't object—in fact, they treat it as a custom, akin to a handshake under more favorable circumstances.

The mother we visit is home with her two young children. Her husband has left to look for work and will return with his wages, or what is left of them, in a few days. Their home is one room the size of a shed, bifurcated by a thin divider. The children's eyes are slightly glazed, while the woman's seem detached. The news that her family may be discussed in a Bread for the World Institute report brings no reaction.

The mother admits the family is no better off since leaving the rural village where they'd come from. It is hard to work for money with two very young children—what little she makes is earned by washing clothes. When the children are older and attending school, she hopes to take advantage of opportunities that open up for women with older children.

The aid worker has brought her and the children food, packages of ground maize she will cook into porridge. An outreach worker in the community discovered the family and referred the mother to the aid program because of the children's condition. Food will be provided until the circumference of the children's arms measure an acceptable size. And then the food packages will discontinue. The shifting of help from one household to another as a child's condition improves is shortsighted, but it is unavoidable because of the limited resources. Many families are in need of help, and there is not enough aid to provide for all of them.

The 2007-2008 surge in food prices grabbed public attention in developed countries—concern rose to a crescendo with the riots and then faded



An aid worker in Addis Ababa interviews a mother with two children in their home. The family is receiving assistance because the children are malnourished.

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behind other news, pushing the plight of families like the one above back into the shadows. But these families did not suddenly get good jobs and start eating well as the surge in prices started to level off; they continue to struggle to get enough food.

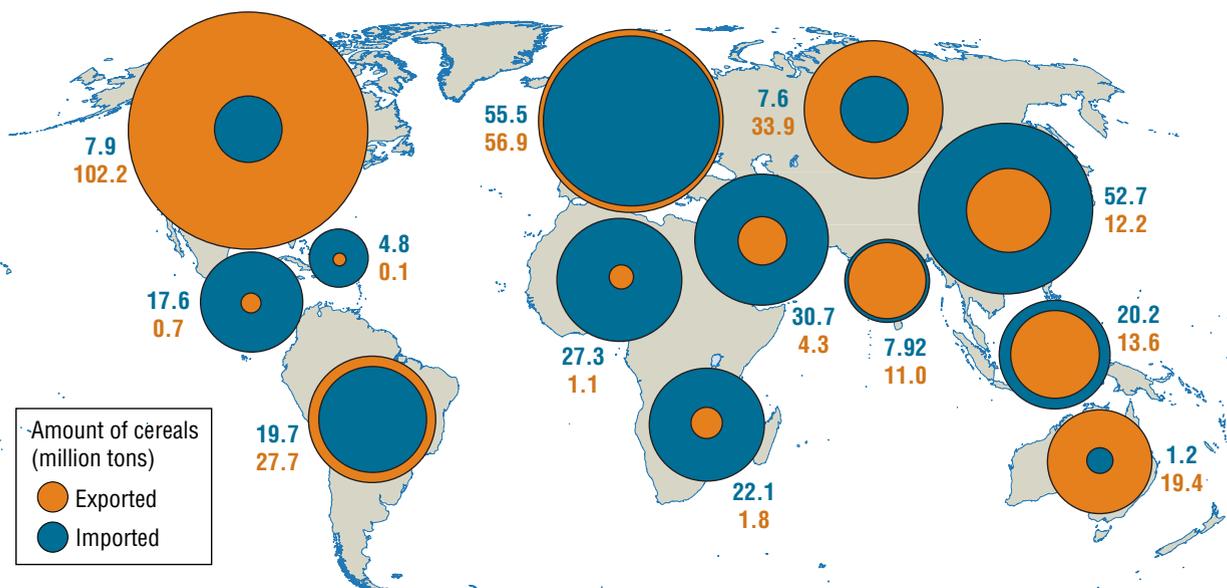
The food price crisis showed the world appalling realities: 100 million people can fall into hunger in a very short time, and their own actions have very little to do with whether they get back out.

Why Food Price Shocks?

Bread for the World Institute's 2009 Hunger Report, *Global Development: Charting a New Course*, discussed the main factors that led to the steep rise in food prices in 2008. These factors have not gone away; food prices are a key theme in this report as well. Overall, grain prices have come down from their 2008 peaks—but not to pre-crisis levels.¹⁴ In the summer of 2010, wheat prices suddenly doubled in less than two months—a striking reminder of just how volatile food markets are and how hunger, malnutrition, and food insecurity are inextricably connected with the rest of the global economy.

High fuel prices were a major reason for the 2008 food price surges. Between January 2002 and July 2008, the price of crude oil shot up by 590 percent.¹⁵ It crested in July 2008 at \$147 a barrel; in December 2008, as the world was sinking deeper into economic recession, the price of crude plunged by more than 300 percent. Fuel prices were not in fact an important reason for 2010's spike in wheat prices. So this is the exception—a factor that has changed since 2008. But the question is, how will the oil market respond once demand is restored to—or exceeds—pre-recession levels? Fuel prices will not be de-linked from food prices forever.

Figure i.3 World Grain Trade Depends on Exports From a Few Countries



Source: FAO 2009c. Note: Annual exports and imports are based on the average over four years (2002–2006)

Food prices are in fact tightly connected to fuel prices because of modern agriculture's dependence on petroleum. The global food system uses up staggering amounts of petroleum every day—it's used for everything from inputs like fertilizer and pesticides to the transportation of products to market. Thus, food prices were pushed ever higher as the cost of petroleum soared. In theory, high food prices should be a boon to farmers, and in fact large commercial farmers in the United States took advantage of their economies of scale to glean generous profits. Not so for impoverished smallholder farmers in developing countries, who failed to produce more food and sell it for a profit while prices were at their highest because they couldn't afford the higher costs of the petroleum-based inputs; they also lacked access to the credit that would have allowed them to cover those costs until they could sell their crops.

Another reason for high prices is the decisions made by some grain-exporting countries. To prevent or minimize food shortages at home, several of these governments restricted the export of grain in 2008. This left food-importing nations like Ethiopia and most other sub-Saharan African countries in dire straits, because there are surprisingly few countries that export surplus grain. (See Figure 1.3). With fewer suppliers, prices rose: from 2006 to 2007, the total food import bill for developing countries climbed from \$191 billion to \$254 billion, with more hard times on the way in 2008.¹⁶

Another problem on the "supply" side made matters worse. Because of a prolonged drought, global cereal supplies were at one of the lowest levels in years. The U.N. Food and Agriculture Organization (FAO) estimates agricultural production will need to double by 2050 to keep up with population increases¹⁷—yet climate change is already stressing production levels. There has been an increase in droughts as a result of climate change; these were already regular occurrences in the global south. In Australia, drought reduced the rice crop by 98 percent between 2001 and 2007.¹⁸

Climate change also helps explain why countries with surplus grain can be reluctant to export it. In 2010, wheat prices rose because Russia, the third-largest producer,¹⁹ imposed an export ban to protect itself against shortages in domestic markets after a drought and a spate of summer forest fires reduced production levels. Internationally, wheat production remained above average and global supplies were never in danger of running too low to meet demand.

Like any commodity that is traded, the ups and downs in the wheat market were a boon to speculators, who used the Russian export ban to bid prices artificially high. The complete absence of effective policies to prevent speculators from wreaking havoc in global commodity markets may in fact pose the greatest challenge to global food security.



Richard Leonardi

A woman in Chontala, Guatemala, works in her maize field. Smallholder farmers are affected first and most severely by increases in food prices.

Speculation was a factor contributing to the surge in food prices in 2008 as well, with the spike in commodity prices in 2008 coinciding with the collapse of the housing bubble in several developed countries. Commodity markets provided a ready outlet for speculators who had previously been

involved in the housing market. The Commodity Futures Modernization Act of 2000 deregulated commodity trading in the United States and exempted it from oversight. “Soon after this,” reports the United Nations Conference on Trade and Development, “several unregulated commodity exchanges opened. These allowed any and all investors—including hedge funds, pension funds, and investment banks—to trade commodity futures contracts without any position limits, disclosure requirements, or regulatory oversight.”²⁰ The commodities bubble did not last as long as the housing bubble, but it was long enough for the greed of a small number of speculators to cause hundreds of millions of people to go hungry.

In 2008, analysts believed that increasing demand for meats and dairy products from consumers in fast-growing economies like China and India was a factor in the rising food costs. The higher incomes in these countries enabled people to buy foods that were formerly luxury goods—foods that require more grain to produce because the grain is fed to livestock rather than directly to people. This is the “zero-sum game” applied to food security: A growing middle class gets to eat better, while poor people get hungrier because nothing is left for them. On closer analysis, however, this argument proved to be less true than first thought. For example, both China and India are net exporters of cereals. From

2000 to 2007, “growth in global grain consumption (excluding biofuels) was only 1.7 per cent per annum,” writes World Bank economist Don Mitchell, “while yields grew by 1.3 per cent and area grew by 0.4 per cent, which would have kept global demand and supply roughly in balance.”²¹ So far, at least, producing more meat and dairy products is not using up grain that could have gone to poor people.

On the other hand, a cause of the 2008 food price spikes that turned out to be more important than first thought was the diversion of cereal grains and oil seeds into biofuels. “Biofuels” refers to ethanol and biodiesel. Globally, ethanol production increased from 4.75 billion gallons in 2000 to 12.15 billion in 2007, while biodiesel production reached 2 billion gallons, an eight-fold increase over those same seven years.²² Most biofuels produced in the United States are made from corn. U.S. ethanol production rose from 1 billion gallons in 2002 to 5 billion in 2006. The 2007 Energy Independence and

Figure i.4 Evidence Based Direct Interventions to Prevent and Treat Malnutrition

Promoting good nutritional practices:

- breastfeeding
- complementary feeding for infants after the age of six months
- improved hygiene practices including handwashing

Provision of micronutrients for young children and their mothers:

- periodic Vitamin A supplements
- therapeutic zinc supplements for diarrhea management
- multiple micronutrient powders
- de-worming drugs for children (to reduce losses of nutrients)
- iron-folic acid supplements for pregnant women to prevent and treat anaemia
- iodized oil capsules where iodized salt is unavailable

Provision of micronutrients through food fortification for all:

- salt iodization
- iron fortification of staple foods

Therapeutic feeding for malnourished children with special foods:

- prevention or treatment for moderate malnutrition
- treatment of severe malnutrition with ready-to-use therapeutic foods

Source: Scaling Up Nutrition: What Will it Cost? Horton, et.al. 2009

BOX i.1 NIGER

In Niger, hunger is a part of life. A “hunger season,” as it’s called, occurs during the months leading up to a harvest, when supplies of food from the last harvest are depleted. The difference between a normal hungry season and a bad one is measured in terms of how early therapeutic feeding centers begin treating the waves of severely malnourished young children.

2010 was a bad year in Niger. The results of a government survey were that 17 percent of children younger than 5 were acutely malnourished and in mortal danger. Any number higher than 15 percent is classified an emergency by the U.N. World Health Organization.¹

At any given time, half of all children in Niger are chronically malnourished. While it might appear that nothing can be done, the truth is that the hunger season could be wiped from Niger’s calendars. The international community needs to do more to help. The government of Niger is already investing 14-15 percent of its budget in the agricultural sector, putting it among the highest in that category in all of Africa.² It’s a matter of whether there is enough political will to confront the challenges in a country that consistently ranks at or near the bottom of the U.N. Human Development Index.

According to UNICEF, 80 percent of child deaths are linked to lack of access to clean water and sanitation. Less than a third of the rural population has safe drinking water. Despite being covered by desert, Niger is rich in water reserves—the country uses only 20 percent of its renewable water resources. Niger’s government is investing tens of millions of dollars in water projects, but the costs of accessing most of the water are huge, well beyond what it can afford.³ Few investors besides the government have been willing to bear the risks.

Niger and other countries of the Western Sahel are on the front lines of climate change.⁴ Niger and its neighbors are emitting a fraction of the greenhouse gases of richer countries that have the resources to help. The frequency of droughts in the region reduces agricultural production.



A mother and child at a feeding center in Zinder, Niger, run by Médecins Sans Frontières

UN Photo/Evan Schneider

Because development challenges have been ignored, making emergency response a necessity, the hunger season remains on the calendar. Early warning systems have been developed to keep track of weather-related conditions and how they could affect domestic agriculture production and imports from neighboring countries. What this has accomplished is ensuring that when an emergency occurs, it has been known about for months in advance. Yet the global response is never soon enough or generous enough to prevent millions of people from going hungry. What’s needed goes beyond an early warning system to an early-response system.

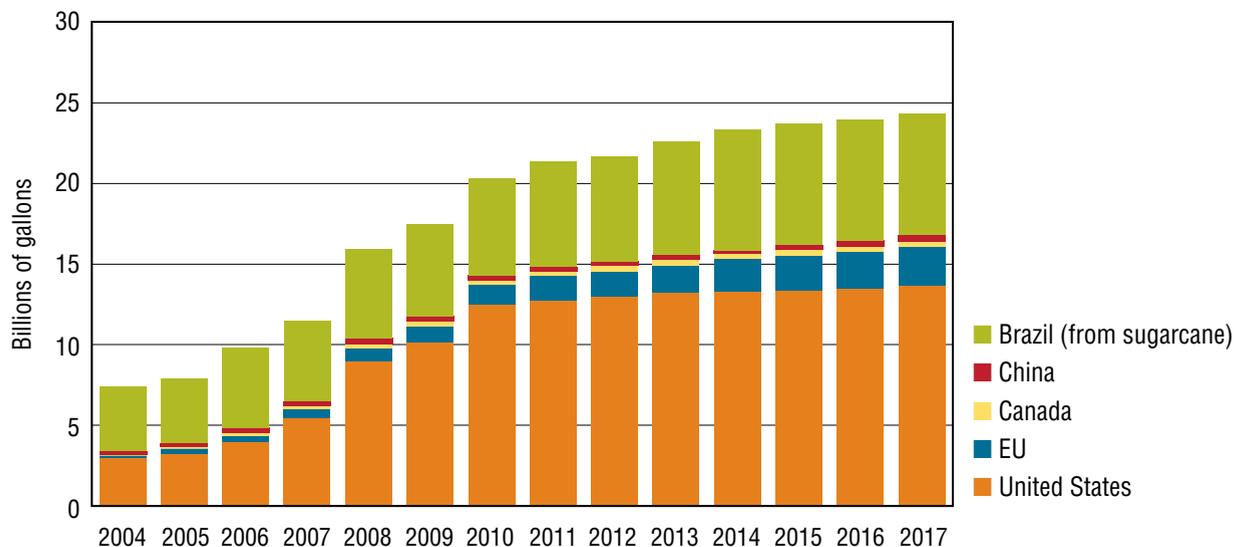
Security Act mandated raising ethanol production to 36 million gallons by 2022, and President Obama has proposed raising ethanol production targets in the United States to 60 billion gallons by 2030.²³

The International Food Policy Research Institute (IFPRI) predicts that in the coming decades, biofuel production will be responsible for 30 percent of the increases in global food prices.²⁴ Analysts at the U.N. Food and Agriculture Organization (FAO) explain: “Because the world energy market is so much larger than the world grain market, grain prices may be determined by oil prices in the energy market as opposed to being determined by grain supply.”²⁵ Global food security will be affected by whether “next-generation” biofuels—produced from inputs other than food staples, such as grass or algae—are developed sooner rather than later. There’s no word yet on when these fuels will move from the research phase to commercial development. Once they become available, they will likely also face a political hurdle as those who now receive generous subsidies to produce biofuels, predominantly large-scale corn producers in the United States, lobby to hold onto their share of the market.

Clearly, 2008 was a discouraging year because of the unprecedented rise in hunger. The silver lining is that we gained a better understanding of this complex problem and where governments and advocates must stand firm in focusing the world’s attention. That January, *The Lancet*—one of the most respected medical journals in the world—published a five-part series on the irreversible effects of early childhood malnutrition. It is no exaggeration to say the articles led to a seismic shift in thinking among some development experts about the priorities of international development assistance.

Because *The Lancet* series coincided with the food price shocks, nutrition has gained a lot of ground on the development agenda, moving up from its traditional position as a backwater in aid programs. Governments and

Figure i.5 Ethanol Production, 2004–2017



Source: Economic Research Service, USDA.

experts now recognize the potential of better nutrition to spur economic and social development—and the impact of poor nutrition on any development effort. This report, Bread for the World Institute’s *Our Common Interest: Ending Hunger and Malnutrition*, owes much to *The Lancet* series and subsequent efforts to raise the profile of nutrition among policymakers and development workers.

Agriculture and Food Security

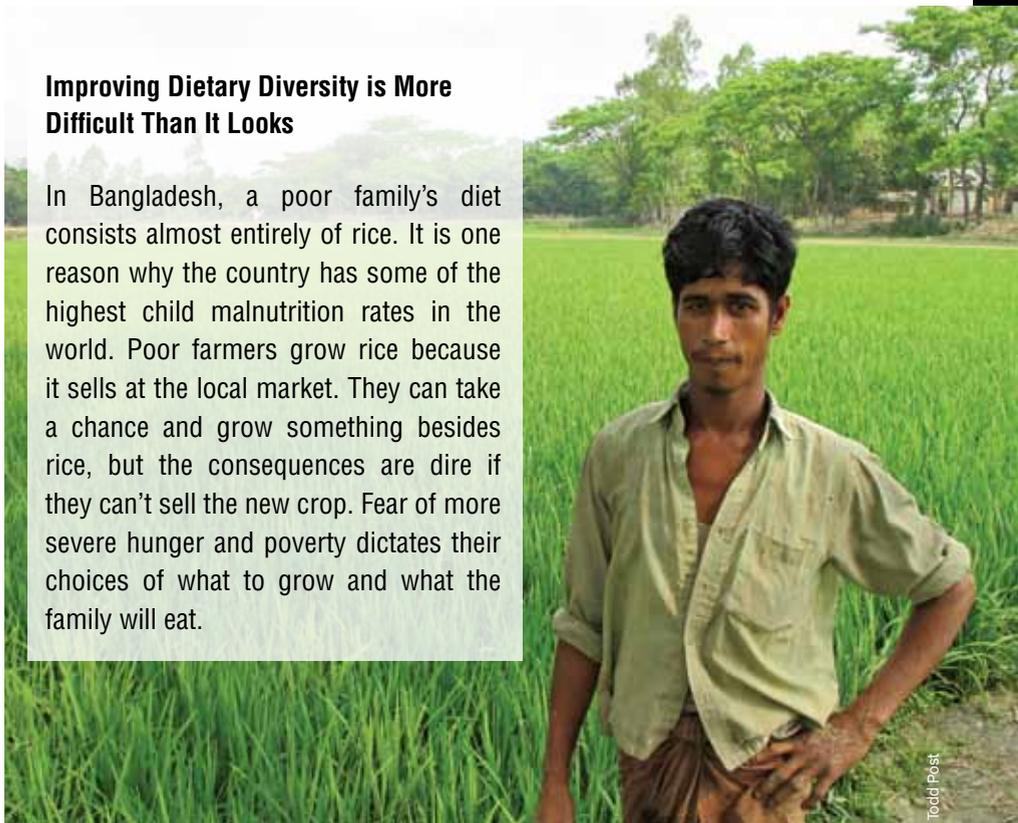
Improvements in food security and nutrition are linked to a productive agricultural sector. Common sense might suggest that we need to make sure that domestic food supplies match demand for food—but that’s not the core of the problem. The recent increases in hunger were because of the high food prices, not because there wasn’t enough food to go around. Although grain stocks were low, they were not too low to feed everyone if some nations with surpluses hadn’t panicked and banned exports. In the same vein, famines have occurred in countries where another region actually has food surpluses.²⁶ The unprecedented rise in hunger recently was a consequence of the high costs.

Agriculture is a key driver of economic growth in poor countries. In very poor countries, agriculture provides more than 70-80 percent of the labor force with the greatest share of their incomes. When the agricultural sector is growing, so are people’s incomes. It’s what determines whether they are eating only a bowl of rice seven days a week or they can occasionally afford to add some meat and vegetables to their diet.

Despite incontrovertible evidence that food security is linked to agricultural productivity, over the past three decades donors slashed agriculture as a share of their development budgets.²⁷ By about 2005, U.S. development assistance for agriculture programs had fallen to 25 percent of its mid-1980s levels.²⁸ Between 1991 and 2006, World Bank lending to sub-Saharan African countries for agriculture constituted just 8 percent of its total lending to the region.²⁹ Matching the example set by donors, poor countries with agriculture-based economies have the lowest percentage of public investment

Improving Dietary Diversity is More Difficult Than It Looks

In Bangladesh, a poor family’s diet consists almost entirely of rice. It is one reason why the country has some of the highest child malnutrition rates in the world. Poor farmers grow rice because it sells at the local market. They can take a chance and grow something besides rice, but the consequences are dire if they can’t sell the new crop. Fear of more severe hunger and poverty dictates their choices of what to grow and what the family will eat.



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in agriculture as a percentage of their Gross Domestic Product (GDP).³⁰ In sub-Saharan Africa, public spending on agriculture accounts for an average of just 4 percent of total government spending.³¹

How did these disinvestments happen? It's a "chicken and egg" question. Often, developing countries cut spending on agriculture because they were directed to do so by donors. Even when donors did not make these instructions explicit, pressure was clearly there. If a country failed to adhere to loan conditions set by the World Bank and International Monetary Fund (IMF), loans were cancelled and other donors withdrew assistance.³² And those loan conditions included opening markets up to imports. The World

Bank's Independent Evaluation Group's assessment of the organization's policy advice to countries in Africa on agriculture indicated a strong focus on reducing government involvement in the agriculture sector and on boosting private sector investment by reducing trade and regulatory barriers.³³ However, there was limited understanding about the complementary actions needed to boost agriculture development and no clear strategy on how to overcome other barriers, including access to credit, seeds, fertilizer, irrigation, transportation and rural roads.³⁴

Because of agricultural subsidies, the United States was able to export grain into developing countries at well below the cost of production, making it very difficult for poor farmers to compete for markets inside their own countries. The irony is that these farmers are the same people U.S. development assistance is intended to help.

In Ghana, subsidized poultry from the European Union flooded local markets, driving most of Ghana's own poultry farmers out of business. When Ghana's government responded by attempting to impose a stiff tariff on poultry imports, the IMF objected and the tariff was never implemented. In 1992, domestic farmers supplied 95 percent of Ghana's poultry market, but by 2001 it was just 11 percent.³⁵

In hindsight, it may look like disinvestment from agriculture was a deliberate decision by donors. But the prevailing beliefs at the time were that economic growth would bring about development and that the free market would deliver economic growth faster than public investments. Also, grain prices began falling in the 1960s and continued on a downward trend throughout the 1990s—so it was not seen as risky for developing countries to rely on "cheap" grain imports rather than develop their own agriculture sectors.

Nowhere did these policies backfire more than in agricultural research. Donors cut assistance to developing countries for agricultural research by 64 percent between 1980 and 2003.³⁶ Commercial agriculture has a robust research sector but it is geared almost entirely to large commercial farmers. Without public investments, little research gets done to increase productivity



UN Photo/Fred Moy

Sudanese farmer harvests sorghum grown from seeds donated by The U.N. Food and Agriculture Organization.

in the smallholder sector—composed of more than 400 million farmers in the developing world.³⁷ There are also new research needs. As climate change not only lengthens period of drought but leads to rising sea levels, farmers need strategies to adapt—for example, drought-tolerant seeds suited to the variety of agro-ecological environments where smallholders farm, plus seeds that can thrive in higher saline environments. The neglect of the research sector cannot be reversed quickly. It takes years to build the capacity of research institutions and the human capital to do the research.

With this said, all signs indicate that a new approach to global food security strategy is evolving quickly.

The unprecedented rise in the number of hungry people after the food-price shocks has led governments in both rich and poor countries, as well as multilateral institutions like the World Bank and U.N. agencies, to refocus their attention on agricultural investments. It is very important to target these resources properly. Focusing on smallholder farmers is essential. Generally, this means focusing on women and on the gender issues that could affect programs' outcomes. Up to 80 percent of the smallholders in some African countries are women, and women also represent the majority of smallholders in most of Asia.³⁸ Moreover, when women begin to earn higher incomes, their food purchasing decisions are likely to improve their children's nutritional status.³⁹



Fish farmers in Bangladesh display their catch. The fish are raised in ponds supported by donors, including USAID.

A Global Response

In the United States, the Obama administration announced a long-term commitment to investing in improving agriculture and food security in developing countries. Other leaders have joined President Obama with commitments of their own. At a 2009 summit in L'Aquila, Italy, G-8 leaders pledged to invest \$22 billion over three years in agricultural development and food security.⁴⁰ G-8 countries have made promises to increase development assistance before—and were slow to deliver or did not live up to their promises.⁴¹ They must be held accountable for following through.

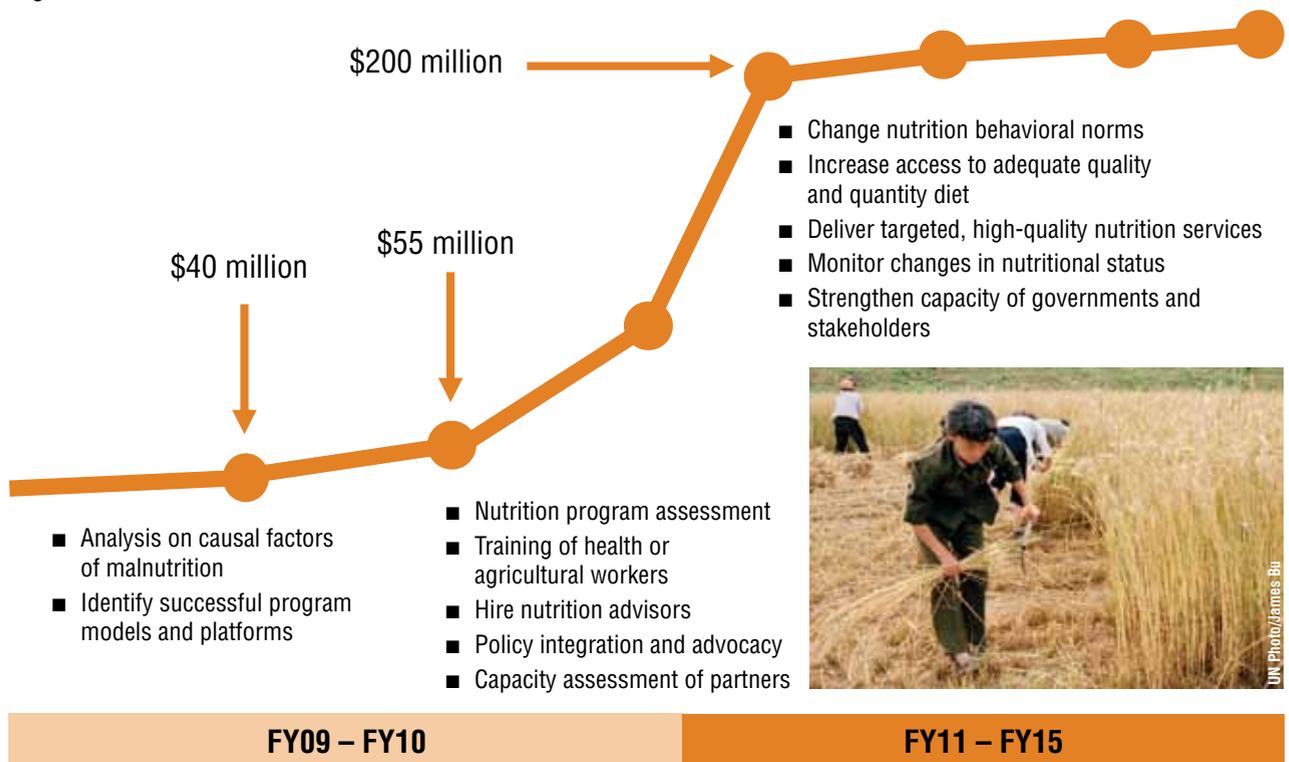
G-8 countries and other donors need partners in the developing world committed to national food security initiatives of their own. The stereotype of a giant vacuum of leadership in the developing world doesn't fit with reality. Donors can work with any government with strong leadership and a commitment to good governance. As the food price crisis was unfolding, the African Union and the New Partnership for Africa's Development (NEPAD)

organized a continental response to the crises that involved donors and African states.⁴² The meeting brought together 160 participants from countries across Africa and included development partners like the World Bank, the World Food Program, and FAO. Participants drew up a list of short- and medium-term priority responses and agreed to put the needs of the most vulnerable countries first. It was an impressive display of unity, yet it flew under the radar of most western media.

NEPAD was conceived in 2001 by African leaders to implement a vision of development that is African-owned. Another of its goals is to change how African countries relate to international donors. Throughout the 20th century, donors drove the development agenda in Africa, and while African input may sometimes have been welcome, the prevailing ethos was that the donor knew best for the continent. For much of the past decade, one marked difference between NEPAD's agenda and that of the international community has in fact been agriculture. In 2002, African ministers of agriculture endorsed a development strategy known as the Comprehensive Africa Agriculture Development Programme (CAADP) and formally launched it the next year. Among CAADP principles are raising national governments' spending levels on agriculture and aligning the targets of their programs with the MDGs.⁴³

Meanwhile, the donor community has been working on how to engage more effectively with developing countries. Donors and their partner countries have understood since before the spike in food prices and subsequent

Figure i.6 **A Feed the Future Timeline**



Source: USAID

rise in hunger that structural changes in how they work together are long overdue. The hunger crisis and global recession added greater urgency for change in relationships that were already in transition. In 2005, more than 100 donors, including governments, agreed to broad reforms in development programming. The *Paris Declaration on Aid Effectiveness* drew up a set of principles to restructure donor relationships with developing countries, handing much more control of program implementation over to country leaders.⁴⁴ Donors also assigned themselves the task of coordinating better with one another.

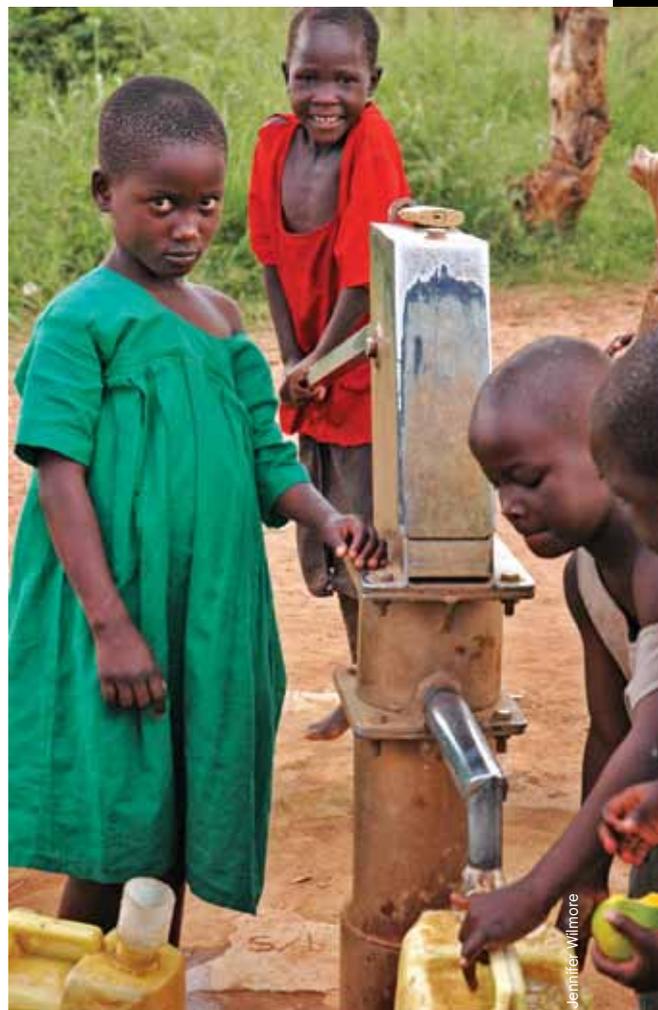
Feed the Future, a new U.S. global hunger and food security initiative, is consistent with the Paris Declaration principles and is also using the CAADP agenda to drive how it plans to work with countries in Africa. Initially, 20 developing countries were identified to participate in the initiative, with African countries the largest geographic grouping.⁴⁵ The initiative is still in its infancy and many details remain to be worked out, but the clearly-stated intention is to focus on improving food security and nutrition security. Historically, nutrition has been absent from governments' thinking and planning on food security. There are few examples, for instance, of agricultural programs with a focus on improving nutritional outcomes. But planning integrated programs is necessary to addressing—and meeting—the twin challenges of food and nutrition security.

Vision and Focus

Bread for the World President David Beckmann, in testimony before the U.S. House Committee on Foreign Affairs in 2009, said that the then recently-proposed Global Hunger and Food Security Initiative, before it was named Feed the Future, “is remarkable for its vision. It recognizes that a comprehensive strategy to address hunger must go beyond simply increasing agricultural production, and that improving maternal and child nutrition is a central component of the administration’s plan. Focusing our agriculture and food security investments on improving the nutrition of women and children will shape better, more targeted programs that have a lasting development impact.”⁴⁶

Feed the Future is the best opportunity to come along in decades for the United States to contribute to lasting progress against hunger and malnutrition. Only time and the actions of the initiative’s backers will tell whether it is a fleeting opportunity, since for all its clarity of vision and focus on the right things, Feed the Future will not achieve its objectives if it is not sustained.

Changes on the scale required for significant, sustained reductions in poverty and malnutrition will take years or even decades. Effective and lasting partnerships between donors and developing countries are absolutely essential, and these cannot be created overnight. Rather, they are the kind of partnerships that require extended and often sensitive discussions over many cups of tea. Ultimately, it is the quality and duration of these relationships,



Ugandan children pumping water to carry back to their homes. Having a source of clean drinking water can reduce malnutrition.

even more than the dollars committed, which will make the difference to lasting progress against hunger.

The Way Forward

This introduction has laid out where we are today in efforts to end global hunger and malnutrition. In the following chapters, the report covers where to go from here. The first step is showing how and why we need a comprehensive approach: hunger and malnutrition are complex issues that require action on multiple fronts. Chapter 1 provides a set of fundamental principles to keep us focused. Chapter 2 explores the relationship between donors and partner governments in countries that receive aid and explains how a new approach to such partnerships is evolving, one that offers good reason for hope for better development outcomes. Chapter 3 is concerned specifically with the United States, identifying domestic policies that undermine the effectiveness of U.S. development assistance and proposing a long-overdue structural reform of our foreign assistance. Finally, Chapter 4 emphasizes the importance of improving international cooperation to solve problems that hinge on united action, like hunger and malnutrition. The greater share of our observations and recommendations apply to U.S. international development policy as a whole, but examples relevant to Feed the Future guide much of the discussion.

Children playing in Lusaka, Zambia, one of the Feed the Future countries.



THE FUTURE IS GETTING BRIGHTER

by Roger Thurow

Chicago Council on Global Affairs

Rwandan farmer Ezechias Rurahinyuza joined thousands of his neighbors in reshaping their steeply sloped fields this summer. Using hand tools, they crafted wide terraces to increase their arable space and create a water management system to slow the relentless erosion of their valuable top soil. Taking a brief break from his labor, Rurahinyuza surveyed the hills—and the future.

He envisioned crops flourishing on the terraces. Rain water would stay on his fields nurturing his seeds and aiding the fertilizer instead of carrying it all down to the bottom of the valley. With even better seeds and fertilizer, he calculated that he may be able to triple or quadruple his harvest of corn and potatoes and expand his grove of passion fruit trees. For once, he said, his harvest may yield enough to both feed his family and earn a decent sum of money from sales at the market.

“That,” he said, “will be wonderful.”

Ezechias’ vision and the hopes of his neighbors are being aided by the commitment of their own government and international leaders to end hunger through agriculture development. Since 2007, Rwanda has been sharply increasing its spending on agriculture, determined to cut its reliance on food aid and to have its own farmers feed the country. In 2009, the leaders of the world’s largest industrial countries pledged \$22 billion to support agriculture development in the world’s poorest countries. In 2010, a multi-donor trust fund—the Global Agriculture and Food Security Program, or GAFSP—was created to finance larger rural development projects that have been neglected for decades.

Rwanda has emerged as the model country for the global food security initiative—called Feed the Future

by the U.S. administration—because it was the first to challenge the international community to make good on its pledges. The donors had said they were interested in country-led agriculture investment strategies, and Rwanda had a plan ready to go, with priorities such as irrigation, soil conservation, local seed research and extension services to advise farmers.

This tiny nation in east-central Africa—known as the “land of 1,000 hills”—was pushing ahead with an ambitious Land Husbandry, Water Harvesting and Hillside Irrigation project, a \$200 million initiative that would initially include more than 40,000 hectares. To begin



Roger Thurow

work earlier this year, Rwanda had committed up to \$25 million of its own money and had received \$34 million from the World Bank, \$14 million from the U.S. Agency

THE FUTURE IS GETTING BRIGHTER

for International Development and about \$8 million from the Canadians. Another \$50 million came in the first allocation of GAFSP funding. When the corn harvest was in, Ezechias and a legion of other farmers went to work terracing their land.

Rwanda illustrates the consequences of the neglect of agriculture development over the past three decades, and the potential for a reversal, which is a goal of Feed the Future. Typical of sub-Saharan Africa, about three-quarters of Rwanda's population depends on farming for its own food and a bit of income. Agriculture provides one-third of the national income. Yet Rwanda's rural infrastructure is underdeveloped. Markets are weak, transport is difficult, seed research is scarce, proper post-harvest storage facilities are rare. Hunger has stalked the country.

The government's recent push to improve its agriculture has yielded early successes. A crop intensification

program made fertilizer and higher quality seeds available to the farmers, who have enthusiastically reaped bigger harvests. This year's corn harvest, for instance, was four times greater than in 2006. In the eastern region of Kirehe, corn production soared to about 40,000 tons from 12,000 just four years ago. Farmers' surpluses filled the kitchens and bedrooms of their little houses.

This brought Agriculture Minister Agnes Kalibata for a visit. "We need to build warehouses! We need markets!" she said emphatically and urgently. Like her country's farmers, she too has big dreams. She would like to see the corn harvests continue to grow so that Rwanda can one day soon be an export country. But she worried that a surplus that couldn't be stored properly (in Africa, one-third of the harvest typically is spoiled by the climate or lost to pests and disease) or absorbed by the markets would undermine farmer enthusiasm. It is



©Scott Wallace/ World Bank

THE FUTURE IS GETTING BRIGHTER

an oft-repeated tragedy of Africa: surpluses overwhelm storage and markets, prices collapse below the cost of production, farmers lose incentive.

“How can I tell the farmers to plant more maize?” Minister Kalibata asked. “Unless we sell this, how can we get them to grow more? We need to keep moving, we need to keep the farmers interested. That’s the challenge of creating food security.”

In this she is gaining international allies: Feed the Future, the GAFSP funding, the World Food Program’s Purchase for Progress program which buys up surpluses from small farmers.

“We want to have partnerships with all those who can help us,” says Evariste Tugurushuti, the president of one of the farmers’ cooperatives in the Kirehe region.

He and his fellow cooperative members quickly filled out a grant request to tap some of the Feed the Future funding from the United States; the Obama administration pledged \$27 million for Rwanda for fiscal year 2010

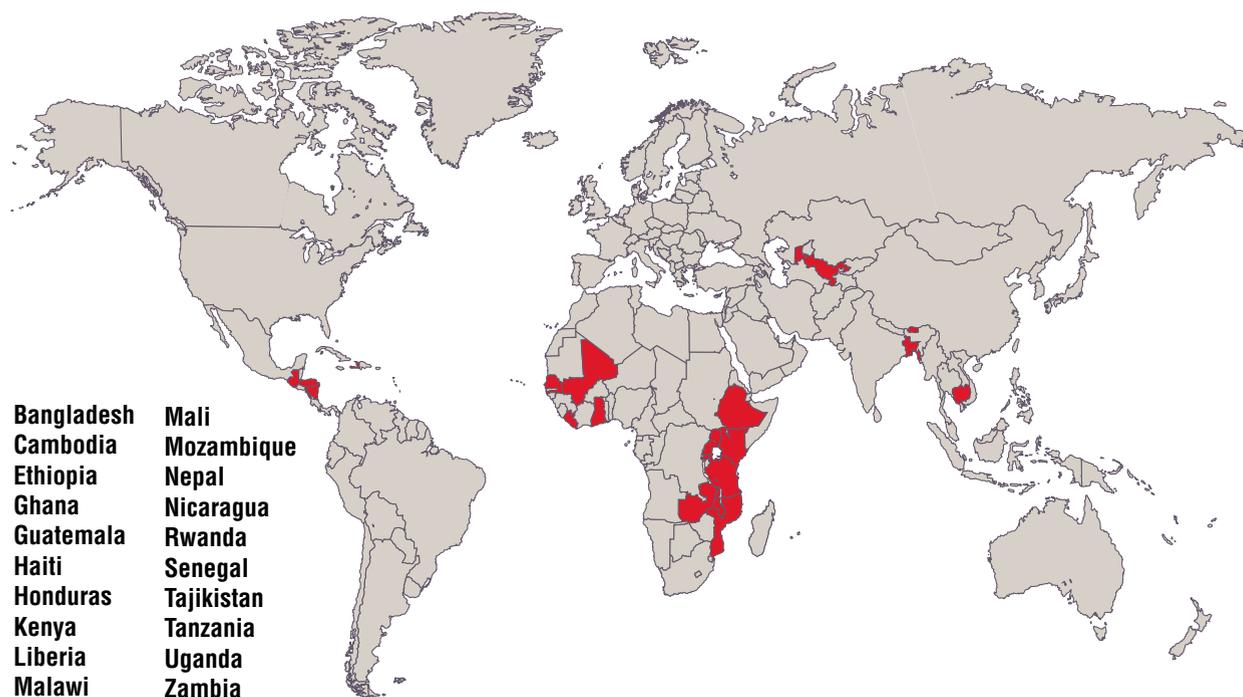
and has requested more than \$50 million for 2011. Among the cooperative’s priorities: five collection centers where farmers can store their harvests; 2,000 plastic sheets on which they can dry the maize and better prepare it for the market; two stitching machines to seal the storage bags and keep out pests and mold.

In response to the application question, “Is there any way to scale up your business,” the cooperative replied: “Since we now are producing surpluses, if we can get the markets our business can grow very fast.”

The name of the cooperative? The Future Will Be Bright.

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Figure i.7 **Feed the Future Countries**





Thinking Big:

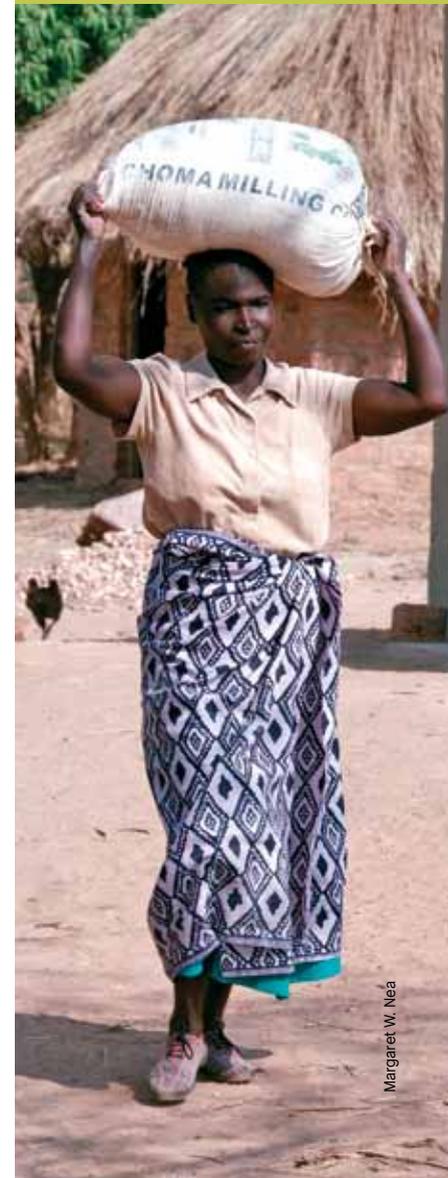
A Comprehensive Approach to Fighting Global Hunger and Malnutrition

CHAPTER SUMMARY

FEED THE FUTURE EMPHASIZES INVESTMENTS IN THE AGRICULTURE SECTOR OF POOR COUNTRIES. Three of every four hungry people in the world live in rural areas, and agriculture is their main source of income. But it's not enough to help poor farm households earn income to consume more food that does not provide the essential protein, vitamins, and minerals they need to be healthy. U.S. investments must take a comprehensive approach that focuses on improving dietary quality as much as quantity, paying special attention to the nutritional status of mothers and children. Malnutrition is a result of poverty: families cannot afford healthy food. Malnutrition also causes poverty: workers suffering from malnutrition-induced health problems have lower earning potential. Malnutrition robs children of their ability to learn and do well in school. Rich countries have created safety nets to mitigate the most harmful effects of poverty. Safety nets are less common in developing countries, but aid from donors can help make them more feasible. Besides having safety nets in place—no matter how many people are covered—countries need to be prepared to respond swiftly to hunger in emergencies such as a natural disaster or spike in staple food prices.

Recommendations

- Focus on smallholder farmers
- Emphasize nutrition
- Empower women
- Strengthen safety nets
- Respond quickly to hunger emergencies



“The United States has always stood for big ideas,” explained Senator Richard Lugar (R-IN) to colleagues on the floor of the Senate when he introduced the Global Food Security Act of 2009. “From the founding of the Republic on the basis of freedom to President Kennedy’s vow to put a man on the moon,” he continued, “one of today’s big ideas should be the eradication of hunger.”¹

The Global Food Security Act was co-sponsored by Senator Robert Casey (D-PA). Bipartisan agreement has been hard to come by in Congress, so it’s noteworthy that fighting hunger remains an issue where elected officials are willing to set aside partisan differences and do the right thing.

Eradicating hunger is a big idea, as Lugar says. It’s not a pipe dream any more than putting a man on the moon was in the 1960s, eradicating smallpox by the mid-1970s, or transforming China, India, and Mexico from nations on the verge of famine a half-century ago to food exporters by the turn of the 21st century. Each was accomplished with the help of an unflinching U.S. commitment to big ideas.

When political will is focused on doing something big, the inevitable skeptics have been proven wrong time and again. Ending hunger ought to be easier today because there are more resources. The world’s rich countries have grown considerably richer in recent decades and many countries that were once poor have entered the ranks of middle-income countries.

In July 2009, at the annual gathering of the richest countries in the world (known as the G-8), leaders agreed to raise \$22 billion to support agricultural and other food security programming in the developing world. Often, big ideas are hobbled by the inability of countries to agree on goals, but that doesn’t appear to be the case this time. Later in the year, at a meeting of the G-20, which is composed of the G-8 along with countries with rapidly growing economies (including China, India, and Brazil), leaders reiterated their agreement on the importance of agriculture.

In September 2009, the Obama administration launched a new global hunger and food security initiative, Feed the Future, with an emphasis on increasing agricultural productivity in poor countries. The global food system is quite vulnerable to shocks. For example, when prices of staple grains skyrocketed in 2007-2008, a hunger crisis ensued to focus world attention on the vulnerability of poor countries. Feed the Future will initially include 20 countries with high rates of hunger and malnutrition and whose economies depend on agriculture; over the next three years, these countries will receive tens of millions of dollars in assistance to develop their agricultural sector. Within each country, targeting resources to those most in need is essential. As the Millennium Development Goals (MDGs) make clear, hunger and malnutrition are multidimensional problems.



Jennifer Wilmore

In developing countries reducing poverty and hunger are tied directly to increasing agricultural productivity.

Agricultural productivity is not listed as one of the eight MDGs. It is particularly crucial as a catalyst for MDG 1, ending hunger and poverty, but agricultural growth also offers a gateway to sustainable progress on the rest of the MDGs.

Defining Comprehensive Narrowly—by Necessity

Feed the Future endorses the principle of a comprehensive approach to fighting hunger and malnutrition. “Comprehensive” can be a loaded term, creating any number of expectations. Here, we rely on the definition adopted by the U.N. High Level Task Force on Global Food Security in 2008 as the world was faced with an extraordinary rise in hunger. A comprehensive approach seeks “to meet the needs of vulnerable populations [and] to build resilience that contributes to global food and nutrition security.”²

The issues covered in this chapter are key components of such a comprehensive approach and deserve immediate attention:

- Focusing on Smallholder Agriculture and Rural Development
- Emphasizing Nutrition
- Empowering Women
- Strengthening Safety Nets
- Responding to Hunger Emergencies

“One of today’s big ideas should be the eradication of hunger.”
 – Sen. Richard Lugar (R-IN)

Figure 1.1 A Snapshot View of Feed the Future

Cross-cutting priorities

Gender equality



Environmentally sustainable and climate-resilient agricultural development



Economic growth for the vulnerable and very poor



Global innovation and research



Areas of potential investment

Advancing agricultural-led growth



Reducing malnutrition



Increasing the impact of humanitarian food assistance



Source: U.S. Government Accountability Office, 2010.

Focusing on Smallholder Agriculture and Rural Development

To achieve lasting progress against hunger and malnutrition, U.S. assistance must target the right places and reach the right people. All countries with exceptionally high rates of hunger and malnutrition are agriculture-based economies; agriculture and rural areas are where development must begin. The objective of Feed the Future is not to help the 20 countries become self-sufficient food producers, but rather to attack hunger by reducing poverty. That starts in the agricultural sector.

A half-century ago, the U.S. government along with foundations and research institutions led the effort to improve agricultural output in parts of

the developing world. Countries in Asia and Latin America benefited from what came to be known as the Green Revolution; they have cut hunger and poverty significantly. “Investment in agriculture...provides four times the returns [of other sectors],” says Dr. Kanayo Nwanze, president of the U.N. International Fund for Agricultural Development (IFAD).³ An article written for this report by Dr. Nwanze appears on page 55.

The Green Revolution missed Africa. The continent’s agro-ecological diversity was ill-suited to the technologies used in the Green Revolution. For instance, large-scale irrigation projects were not feasible in Africa, where water management has to be engineered with rain-fed systems. After the 1970s, agricultural investment fell out of favor with donors, and aid-dependent countries, including most African countries,

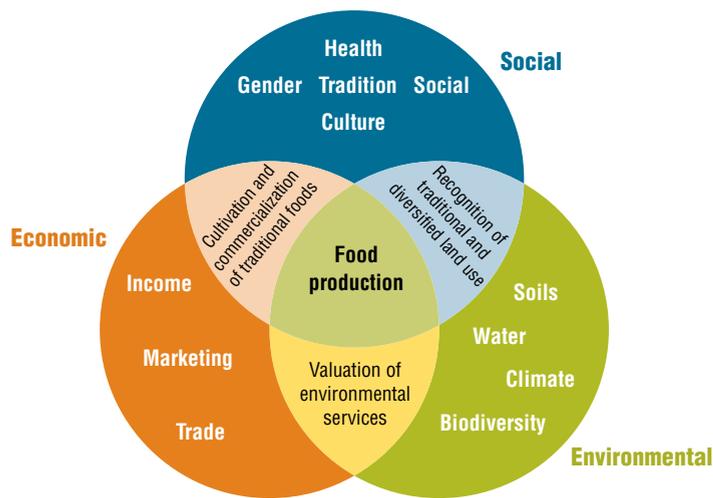
were expected to follow in donors’ footsteps by reducing the share of their national budgets devoted to agriculture. Africa’s share of world agricultural exports shrank from 6 percent in the 1970s to 2 percent by 2007.⁴

Today, sub-Saharan Africa is the poorest region of the world, with its vast potential for agricultural-led growth still waiting for the attention it deserves. Grain yields per acre are 40 percent lower than in other parts of the developing world.⁵ Two-thirds of the initial Feed the Future countries are in sub-Saharan Africa; the initiative is off to a good start when it comes to focusing resources where they are most needed.

Smallholder Farmers

Around the world, extreme poverty and hunger is concentrated in marginalized rural areas, where hungry and poor people earn their living as smallholder farmers. Farmers may own the piece of land that they farm or they may be sharecropping it. In either case, it’s generally a hectare (2.5 acres) or

Figure 1.2 Agriculture’s Roles and Functions



Source: International Assessment of Agricultural Knowledge, Science and Technology for Development.

less. The crops grown must feed their families and, to the extent possible, provide income from their sale. Usually this amounts to less than \$1 per day.

The size of the farm is not what makes the smallholder poor. It's the isolation she faces. Inputs like new varieties of seed and fertilizer are out of her reach. There are no financial services to provide her with credit, and without assets, she doesn't have the collateral that a lender would require. Microfinance, when it's available, tends to exclude loans for crops with long gestations, like

the staples that poor households live on. The vagaries of weather that would affect large numbers of borrowers at the same time cause lenders to be risk-averse about making loans in rural areas.

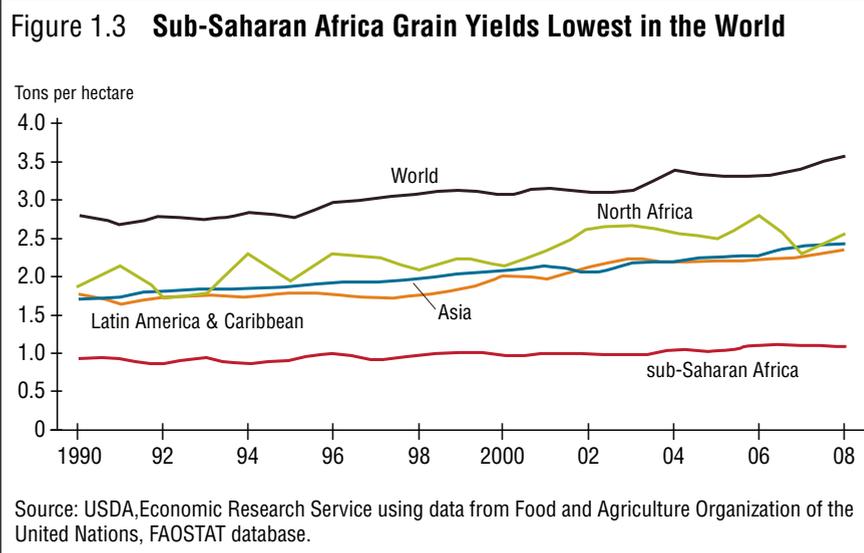
The smallholder farmer faces an ever-growing list of obstacles. With no way to store the crop after harvest, much of it rots. Markets are out of reach without transportation. She misses out on learning about new farming practices because there are too few extension agents; the village where she lives may be too difficult to reach in any case. When information does come to her, in a pamphlet perhaps, there is a strong chance she can't read well enough to understand it.

Feed the Future won't live up to its ambitions unless it is willing to accept the hardest challenges. Programs must go deep into rural areas, reaching the people who most need help. It may be hard to conceive of anyone who lives on less than \$1 a day having more advantages than someone else, but the International Food Policy Research Institute (IFPRI) reports that those making the slowest progress against poverty are "the poorest of the poor"—people getting by on less than 50 cents a day. Sub-Saharan Africa is home to three-quarters of the very poorest people.⁶

It's harder to reach these families—it demands extra effort and more patience. But without special attention to the very poorest people, MDG 1, ending hunger, will remain out of reach. In 2007, IFPRI estimated there were 162 million people living at this ultra-poor level. If they all lived together, they would make up the seventh most populous country in the world.

What Feed the Future Can Do to Help

U.S. assistance should support agricultural research in developing countries, spurring the development of new farm technologies to improve productivity. The word technology in an agricultural context has a troubling connotation for some people, who associate it narrowly with biotechnology and genetically modified organisms (GMOs). But technology can also mean simple, sustainable solutions to agricultural challenges—such as rain catch-



ments, safe storage facilities, composting, and the like. Ultimately, it is up to countries and local communities to decide which technologies they want to adopt.

Research can be done in laboratories anywhere in the world, but particularly in agriculture, it is most effective to develop technologies where they will be used. Productivity depends greatly on local conditions. Soil fertility, weather patterns, and water usage are all factors that vary not only from one country to another but also within regions of a country. Moreover, building the capacity to do research within countries helps achieve lasting progress by strengthening universities that are committed to doing research related to their surroundings and creating opportunities to train new scientists.

In addition to new technologies to boost productivity, farmers need incentives to produce more—greater demand for their products and better ways to get their crops to an active market. Farmers' livelihoods depend on their access to markets. U.S. assistance can support the expansion of markets in developing countries by supporting the creation and maintenance of infrastructure (such as roads, storage systems, and the financial and information services that farmers depend on); working with the private sector to integrate smallholders into product supply and value chains; and working with governments to train professionals in how to support and strengthen markets themselves.

One of the countries slated to receive funds through Feed the Future is Ghana. Reducing hunger and improving food security starts with the country's smallholder farmers, who comprise the largest share of poor, food insecure households⁷ but also supply more than 90 percent of the country's food production.⁸

Before the global recession, Ghana was the only sub-Saharan African country on track to achieve MDG 1, cutting hunger in half by 2015.⁹ Between the early 1990s and early 2000s, the number of hungry people fell from 5.8 million to 2.4 million.¹⁰ However, wide gaps remain between

the more prosperous south and the poorer north. In the northwest region of the country, nine in 10 people are poor and half of all children are malnourished—twice the national average.¹¹

The national school feeding program is one of Ghana's main weapons against hunger, providing children in preschool and primary school with a hot meal every day. The main objectives are to feed children and increase enrollment in school. School feeding programs exist across sub-Saharan Africa, but Ghana is unique because it is using its feeding program to build reliable markets for smallholders by purchasing the food from local farmers.¹²

The Ghanaian government launched its version of homegrown school feeding in 2005. In 2007, the program was serving close to a half-million schoolchildren in 975 schools. By the end of 2010, it expects to reach 1.5 million children in all 138 districts of the country.¹³ But with more than 3.5 million children enrolled in primary school, the program still has a long way to go to reach the goal of feeding every schoolchild.¹⁴



Richard Leonardi

An agricultural trainer shows off some of the worms that will be distributed to farmers in the highlands of Nicaragua.

The U.N. Millennium Project describes local school feeding programs as a “quick win” to achieve multiple Millennium Development Goals. “Once homegrown school feeding takes hold, it can start a virtuous cycle,” says Arlene Mitchell, senior program officer for agricultural development at the Gates Foundation. Mitchell explains that the virtuous cycle starts by providing farmers with steady demand, which allows them to make investments to increase their productivity, “which creates jobs and profits...which generates taxes...which allows communities to do more homegrown school feeding...and so on. It also contributes to political stability and strengthened economies.”¹⁵

School feeding programs supported by donors have been operating in Ghana for decades. In the past, the World Food Program (WFP) used food aid procured outside the country (much of it U.S. food aid) for its school feeding program. WFP is now working with the government and procures 100 percent of the program’s food from suppliers within Ghana.¹⁶

U.S. assistance currently helps expand market opportunities for Ghana’s smallholder farmers. The U.S. Agency for International Development (USAID) supports the school feeding program with funding from the President’s Emergency Program for AIDS Relief (PEPFAR),¹⁷ while the U.S. Department of Agriculture (USDA) has supported analysis to help the national government assess the feasibility of scaling up the school feeding program.¹⁸ Although the Millennium Challenge Corporation (MCC) compact with Ghana does not directly support the national school feeding program, it does include funding for roads in rural areas that benefit farmers who grow crops for the school feeding program.



School feeding programs, such as the one pictured here in Nikki (Serekale) in the north of Benin, are a vital way for countries to ensure children have access to nutritious meals.

Emphasizing Nutrition

The foods consumed by poor people are predominantly staple grains like rice, sorghum, and maize. These are cheap and can fill the stomach to quell hunger pains. But people, especially children, need more than cereals to live a healthy life. Good health depends on dietary diversity—adding protein from animal products, groundnuts, and legumes as well as the vitamins and minerals in fruits and vegetables.

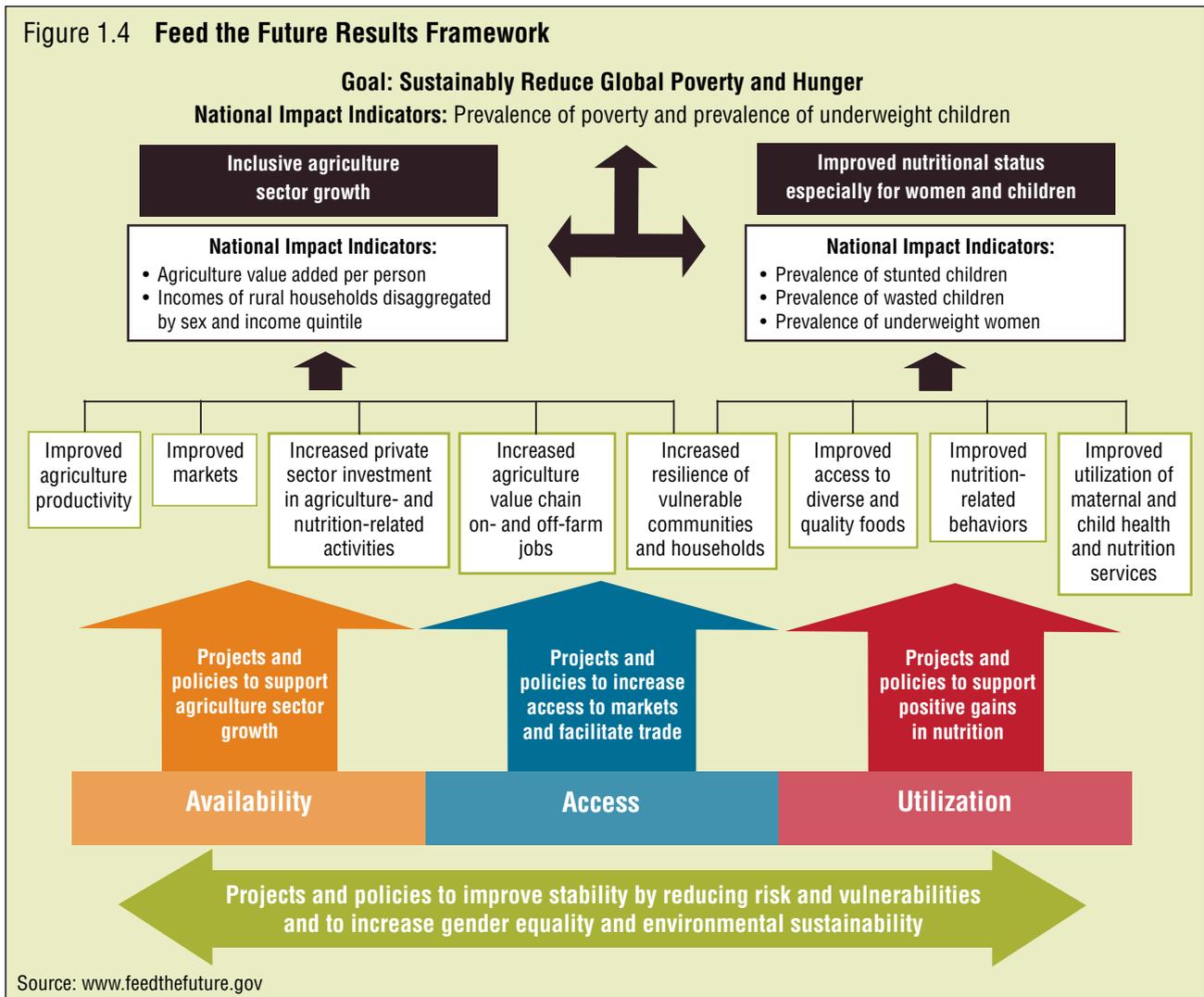
In 2008, the British medical journal *The Lancet* attracted international attention with a series of articles on maternal and child malnutrition. A third of all early childhoods deaths are the result of malnutrition.¹⁹ Yet nutrition attracts scant development resources. Over the past decade, international development assistance more than doubled, while funding to respond to malnutrition remained a tiny fraction of it. Between 2002 and 2007, the major donor nations—the United States, the European Union countries, and

Japan—together spent less than 1 percent of all bilateral development assistance on malnutrition.²⁰

Moreover, the many international agencies, research institutions, aid organizations, and others with a stake in nutrition have been described as “weak and dysfunctional,” while efforts to collaborate and coordinate efforts are seen as “broken.”²¹ Part of the problem is confusion as to how to categorize nutrition: is it a health issue or is it a food security issue? As a result, nutrition’s champions tend to be marginalized in both camps.

The Lancet series concludes that malnutrition should move to the top of the development agenda; the problem is too urgent to remain neglected.²² One article described a long-term study in Guatemala that followed people from early childhood to adulthood. The study shows that nutrition interventions can be relatively simple to administer.²³ In 1969, young Guatemalan children in two communities were chosen to participate in a supplementation program that provided them with a nutritious drink twice a day. One group of children received a drink called Fresco, the other a drink called Atole that had more calories and protein. The group that received the high-calorie, protein-rich drink saw a 20 percent reduction in the severe stunting

Figure 1.4 Feed the Future Results Framework



that is characteristic of malnutrition, while the children who received the other drink had virtually no reduction in stunting.²⁴

Because the study followed these children into adulthood, it reveals some of the positive effects that good nutrition in childhood can have on adult outcomes. Follow-up studies 25 years later showed that children who received the more nutritious drink completed primary school at higher rates, scored higher on reading comprehension and cognitive tests, and completed more grades of school.²⁵ The article, as well as others in *The Lancet* series, connected malnutrition with lost productivity and less economic development. As adults, the children who had received the Atole drink earned an average of \$870 more per year than the other group. In Guatemala, where annual per capita income is just \$2,440, this is a gain of 30 percent.²⁶ Malnutrition costs Guatemala and other high-burden countries up to 3 percent of Gross Domestic Product (GDP).²⁷

Understanding Malnutrition

When healthy foods are missing from children's diets, one might assume these foods are not available. But sometimes there are other factors involved. Mothers may not have accurate information about what, how much, or how often to feed their children. For example, during the first six months of life, breast milk contains all of the nutrients a baby needs. Yet in a survey of 82 developing countries, less than 50 percent of mothers exclusively breastfed their children.²⁸ Understanding the reasons for this gap is the key to creating an environment where more mothers can nurse.

Exclusive breastfeeding in the first six months protects babies from contaminated water. Each year, young children make up the greatest percentage of deaths caused by unclean water.²⁹ Contaminated water and unsanitary living conditions increase children's exposure to disease. Illness deepens malnutrition as conditions such as diarrhea keep children from being able to digest the food they eat. More than a billion people lack access to clean water—roughly equivalent to the number of hungry people. Eight out of 10 people without access to clean drinking water live in rural areas.³⁰ “There is an enormous amount of money invested in boosting access [to safe water and sanitation] and those improvements have not reached the poorest quintile [20 percent],” says Rolf Luyendijk of UNICEF.³¹

Rates of severe malnutrition rise during the “hungry season,” the period before crops are harvested. That season varies from country to country. In Niger, an extended hungry season has become a way of life. In 2010, the country was bracing for an upsurge in severely malnourished children. After Niger's 2005 famine, the government drew up plans to equip health centers for the rapid deployment of medicine and therapeutic food. But Niger is one of the poorest countries in the world. The reality, according to Aboubacar Mahamadou, deputy director of nutrition at the Health Ministry, is that “few centers can really provide the care in terms of quality and quantity.”³²



Richard Lord

Breast milk provides all the nutrients a baby needs.

Emergency food aid is a lifeline for children in the hungry season. The United States, the largest food aid donor, provides up to half of the total food aid distributed each year. One concern about U.S. food aid is that the commodities donated do not meet the nutritional needs of young children. In 2007, wheat and sorghum accounted for more than half of all U.S. food aid commodities.³³ Unfortified, these and other basic grains do not contain the nutrients, vitamins, and minerals young children need. Two other commodities often provided, a corn-soy blend and a wheat-soy blend, are not much better. These fortified blended foods were developed in the 1960s, when much less was known about the nutritional requirements of pregnant women, new mothers, and young children.³⁴

Linking Agriculture and Nutrition

Planting crops high in micronutrients is another strategy to ensure that children get the healthy foods they need. Increases in international funding for agriculture present an opportunity to develop stronger linkages between food security and nutrition. But historically, agricultural programs have rarely focused on improving nutrition.

One of the most celebrated exceptions is a USAID-funded program implemented by Helen Keller International (HKI) in Bangladesh from 1993-2003.

In Bangladesh, a poor family's diet consists of rice and little else. Child malnutrition rates are among the highest in the world. When the program started, 30,000 Bangladeshi children were going blind each year from Vitamin A deficiency.³⁵ Poor families didn't have enough money to purchase vegetables regularly, and seasonal scarcities were common. Once HKI provided resources to families to plant homestead gardens with nutrient-rich vegetables, families had vegetables to eat year-round.

The families received seeds and other inputs, plus education about how various vegetables would benefit their family's health. The program started small with 1,000 households. By the end of 2003, nearly 5 million people were benefiting—about 4 percent of the entire population of this populous nation—and the program was operating in 210 of Bangladesh's 460 districts.³⁶

By all accounts, the program has been a success. HKI reported that children in households that planted the gardens consumed 1.6 times more vegetables than children in households that did not.³⁷ Moreover, the households earned on average an additional \$8 per month by selling their surplus. Studies also showed that families used this extra income to purchase addi-



In Bangladesh, as in other countries, improvements in women's social and economic status have led to better child nutrition outcomes.

tional healthy foods not grown in their gardens, such as legumes and animal products.

Millions Fed, a 2009 report by the International Food Policy Research Institute, named homestead food production in Bangladesh as one of the great innovations in agriculture programming of the past half century. Homestead food production continues to expand in Bangladesh, living proof of its sustainability beyond the initial investment of \$5 million by USAID. The government of Bangladesh supports the program through the Department of Agricultural Extension and donor countries promote it. Perhaps most telling as a gauge of success, homestead food production is now used in scores of other countries.³⁸



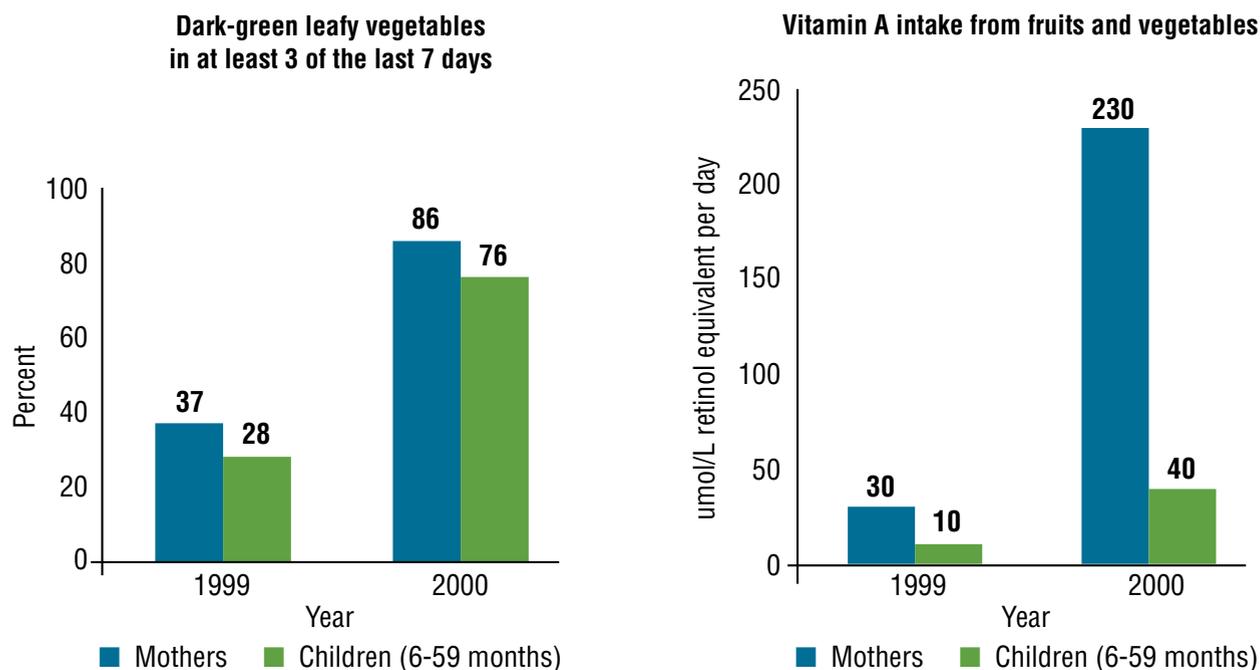
Increases in international funding for agriculture present an opportunity to develop stronger linkages between food security and nutrition.

Empowering Women

In some countries, women lack the right to own land, are regarded legally as minors, and cannot get a bank loan without the approval of a male relative. If a woman's husband dies, she could lose all the assets she's accumulated during the marriage. To continue farming the land she and her husband held, and to feed her children, she may have to marry one of her husband's male relatives.³⁹

The low social, economic, and political status of women in many parts of the developing world, particularly rural women, contributes to high rates of food insecurity and malnutrition, including child malnutrition. A child's well-being is inseparable from her mother's. Mothers, as the primary caregivers

Figure 1.5 Consumption Patterns among Bangladeshi Households in Homestead Food Production Program



Source: International Food Policy Research Institute, 2009.

BOX 1.1 OFF THE GRID: BUILDING FOOD SECURITY IN NEGLECTED PASTORALIST COMMUNITIES

by *Faustine Wabwire*
Bread for the World Institute

In Africa, there are more than 17 million pastoralists, who earn their livelihood primarily on livestock. Pastoralist communities in Africa today are rapidly growing populations. They inhabit areas where the potential for crop cultivation is limited due to lack of rainfall, steep terrain or extreme temperatures. They are nomadic or semi-nomadic to take advantage of seasonal resources to provide food and water for themselves and their animals.

hold roughly 70 percent of the national livestock population, with an estimated value of \$750 million annually. Understanding the unique dynamics of ASALs is necessary to address recurring food insecurity and threats to pastoralist livelihoods. In Kenya, pastoralism is a source of livelihood to more than 3 million people.

Pastoralism continues to remain locked in the backwaters of food security debates. Resources are channeled away from ASALs in favor of the higher rainfall areas with their greater potential for crop production.

East Africa has untapped potential in the form of livestock production. To harness this potential, and to boost food security and nutrition for millions of small scale farmers, linkages need to be created with non-ASAL markets. Investing in physical infrastructure will create opportunities for economic rejuvenation and growth by reducing the costs of moving goods.

Pastoralist communities need agricultural extension services to train farmers about improved farming practices. Additionally, improved breeds of livestock are needed, especially dairy

goats and cross-bred cattle, which are more resilient to pests and diseases and can withstand the harsh climatic conditions of the ASALs.

Faustine Wabwire is a Project Assistant on the 2011 Hunger Report. She is a native of Kenya and has worked in pastoralist communities in the country's northeast region.



The onset of a dry spell indicates that it is time for the pastoralists to begin moving their livestock towards fresh pastures and water points. Dry spells (often accompanied by pests and diseases) can wipe out herds of livestock. There is no time to get them to veterinary services for treatment or to the cattle markets or slaughter houses.

In Kenya, the arid and semi-arid lands (ASALs) make up more than 80 percent of the country's land mass and

of children, are the critical link that determines what foods children eat and when. Women's pivotal position should inform the priorities of Feed the Future.

Above, we argued that Feed the Future should focus on small farmers. In effect, this is nearly the same as targeting women, because women do most of the farming in the developing world. In sub-Saharan Africa, women perform 60-80 percent of the agricultural labor—but they own just 2 percent of the land⁴⁰ and receive only about 5 percent of farming information and services.⁴¹

Traditionally, those designing agricultural development programs have assumed that men do most of the farming. Adapting assistance to women's needs must take priority in program design. Agricultural extension services, for instance, should take women's childcare responsibilities into account. It would make little sense to schedule training outside the village for women without also organizing child care.

“Without specific attention to gender issues, programs and projects are likely to reinforce inequalities between women and men and may even increase resource imbalances,” report Agnes Quisumbing and Lauren Pandolfelli in their 2008 study *Promising Approaches to Address the Needs of Poor Female Farmers*. The homestead gardening project in Bangladesh illustrates one way to address a constraint facing women when designing a development program. The program worked, explain Quisumbing and Pandolfelli, because “It was designed in response to local gender norms. In Bangladesh, where men and women do not mix openly in public, women were able to successfully adopt improved vegetable technologies because the vegetables could be cultivated on homestead land, meaning that women did not have to risk a loss of reputation by working outside of their homesteads.”⁴²

Gender and Culture

Effective programs cannot simply dismiss culture and traditions. For change to take root, its benefits must be made clear to the community. In the Punjab Province of Pakistan, for example, a school feeding program earned fathers' permission for daughters to attend school because the whole family benefited. The program, run by the World Food Program in conjunction with the government, provided girls who attended school with a four-liter tin of fortified cooking oil every month. That is the equivalent of more than two days of a man's wages—a huge incentive in a region where poverty, as well as tradition, runs deep.

“When [my husband] says there is no need to educate girls because they will never need to earn a living, I point out the oil we receive helps us run the house, and then he falls silent,” said one mother, positively gloating. “Of



A young mother in Temeke, Tanzania, prepares a meal for her family at the end of a day's work.

course it is very important to us that our daughter is being educated. I am not literate and this handicaps me.”⁴³

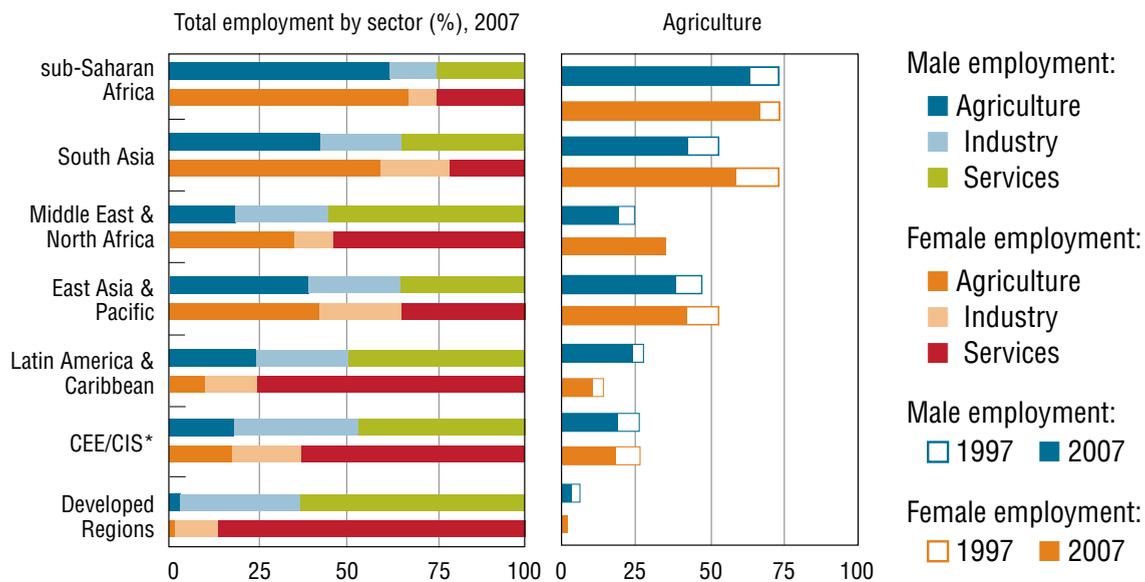
Education offers a means of escape from hunger and poverty, resulting in higher wages, better health outcomes, lower maternal and child mortality rates, lower fertility rates, and less sexual abuse and exploitation.⁴⁴ An educated woman is also likely to want her own daughters to get an education. Between 1970 and 1995, gains in women’s education were associated with a 43 percent reduction in child malnutrition.⁴⁵ Women spend a larger share of the money they control than men do on improving household conditions, including buying food. One study from Brazil showed women were 20 times more likely than men to spend the money they earn on their household.⁴⁶

In rural areas it’s common to see women—and girls—walking with a vessel of water strapped to their backs or atop their heads. Women bear the responsibility of supplying household water needs and caring for family members who get sick from drinking unclean water. In sub-Saharan Africa, at least half the rural population has to travel a kilometer or more to the nearest source of potable water.⁴⁷ A 2001 World Bank study in Ghana, Tanzania, and Zambia found that women spend between five and 28 percent of their time gathering water or firewood for fuel.⁴⁸ The hours that these chores consume every day is one of several reasons that girls in Africa attend school at lower rates than boys. Thus, investments in water infrastructure in rural areas will help solve several interrelated problems.

Women in the Lead

To make real progress against gender inequality, women need to participate in reforming laws that perpetuate discrimination and inequality. One

Figure 1.6 **Employment by Sector (as share of total employment) by Sex**



* Central and Eastern Europe/Commonwealth of Independent States

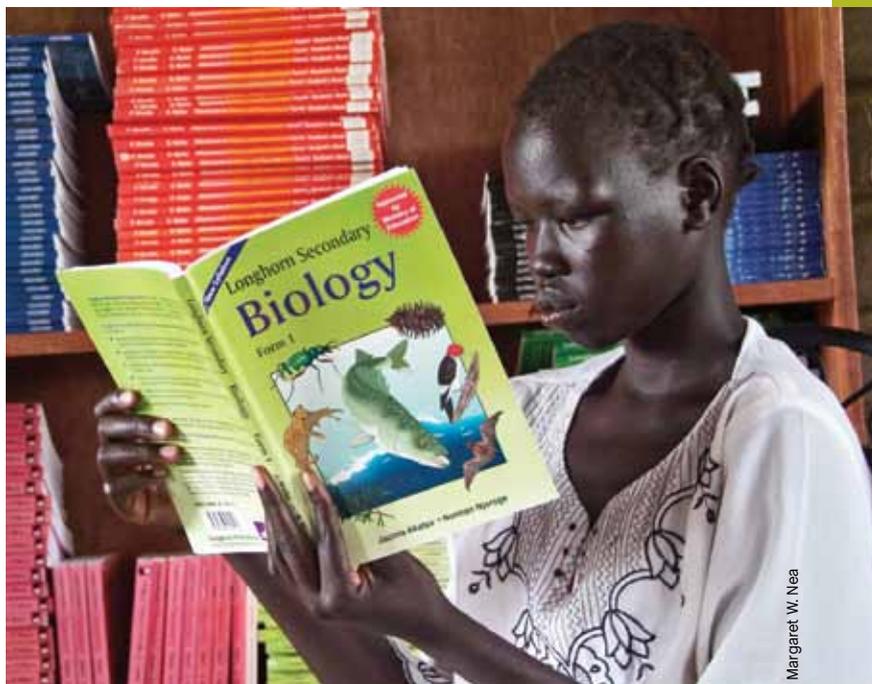
Source: United Nation’s Development Fund for Women, 2008.

place where this is happening is Rwanda. In 2008, 56 percent of the legislators in Rwanda's parliament were women, while the global average is just 15 percent.⁴⁹ From parliament down to the grassroots, women have played a key role in rebuilding the country after it was shattered by three months of genocidal violence in 1994.⁵⁰

During the genocide, so many men were killed or fled the country that when peace was restored, women heavily outnumbered men. Under these circumstances, Rwandans accepted that women had to be granted more social, economic, and political freedom. Gender equality was enshrined in the country's constitution. Government land reform and credit programs specifically targeted struggling women farmers, many of whom brought up children alone after their husbands were killed.⁵¹ Out of necessity, an entrepreneurial generation of women emerged. For example, women are credited with the remarkable transformation of the nation's coffee sector. Symbols of womanhood are also changing. In the capital city of Kigali, a statue that depicted a woman with a jug of water on her head and a child on her hip has been replaced by one of a woman without a jug who holds the hand of a young boy who walks alongside her.⁵²

"[Women] will perform as well as men if they are given the right education, incentives, access to financing, property, and land," said Agnes Matilda Kalibata, the Minister of Agriculture,⁵³ whose appointment to head this important ministry says a great deal about the country's commitment to overcoming gender inequalities. Educated in Africa and the United States, Kalibata received her doctorate at the University of Massachusetts.

Rwanda may also be a model for post-conflict reconstruction. "Rwanda's economy has risen up from the genocide and prospered greatly on the backs of our women," says Kalibata. "We are becoming a nation that understands that there are huge financial benefits to equality."⁵⁴ The agricultural sector employs 90 percent of all Rwandans⁵⁵—both men and women—so both sexes must work together to drive improvements in food security.



Studies show that gains in women's education are associated with multiple benefits from higher wages to lower maternal and child mortality rates to less sexual abuse and exploitation.

Strengthening Safety Nets

Before the advent of Medicare and Social Security in the United States, seniors, the primary beneficiaries of these programs, had the highest poverty rates of any demographic group in the country. Since the establishment of these and other safety net programs, such as nutrition assistance, seniors consistently enjoy the lowest poverty rate of the three main demographic groups (seniors, adults, and children).

BOX 1.2 U.S. GLOBAL HEALTH INITIATIVE

by *Diana Aubourg Millner*
Bread for the World Institute

Developing countries struggle because of weak health systems and poor infrastructure, and it's extremely difficult to reach the most vulnerable segments of their population—women and children. Most global health funding in recent years has been disease-focused, with the bulk of the resources going to fight HIV/AIDS. These have helped prevent and treat diseases but have not addressed some of the cross cutting issues that result in poor health and nutrition outcomes, or worse, insufficient progress in reducing maternal and child mortality.

The Obama Administration's Global Health Initiative (GHI) is a response to these critical challenges and represents a new way of doing business for U.S. investments in global health. With \$63 billion pledged over six years, the GHI intends to focus on the following:

- Implementing a women- and girl-centered approach
- Strengthening health systems

- Investing in country-led plans
- Improving use of metrics, monitoring and evaluation
- Promoting research and innovation
- Improving partnerships with multilateral organizations and the private sector
- Improving interagency strategic coordination and integration

In the initial phase, the GHI will choose up to 10 countries to take part in an accelerated implementation program. By 2014, participation will increase to 20 countries, all of which are expected to develop and implement their own country-led investment plans. The GHI can be an important platform to integrate and scale up nutrition interventions.

But several issues await clarification. For example, USAID, the Office of the Global AIDS Coordinator (PEPFAR) at the State Department, and the Centers for Disease Control all have a stake in GHI's implementation. Which one will be in charge and what will be used to create accountability? How does this interagency approach work on the ground?

With the focus on country-led strategies, it's not clear how the GHI will engage all stakeholders, not just government, in planning, implementing and monitoring programs. And little has been said about how the GHI will coordinate with Feed the Future, the administration's other signature aid initiative, for example, by coordinating approaches to fighting malnutrition. But for all these uncertainties, the GHI is still a major step forward in thinking about how to make U.S. aid more effective in tackling global health and nutrition challenges.

Diana Aubourg Millner is senior foreign assistance policy analyst for Bread for the World Institute.



Health promoters in Lusaka, Zambia, demonstrate how to use a bednet.

All developed countries have established some form of safety net for the most vulnerable members of society. The developing world also has safety net programs, but they miss many of the people most in need. One reason, of course, is that poor countries have less money to spend on the safety net. But well-designed social safety net programs do not necessarily place a heavy burden on the national budget.

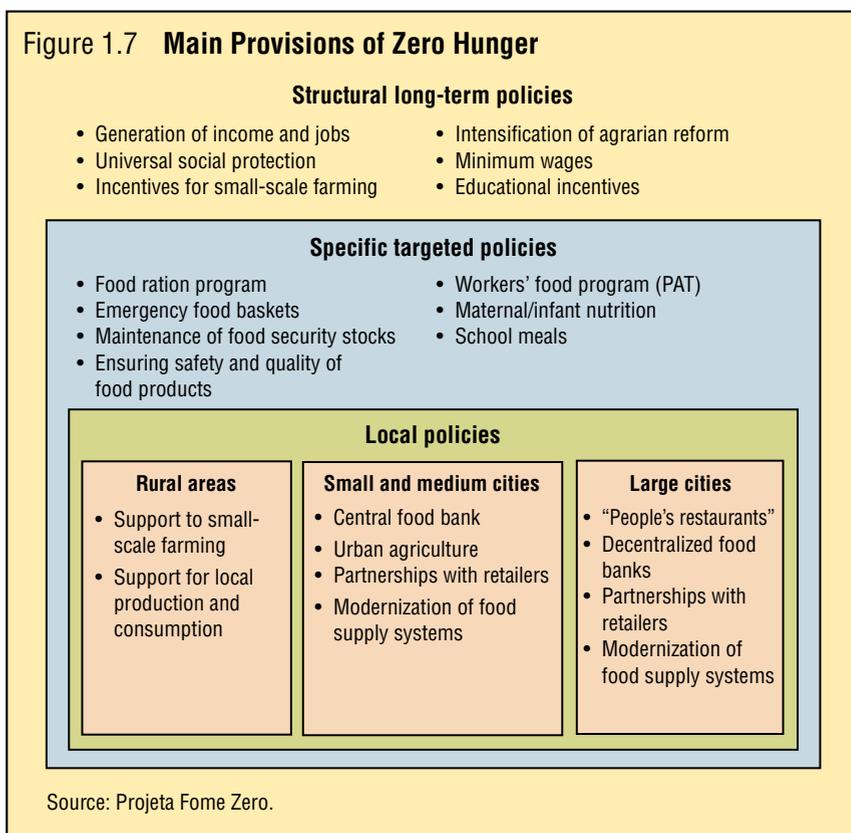
Brazil's experience with its Fome Zero (Zero Hunger) program offers many lessons for other developing countries. Brazil has been designated to receive modest funding from Feed the Future as a "strategic partner," along with India, South Africa, and other developing nations that have access to more resources. The strategic partners will be funded to generate scientific and technical knowledge to be shared with other Feed the Future countries.

Brazil has already achieved the Millennium Development Goal (MDG 1) of reducing poverty by half: between 2003 and 2008, extreme poverty was reduced by 48 percent.⁵⁶ Economic growth played a role in the country's swift development, but the main reason for the impressive progress against poverty came from improving safety net programs and attacking endemic social, economic, and political inequalities. The main program, known as Bolsa Familia, which reaches one in four Brazilians, costs just over 2 percent⁵⁷ of the federal budget—roughly the same percentage as the U.S. government spends on federal nutrition programs such as the National School Lunch Program, WIC, and the Food Stamp Program (now known as the Supplemental Nutrition Assistance Program, or SNAP).

In 1992, 11.7 percent of Brazil's population lived on less than a dollar a day. By 2006, this figure was only 4.7 percent.⁵⁸ From 1993-2006, Brazil's GDP grew at an average annual rate of 1.3 percent annually.⁵⁹ This looks anemic compared to the growth rates of several Asian countries that also had large drops in extreme poverty over the same period—including China (8.7 percent annual GDP growth), Indonesia (5.1 percent), and Thailand (6 percent).⁶⁰ What's noteworthy about economic growth in Brazil has been its distribution: the incomes of the poorest 40 percent of the population grew by 12 percent, while the richest 10 percent saw their incomes rise by just 7.85 percent.⁶¹

The following sections will examine the success of Brazil's Zero Hunger program. No two countries can follow the same path because so many issues affect the conditions that perpetuate poverty. Difficult challenges such as this are

Figure 1.7 **Main Provisions of Zero Hunger**



Source: Projeta Fome Zero.

multidimensional and require a concerted effort of social, economic, and political reforms. But exemplary national programs such as Zero Hunger generally offer a lot of useful information for other countries.

Political Commitment

“If at the end of my term every Brazilian person has three meals a day,” declared Brazil’s president Luiz Inacio Lula da Silva (known as Lula) upon his inauguration in 2003, “I will have fulfilled my life’s mission.”⁶² Having grown up in poverty, Lula’s passionate commitment to Zero Hunger is clearly shaped by his own background. It would be easy though misleading to attribute Brazil’s success against poverty and hunger solely to its charismatic president. While the most dramatic progress against hunger has been achieved during his presidency, Brazil’s commitment to ending hunger actually predates Lula’s presidency. For example, the right to food is explicitly included in the country’s constitution.

Zero Hunger launched shortly after Lula came into office, adopting a more aggressive approach to hunger while still tapping into existing cooperative relationships. Zero Hunger calls on all Brazilians to play a part in ending hunger. Churches, media, and even private businesses are all active in the fight against hunger, and individuals are urged to donate food and money to local charities or directly to the Zero Hunger program.

Under Lula, the Brazilian government established the Ministry of Social Development and Hunger Eradication as the office charged with implementation of Zero Hunger. The program combines short and long-term initiatives. Bolsa Familia, the main short-term initiative, was operating when Lula took office. It received a substantial increase in funding during his presidency—rising from \$649 million in 2001 to \$4.95 billion by 2009.

A key component of the program is conditional cash transfers that are modeled after a program that started in Mexico in the 1990s and is widely viewed as a success. Poor families receive cash assistance if they meet certain conditions, such as enrolling children in school and taking them to receive vaccinations and nutritional screenings. More than 11 million families in Brazil have received cash transfers,⁶³ and studies show this has led to far more children enrolling in and staying in school.⁶⁴ A food grant component

Figure 1.8 **Stretching Wide the Net**

Social Safety Nets

Transfers (non-contributory)
and subsidies

Examples

- Cash transfers
- Conditional cash transfers
- Food transfers (school feeding)
- Cash-for-work
- Food-for-work
- Vouchers
- Price subsidies



Source: FAO.

of the program (known as Bolsa Alimentacao) has also contributed to the improvement in food security. Nine in 10 families report better eating habits, 9 in 10 children are eating three or more meals per day, and 7 in 10 families are eating more diverse foods rich in micronutrients.⁶⁵

Targeting the Most Vulnerable

The key to developing effective safety net programs is targeting the right groups. Just as with the targeting of seniors in the United States, Brazil's Zero Hunger deliberately targets groups most in need of support. In Brazil, as elsewhere around the world, small farmers make up the largest share of poor and hungry people, so Zero Hunger has targeted most of the program's resources there.

Brazil is at a very different stage of development than Rwanda or the other countries discussed in this chapter. However, people working in small-scale agriculture make up 70 percent of the rural labor force.⁶⁶ Farming is often the only option for groups excluded from other forms of employment by geography, discrimination, or lack of education. As part of its long-term strategy, Zero Hunger is addressing complex issues of social, political, and economic exclusion. The Zero Hunger program targets small farmers, for example, by paying them to produce food for the national school meal program, a strategy similar to the one in Ghana described earlier. This is another good example of how anti-hunger programs can create synergy across different sectors of the government—in this case, between agriculture and education.

Brazil's government created a complementary program called Territories of Citizenship to address the political and social issues that perpetuate exclusion in certain areas of the country. The Territories program depends on strong participation from civil society organizations and capitalizes on their good relations with local populations. In some cases, these organizations receive assistance directly, bypassing local government authorities in order to avoid politicization.⁶⁷ Addressing long-term challenges mean taking on some of the thorniest issues in rural areas, such as land reform.

Quilombola communities, made up of descendants of African slaves, illustrate how land reform and hunger are interconnected.⁶⁸ The estimated 1.7 million Quilombola are among the most isolated and marginalized groups in Brazil. Stripped of their land in the early 20th century, Quilombola petitioned the government to regain title, and in 1988 the government recognized their claims as legitimate. But progress in returning land to the Quilombola has been slowed by continual political and legal challenges.

The malnutrition rate among Quilombola children is 76 percent higher than for the rest of the children in the country.⁶⁹ According to Professor Ana Lucia Pereira of the National Council for Food and Nutritional Secu-



Progress against inequality in Brazil is occurring more slowly in rural areas, where land reforms that would benefit the poor have been hard to pass.



rity (CONSEA), land reform is the most important issue impeding efforts to reduce malnutrition among Quilombola children. “Nowadays the issue of land ownership represents the most pressing risk for Quilombola children’s adequate nutrition,” she says, “because this is totally linked to the community’s food production.”⁷⁰

Flexibility

A final point to add about Zero Hunger has been its flexibility in adapting to changing circumstances. For example, efforts to improve the productivity of small farmers were slow at first due to the weakness of the support structures for small-scale farmers, underfunded and understaffed for many years.⁷¹ To compensate for this, the

Brazil has aggressively increased school enrollment and is on target to achieve the second Millennium Development Goal of universal primary education.

government accelerated its plans to scale up the Conditional Cash Transfers. The program’s responsiveness to conditions on the ground has been an important ingredient in its success.

Responding to Hunger Emergencies

Almost immediately after an earthquake hit Haiti on January 12, 2010, it was clear this was a humanitarian disaster on a breathtaking scale. An estimated 230,000 people were killed and the capital city of Port-au-Prince, close to the epicenter, was almost completely destroyed. The International Federation of Red Cross and Red Crescent Societies described the earthquake as “the biggest natural disaster in history.”⁷²

While the 7.0 magnitude earthquake was powerful, another factor—wide-scale poverty—was largely responsible for turning a natural disaster into a massive human tragedy. On February 27, just six weeks later, an 8.8 magnitude earthquake struck Chile. The number of deaths was a fraction of those in Haiti, and the physical damage near the earthquake’s epicenter in Concepcion was negligible compared to what happened in Port-au-Prince. Why did a less powerful earthquake in Haiti cause so much more destruction than the one in Chile? The answer lies in Haiti’s condition before the earthquake struck.

Haiti is the poorest country in the Western Hemisphere. Before the earthquake, 80 percent of the Haitian population was living in poverty. A third of all children were born underweight. The country had the highest mortality rates in the hemisphere for mothers, infants, and children under 5, and the highest HIV/AIDS rates in the world outside sub-Saharan Africa.⁷³

It will take years to rebuild the country. Fortunately, the international community of donor nations and multilateral institutions appears committed to the effort. No one opposes raising money for relief; the question is what should come next. The answer will have ramifications for countries

other than Haiti. In any shattered country, relief is a precursor to development (or, optimally, the two are happening side by side). Restoring Haiti to its condition before the earthquake would merely put it right back on a precipice—another natural disaster would bring the same outcome.

Haiti brings the U.S. government's Feed the Future initiative much closer to home. Not only are the two nations separated by just a few hundred miles of ocean, but more than half a million Haitian immigrants live in the United States—the largest share of Haitians living abroad.⁷⁴ We are reminded daily of the bond between the two countries.

Aid Delivery

The disaster in Haiti reinforces what we know about making U.S. food aid more effective. For example, Haiti confirms earlier experiences with distribution: women should be at the front of the queue for food aid. The World Food Program is unambiguous on this point: in order to make sure food aid reaches children, it should be put directly into the hands of women. “Decades of experience in disasters and emergencies have shown that families are more likely to eat properly if women are involved in food aid distributions and if they receive the food entitlement in their own name.”⁷⁵

Experience tells us that the priorities should be the same in the response to any emergency, whether an earthquake, tsunami, war, or drought. First things first: making sure children, pregnant women, and lactating mothers get food aid, water, and access to basic health care. Even under “normal” conditions, nearly one in five deaths of children under the age of five every year is due to a condition associated with diarrhea.⁷⁶ Emergency situations are simply breeding grounds for infectious disease because of crowded conditions and inadequate sanitation.

The stakes couldn't be higher than they are for children in the critical period of birth to age 2.⁷⁷ Babies and toddlers cannot simply wait for help to arrive—even those who survive malnutrition and disease during an emergency may be left with permanent physical and mental disabilities. Health experts are in universal agreement about the consequences of malnutrition and hunger during these critical years of development.⁷⁸

Targeting aid and getting the timing right are both crucial in emergencies. Speed means everything in the early days and weeks of an emergency. The human body keeps its own clock—so hunger and its consequences arrive well ahead of ships carrying bags of commodities. This is why humanitarian workers need the flexibility to obtain food aid close to the emergency site;



In Haiti, we must think in years, not months, to measure the effectiveness of post-earthquake aid.

cash assistance from donors is often preferable to commodities. But U.S. food aid policy doesn't allow cash assistance except in a small percentage of cases. The 2008 farm bill authorized a pilot program for local and regional purchase of food aid,⁷⁹ but too little money was appropriated to significantly change how U.S. food aid is delivered.

The United States is the world's biggest food aid donor, supplying more than half of all aid.⁸⁰ According to polling done regularly by the Alliance to End Hunger, the U.S. public supports government aid to mitigate the suffering of people in emergencies.⁸¹ But the politics of food aid lead to considerable waste and inefficiency. U.S. food aid takes longer to arrive where it is needed than aid from any other donor, because it must be delivered on U.S.-flagged vessels. A study by the U.S. Government Accountability Office found that food procured in Asia and sub-Saharan Africa could reach recipients at costs of 34 percent and 29 percent less respectively than U.S. commodities.⁸²

U.S. organizations that benefit financially from the provision, transportation, and distribution of food aid have fought to prevent more U.S. food aid from being delivered as cash rather than commodities. Some nonprofits that contract with the U.S. government to distribute food to people in emergencies argue that the status quo is necessary to ensure that money approved by Congress for food aid doesn't evaporate under the pressure of the appropriations cycle.

The amount of earthquake aid that poured into Haiti from around the world was unprecedented, with most aid passing through nongovernmental organizations (NGOs) rather than going to the Haitian government. The U.S. policy of putting aid directly in the hands of trusted NGOs rather than a national government is designed to ensure accountability and transparency, and the Haitian government is indeed notoriously corrupt.⁸³ But in the initial phases of relief operations, it was clear that coordination of aid operations was a problem, and Haitian people in need of the aid suffered as a result.⁸⁴ The lack of faith in the Haitian government is clearly a problem. But donors are not helpless in affecting changes in the government's behavior, a subject given greater attention in Chapter 2.

Relief to Development

Haiti is a special case among the Feed the Future countries. No other country in the initiative has been shattered as Haiti has. In terms of economic development, one could reasonably describe Haiti as starting from scratch—and that is where there is an opportunity to do things differently.



In emergencies, such as after a natural disaster, a rapid response is required to protect children from experiencing effects of hunger they could carry with them for the rest of their lives.

The mistakes made by donors in Haiti are legion. As relief work begins to ebb and a transition to development efforts become more focused, development resources need to be directed in ways that harvest the willingness of Haiti's people to take the lead in rebuilding their country—something largely absent in past development assistance programs. What remains as solid as ever in Haiti is the will of its people to persevere in spite of the difficulties they've endured.

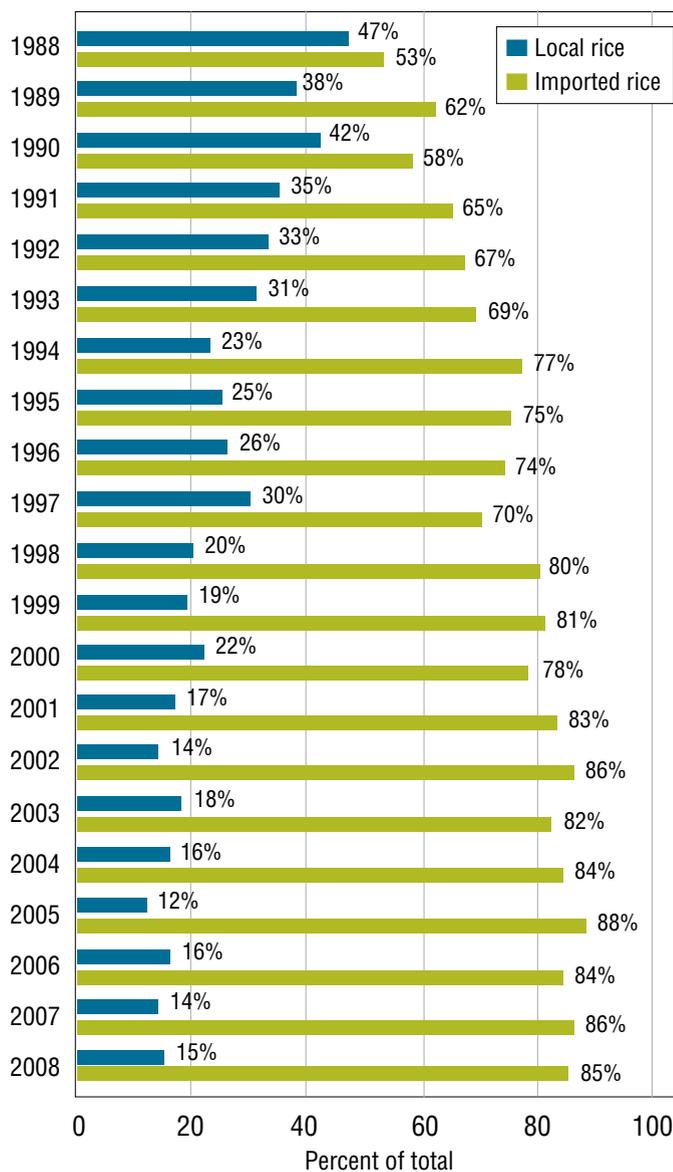
For generations, Haitians have suffered at the hands of autocratic rulers heading kleptocratic governments. But the country's agricultural sector was ruined by donors. In 1988, domestic rice production supplied 47 percent of what the country consumed, but 20 years later, domestic production was down to 15 percent,⁸⁵ the result of loan conditions that required the country to reduce tariffs on imports.⁸⁶ Predictably, the Haitian domestic market flooded with cheaper subsidized rice from abroad, mostly the United States.⁸⁷ Billions of dollars in subsidies to U.S. rice producers make it impossible for Haitian farmers, especially small farmers, to compete.

One way to help Haitians and speed the country's development is to support the rehabilitation of the country's agricultural sector. Haiti will need to rely on food aid for years to come. As the U.S. government ramps up investments in Haiti's agricultural sector as part of Feed the Future, it makes sense to shift the source of food aid from U.S. rice producers to Haitians. In 2008, 13 percent of food aid was purchased locally from Haitian producers,⁸⁸ so there is precedent for sourcing food aid locally.

Haitian rice is more expensive than U.S. rice, but that is because U.S. producers are subsidized. More than 50 percent of U.S. food aid dollars are consumed by shipping costs.⁸⁹ The savings in transportation fees alone of purchasing rice from Haitian farmers would make up a significant share of the difference in production cost. A more flexible and constructive approach to U.S. food aid, like purchasing food aid locally for ongoing relief, can help Haitian farmers play a key role in the recovery and set the stage for a focus on the neglected rural sector.

A million people were left homeless after the earthquake,⁹⁰ and it's estimated that about half of them abandoned Port-au-Prince for rural areas of the country, where many had lived before their urban migration. Of those who fled Port-au-Prince, though, many soon returned as the relief efforts

Figure 1.9 Haitian Local and Imported Rice Supply, 1990-2008



Source: Farm Service Agency and World Food Program.



Haitians building USAID funded irrigation canal. Rice field at right.

ignored them and concentrated on the capital city. Ultimately, investing in rural areas has to be part of the country's reconstruction. Overcrowding in Port-au-Prince is a direct result of livelihoods being stripped away in rural areas. The influx of people from the countryside picked up dramatically when they could no longer make a living in agriculture. Urban migration is not the inevitable outcome of development; however, it is an outcome of a lack of rural development.

The international community is quick to respond in emergencies but has not had as good a track record on helping countries make the transition from relief to development. Rwanda is a good example that a country can move beyond crisis and

make strides towards reducing hunger and poverty. With Feed the Future's help and the help of other donors, Haiti could see a very different future.

A Sum Greater Than Its Parts

Food security is an objective, not a sector. Taking action on the issues discussed here—smallholder agriculture, rural development, child malnutrition, women's empowerment, education, water, safety nets, and food aid—together are the key ingredients of a successful food security initiative. If one or even two are taken away, you can still have a food security plan. But the greatest possibility for success comes from a plan that coordinates all of these elements.

WHO WILL FEED THE FUTURE? THE ROLE OF POOR RURAL PRODUCERS

by Dr. Kanayo F. Nwanze

President, International Fund for Agricultural Development

Country leadership and ownership of development policies have been recognized by the international community as a fundamental principle. But country ownership in agricultural and rural development must go beyond ownership by our governments and administration. Therefore as legitimate and autonomous membership-based producers' organizations we claim our duty and rights to be part of the design, implementation and evaluation of these rural development policies and programs that are benefiting not only our rural communities, but our urban fellow citizens who rely on the food we produce.

– From the synthesis of deliberations of the third global meeting of the Farmers' Forum, February 2010

Poor rural producers—farmers, fishers, livestock keepers, entrepreneurs, and agricultural laborers—figure disproportionately among the world's poor and hungry people. At the same time, they play a key role in helping meet the world's expanding demand for food, fiber, and fuel. At the International Fund for Agricultural Development (IFAD), we have been working with poor rural producers for more than 30 years. Our experience shows that with the right support, they can play a critical role in solving many of today's global challenges. We have also learned, however, that this is only possible when they are fully consulted and actively engaged in shaping rural development policies and programs.

To support and empower small-scale rural producers to meet global challenges, we need to recognize the size and scope of this stakeholder group and recast our image of the people who belong to it. We should no longer think of them as struggling subsistence producers, but as small business entrepreneurs. Eighty-five percent of all farm holdings worldwide are less than 2 hectares in size, and 500 million smallholders produce 80 percent of the food consumed in the developing world. These farming house-



From *Global Development: Charting a New Course*, Bread for the World Institute's 2009 Hunger Report

In the Southern Nyanza Province of Kenya, hunger and poverty rates are high. Farmers are blessed with fertile land to grow food, but there are other factors limiting their productivity. One of the villages in this region, abutting the eastern side of Lake Victoria, receives support from the United Nations International Fund for Agriculture (IFAD). On a hill in the village, the picturesque lake glistens in the sun and looks close, like one could get there in a matter of minutes. But looks are deceiving. The villagers, mostly the women and girls, spend hours walking each day with pails to fetch the water.

IFAD, partnering with the Kenyan government, has supplied funding for a water pan in the village to catch rain water. This means girls can spend more time doing schoolwork. The women have more time to work in the fields or attend to household tasks. IFAD also supported the building of latrines, improving sanitary conditions in the village. Soon there will be a clinic nearby, where anti-retroviral drugs will be available. HIV/AIDS has devastated the region. No longer will the villagers have to travel as far for their health care. All of this is part of IFAD's strategy to work with the village on improving the productivity of its farmers. It is an example of how development can and should work. IFAD saw how all these issues were interconnected—sanitation, clean water, health care, education—and designed a development strategy that reflected this.

WHO WILL FEED THE FUTURE?

THE ROLE OF POOR RURAL PRODUCERS

holds make up fully one-third of humanity. Our future is in their hands. Who else will feed the world in 2020, in 2030, or in 2050—by which time we will have added another 3 billion people to our population? Moreover, it is important to recognize the crucial role rural women and young people can play in improved agricultural and rural development, better food security, and less poverty.



Richard Leonardi

Nubia Baca is a farmer in northwestern Nicaragua who produces and sells milk and cheese.

At IFAD, we are working to transform smallholder agriculture into smallholder businesses and thereby enable vibrant, thriving economies to take hold in rural areas. This process requires significantly increased long-term investment. It also requires initiatives to strengthen the resilience of smallholders in the face of a growing number of risks, such as climate change, desertification, diminished biodiversity, and increased competition over natural resources, especially land and water.

With the right support, these risks can become opportunities. For example, poor rural communities manage

vast areas of land and forests and are thus important guardians of natural resources. They are uniquely placed to provide critical environmental goods and services, help mitigate the effects of climate change, and reverse environmental degradation. These services could eventually become an important source of revenue for rural communities.

In our view, organizations are a critical means of advancing the interests of poor rural producers in an increasingly competitive and global market. Organizing can unlock the potential of smallholders by tapping their knowledge, energy, and expertise. With stronger organizations, farmers and other rural producers can improve their access to markets and information. Organization allows for economies of scale and greater bargaining power in value chains. It also helps farmers increase their capacity to manage resources and infrastructure and to influence policies and programs.

At IFAD, we recognize the organizations of poor rural producers as key interlocutors and partners in our operations, as well as in policy dialogue at the national and international levels. For that reason, in 2005 we created The Farmers' Forum, a global platform for ongoing consultation and dialogue among smallholder farmers, rural producers' organizations, IFAD, and governments. The biennial Farmers' Forum provides an opportunity for IFAD to evaluate its collaboration with rural producers' organizations. These gatherings also offer a unique space for poor rural producers themselves to share their concerns and make recommendations that will directly shape IFAD policies and programs.

In response to the recommendations of the Farmers' Forum, IFAD has expanded its engagement with rural producers' organizations in the development of country strategies, in program and project design and implementation, and through direct financial support for capacity-building and implementation. A review of IFAD's progress in partnering with rural producers' organizations, which incorporates surveys carried out with IFAD

WHO WILL FEED THE FUTURE?

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Country Program Managers (CPMs) and rural producers' organizations, highlights the importance of this collaboration. According to the CPMs, the participation of rural producers' organizations in the development of country strategies has improved IFAD's understanding of rural poverty by 82 percent and helped improve the identification of target groups and the quality of IFAD's country analysis by 59 percent.

The increased participation of rural producers' organizations in the development and implementation of policies and programs has also had a positive impact on the organizations themselves. Members state that their organizations have benefited from capacity-building and institutional development, improved dialogue with their governments and donors, an expansion of their networks, and increased membership and organizational cohesion. IFAD CPMs confirm that increased participation has also strengthened country ownership on the part of rural producers' organizations and led to more demand-driven country strategies. Furthermore, 65 percent of IFAD CPMs state that increased participation has better enabled the organizations to put forward their priority concerns, engage in policy dialogue, and develop support networks.

Despite the important progress that has been made, there are still some major hurdles to be overcome before rural producers' organizations can become fully engaged in developing and implementing policies and programs. Governments and donors alike must factor in the often untapped potential of rural women and young people. If rural women are to fulfill their potential and become economically empowered, they must have greater access to critical natural resources, rural financial services, and technologies. They must also take on stronger leadership roles and participate more actively in decision-making within households and producer organizations. Young rural people also need support in establishing viable livelihoods. We must help them organize themselves into young farmers' and producers' associations and provide opportunities for capacity-building and training,



Women in the Kidundu Sunflower Oil Group near Kisumu, Kenya, sort through sunflowers. The group is made up of women who pool their resources and skills to buy sunflowers and then press them to make sunflower oil, which they sell in the local market.

institutional linkages, and access to markets and market information. After all, they are the food producers of tomorrow.

Our experience demonstrates the importance of engaging rural producers' organizations as partners and stakeholders in the design and implementation of policies and programs. We know that their insights, experience, and knowledge can contribute significantly to improving the effectiveness and impact of rural development policies, programs, and projects. We hope that these lessons are useful to other bilateral and multilateral organizations as they seek to promote more inclusive participation of rural producers at the country level.

Dr. Kanayo F. Nwanze, the President of the International Fund for Agricultural Development (IFAD), has more than thirty years of experience across three continents in poverty reduction through agriculture, rural development and research. Under his leadership, IFAD has stepped up its advocacy efforts to ensure that agriculture is a central part of the international development agenda, and that the concerns and needs of smallholder farmers and other poor rural people are recognized by governments around the world.



A Better Way of Partnering:

Supporting Country-led Efforts Against Hunger and Malnutrition

CHAPTER SUMMARY

COUNTRIES THAT RECEIVE DEVELOPMENT ASSISTANCE ARE GETTING MORE SAY IN HOW THE AID IS USED. This is “country-led” development. Government and nongovernmental actors in the country participate in setting development priorities based on how they want donors to invest their aid. Beyond just giving aid-recipient countries a say, donors have pledged to let more take charge of designing and implementing their own development programs. Some countries may not have the capacity to do this, but donors can help them build capacity with technical assistance and better coordination. Especially for these nations, capacity-building is critical to ensuring that the progress achieved with aid is sustainable. The United States is using a country-led approach for its Feed the Future initiative, and country-led development principles should eventually be incorporated into all U.S. foreign aid programs. In fact, this would be the single biggest thing the United States could do with its aid programs to help poor countries get on a path of economic and social development.

Recommendations

- The U.S. government should adopt a clear definition of country-led development.
- U.S. assistance should flow, with transparency and accountability, in support of country-led plans.
- U.S. development assistance should build partner countries’ capacity to sustain progress once the aid runs out.
- Capacity-building should include civil society in aid-recipient countries so that citizens can hold their governments accountable for development outcomes.



Sixty years of foreign aid has shown that donors alone—no matter how well-intentioned or generous—cannot end poverty and hunger. A poor country’s development depends on national leaders with vision and the will to follow through and gain the support and cooperation of their citizens. President Obama reiterated this view on his first visit to Africa in 2009. Speaking before the Ghanaian Parliament, Obama said, “We must start from the simple premise that Africa’s future is up to Africans.” The president’s remarks could be summarized in these two sentences: “Aid is not an end in

itself. The purpose of foreign assistance must be creating the conditions where it’s no longer needed.”¹

Used effectively, foreign aid can help poor countries develop more quickly and inclusively. History has proven this time and again. Presidents from both the Democratic and Republican parties view aid primarily as a catalyst for development—not an end in itself. In 2002, when President George W. Bush introduced one of his signature aid programs, the bold Millennium Challenge Account (MCA), he said virtually the same thing as Obama: “The goal of our development aid will be for nations to grow and prosper beyond the need for any aid.”²

There is a range of views about the efficacy of foreign aid programs, but nearly everyone agrees that there is considerable room for improvement. The question really boils down to “Whose aid is it?”

Critics of conventional foreign aid assail a system in which it is the norm for donors to tell recipient countries how their aid must be used.

A variety of considerations shape the relationships between donors and aid recipients—rarely are the relationships just about reducing poverty and the burdens associated with it. Other factors include security concerns, a shared past due to colonialism and Cold War alliances. Regardless of the back story, this much is always true: Donors have the aid and the receiving country needs it, sometimes desperately. It’s not hard to guess who traditionally calls the shots.

Since the turn of the 21st century, donors and developing countries have been deliberately trying to reinvent the business model and make it closer to a true partnership, with aid recipients designing their development agenda and donors structuring assistance packages to support the country’s priorities. And there has been progress, although slow.³ This chapter discusses why a partnership model should in fact be the goal and how the U.S. government’s global hunger and food security initiative, Feed the Future, can create this kind of development program.

A New Way of Doing Business

A move toward country-led development began to occur in the late 1990s with the introduction of Poverty Reduction Strategy Plans (PRSPs). In exchange for debt relief from the World Bank and International Monetary



© Charlotte Kesi/World Bank

Adriana Banderas raises poultry as part of World Bank-supported producer’s alliance in La Eugenia, Valle de Cauca, Colombia.

BOX 2.1 THE COST OF DONOR DEMANDS

Fund (IMF), developing country governments were directed to develop their own poverty-reduction strategies. Uganda laid the groundwork for the PRSPs by initiating its own National Poverty Eradication Action Plan in 1996-97;⁴ the World Bank and IMF used it as a guide in formulating the PRSP process. The thought was that governments, by developing their own plans, would be more accountable for getting results from foreign assistance.⁵

The PRSP process continues to evolve. The plans that were produced in the first round were similar to each other. They were focused on health and education, largely because that's what donors expected. Agriculture and rural development barely received a mention.⁶ Some countries lacked experience in developing their own innovative development plans; World Bank and IMF consultants⁷ tended to give countries standard advice that led to uniform PRSPs. Nevertheless, the PRSP process was a breakthrough, a good-faith effort to allow countries the opportunity to drive their own development agenda with donor resources. In all, more than 60 countries developed a PRSP.

In order to receive debt relief, countries had to comply with conditions in their PRSP process. One of these was that governments should consult with civil society and other stakeholders, including people who were poor, incorporating what these groups said was needed to reduce poverty.

The primary goal of some governments seemed to be to do as little work as possible while still getting the promised debt relief.⁸ Others embraced the PRSP process and reached out to a broad cross-section of citizens and civil society groups. Not surprisingly, countries where state control of institutions was entrenched were most resistant to developing a PRSP with stakeholder input and engaging with external stakeholders.

The most important outcome of the PRSP may well be the effort to engage citizens and civil society in policymaking. The process revealed how little capacity many civil society groups have to participate in shaping policy, a problem that remains to this day. Yet full participation by civil society is vital to long-term and sustainable development. Civil society brings key stakeholders out of the shadows and makes their voices heard as development priorities are being set.

The PRSP process was a positive experiment in aid reform. Donors were open to a different approach because they knew that aid was not getting the kind of results it should be and they realized that their relation-



A global hunger crisis in 2007 and 2008, caused by a rapid rise in food prices, drove an additional 100 million people into hunger. The crisis illustrated some of the structural problems of foreign aid. Donors regularly attach conditions to aid, sometimes forcing policy changes in the recipient countries. For example, starting in the 1980s, donors demanded changes in the agriculture sectors of aid recipients¹—specifically, reduced tariffs on agricultural imports. As a result, developing countries' food imports surged and millions of smallholder farmers—the largest share of poor people in the world—were no longer able to compete in their own domestic markets. Imported agricultural products, supported by trade-distorting subsidies in the exporting countries, poured in from some of the same nations that were providing foreign aid. Meanwhile, donors were drastically cutting assistance for agriculture and shifting their focus into other sectors. This combination of factors led to steadily decreasing agricultural productivity in aid-dependent countries. Decades of underinvestment in agriculture meant that when food prices spiked rapidly in 2007 and 2008, developing countries were unable to increase domestic food production quickly enough to respond effectively. The hunger crisis could have been averted or certainly mitigated if countries had not been forced to adopt tariff policies prescribed by donors. In the kind of partnership envisioned in a country-led model, countries would determine their development priorities and donors could voice any concerns and work with recipients to refine their objectives, but they would not attach conditions to force policy change.



Tony Hall

In Africa, there are more than 17 million pastoralists, who earn their living primarily through their livestock.

ship with aid recipients was part of the problem. Another benefit of the PRSP process was getting the donor community focused on long-term poverty reduction. “It opened up a small window for people and governments to begin again to plan long-term and comprehensively,” wrote Rwekaza Mukandala of the African Union.⁹

Other initiatives added to the momentum for foreign assistance reform. In 2000, the Millennium Development Goals were established and all nations pledged their support.¹⁰ In 2005, donors and their partner countries in the developing world formalized a set of principles for aid effectiveness in a joint statement, the *Paris Declaration on Aid Effectiveness*. At

the top of the list was an unambiguous endorsement of country-led development.

In 2008, the parties who signed the *Paris Declaration* met in Accra, Ghana, to review progress and reaffirm their pledge to the principles agreed to three years earlier. A key development in Accra was support for the role of civil society in country-led development. The meeting in Accra helped define civil society much more broadly than nongovernmental organizations (NGOs) working on development programs. Civil society actors critical to development include minorities and other marginalized groups, farmer associations, community-based organizations, women, environmental groups, universities, independent research institutes, faith-based organizations, labor unions, and not-for-profit media.¹¹

Feed the Future and Country-led Development

When President Obama stood with world leaders at the G-8 Summit in Italy to launch the L’Aquila Food Security Initiative, he emphasized that developing countries should have control over how the resources would be used. At a post-meeting press conference, he explained: “The purpose of aid must be...to help people become self-sufficient, provide for their families, and lift their standards of living. And that’s why I proposed a new approach to this issue—one endorsed by all the leaders here—a coordinated effort to support comprehensive plans created by the countries themselves, with help from multilateral institutions like the World Bank when appropriate.”¹²

President Obama had begun to formulate a new U.S. global food security strategy months before the L’Aquila meeting. A greater emphasis on agriculture as a critical element and a requirement that recipient countries develop their own investment plans were keys to his approach. Since L’Aquila, the administration’s strategy has become much more concrete. In a process akin

to what the United States now expects of developing country governments, the administration consulted with U.S. civil society groups, including Bread for the World, seeking feedback on what should be emphasized in a comprehensive food security strategy. Together, the administration and its partners in civil society came up with a set of principles based on best practices and lessons learned from decades of experience with efforts to reduce hunger in the developing world. See Chapter 1, Figure 1.4.

Feed the Future was officially launched in September 2009. Since then, 20 countries have been selected for new investments in agriculture: 14 in sub-Saharan Africa, three in South Asia, and the remaining three in Central America/Caribbean. The participating countries must develop investment plans that reflect broad agreement of multiple stakeholders in the country. In Africa, the Comprehensive Africa Agriculture Development Programme (CAADP) has guided the planning process (read more about CAADP in Box 2.2 on the next page); in the other regions, planning has been more heterogeneous but the PRSP process is serving as a guide.

The lingering question is how flexible the United States—or any other donor—will be in implementing its principles. “Policy differences between host governments and donors, including the United States, may complicate efforts to align donor interventions with host government strategies,” explains the U.S. Government Accountability Office (GAO). The GAO report cites an example from Malawi: “Since 2005-2006, the government of Malawi has implemented a large-scale national program that distributes vouchers to about 50 percent of the country’s farmers so that they can purchase agricultural inputs at highly discounted prices. Although USAID has supported operations that use targeted vouchers to accelerate short-term relief operations following conflicts or disasters, the U.S. food security strategy in sub-Saharan Africa has focused on linking farmers to the market so that they can increase their incomes by relying on the market rather than by receiving subsidized agricultural inputs The provision of cheaper fertilizer and seeds does not address the fundamental problem—that poor farmers cannot afford fertilizer on their own.”¹³

Malawi decided on these subsidies against the advice of the World Bank and other donors.¹⁴ At the start of the program in 2005, the cost of the subsidies was 6 percent of the national budget; by 2009, this had risen to 14 percent.¹⁵ Since the introduction of the subsidies, Malawi has had bumper crops.¹⁶ Maize production, the country’s main staple, has tripled.¹⁷ When food prices spiked in 2007 and 2008, Malawi’s rural poor families fared much better than their counterparts in neighboring countries. Malawi’s example in this case shows why aid-recipient countries shouldn’t be bound by their donors’ instructions.



A fertilizer subsidy program in Malawi helped the country to avert the harsher effects of the 2007-08 food-price surge suffered by its neighbors.

BOX 2.2 AFRICAN-LED AND AFRICAN-OWNED

In 2002, African ministers of agriculture endorsed a development strategy known as the Comprehensive Africa Agriculture Development Programme (CAADP). African governments pledged to commit 10 percent of their national budgets to agriculture, a substantial increase over the 2-3 percent share that was the norm at the time.¹

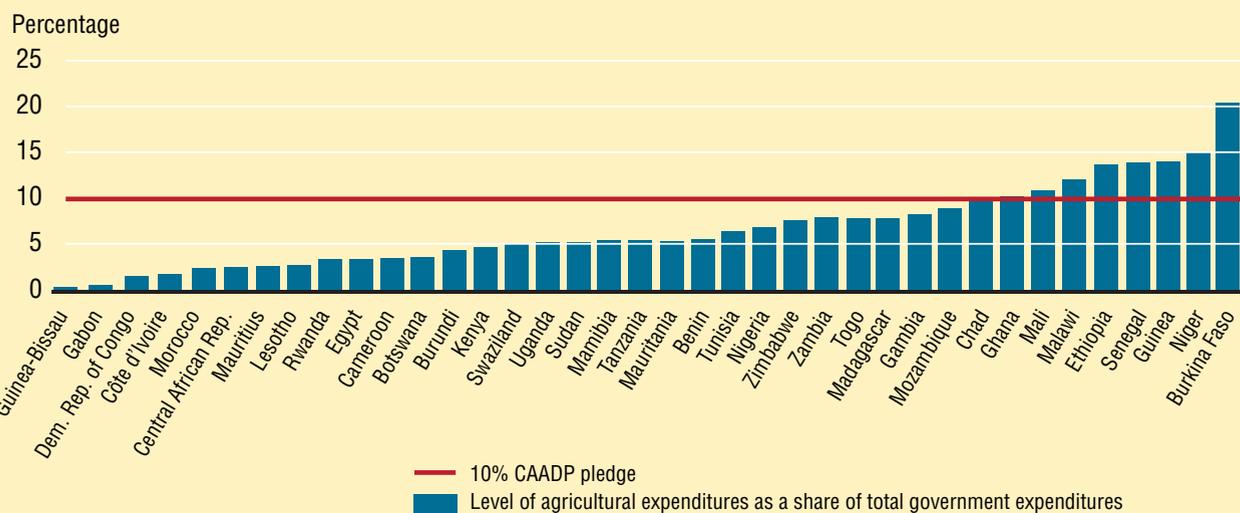


The only problem was the financing. Sub-Saharan Africa is the poorest region of the world—and the most aid dependent. While 70 percent of the continent’s workers earn a living in the agricultural sector, international donors were not interested in agriculture at this point.² For poor countries, realigning national budgets would be a much slower process without donors on board.

CAADP walked a lonely path for the next five years, nurtured by Africans with only nominal support from international donors. USAID provided support to improve regional coordination, but CAADP was not high on the list of U.S. development priorities.³ African countries continued to build out their vision of CAADP, adding pieces of increasing sophistication that earned them praise from abroad. But financing still lagged. Here were Africans developing a plan with potential to transform the agricultural sector of their continent, a coordinated effort demonstrating the seriousness of their intent.

Then came the hunger crisis of 2007 and 2008. Donors quickly recognized what was missing from their portfolios (see Box 2.1) and sought to reinvest in agriculture and food security. CAADP was already there, ready to serve as the vehicle for new investments in Africa. After years of relative obscurity, CAADP’s moment had arrived.

Figure 2.1 **Agriculture Expenditures as a Percentage of Government Spending in African Countries**



Source: GAO presentation of International Food Policy Research Institute data, 2010.

Two Approaches to Country-led Development

The Millennium Challenge Corporation

Feed the Future has the potential to be a major step forward in U.S. foreign assistance, but it is not the first effort to adopt a country-led development approach. The Millennium Challenge Corporation (MCC), a U.S. government agency, uses a country-led approach in its work with developing countries. The MCC is widely regarded as one of the more innovative examples of U.S. foreign assistance, and it provides a compelling model for establishing a country-led development approach for Feed the Future.

MCC's approach to country-led development puts participating governments in the lead on both program development and program implementation. To secure U.S. funding, or in MCC parlance to sign an aid "compact," developing country governments are invited to propose projects that reflect their own development priorities. Partner governments are required to consult with key stakeholders in their country, including civil society groups, the private sector, and communities slated to benefit directly from the assistance. MCC is a partner in the process of developing the compact; its role includes ensuring that proposed investments have good potential to spur growth and reduce poverty, and that the government consults with stakeholders who will benefit from the compact and who can help make the program successful. Just developing and signing the compact can take one to two years.

Before governments submit a project proposal, they must conduct rigorous analysis to identify their country's key barriers to economic growth and poverty reduction. Based on the analysis, they propose programs to help overcome these barriers, and MCC helps them select and design investments that show greatest promise for increasing incomes among beneficiaries. It's rare for MCC not to help countries sharpen their proposals. MCC's objective is not economic growth by any means that works—nor is it to support just any project that will help poor people. The agency will only fund investments that do double duty: stimulating growth and lifting people out of poverty.

An example of how MCC tries to make projects both country-led and successful comes from the Philippines. Water shortages in one district led the government to propose using MCC funding to build a system of reservoirs. Farmers in the district blamed their low productivity on a lack of year-round access to water. When MCC technical specialists analyzed the situation, they determined that the water shortages were caused by inadequate delivery mechanisms rather than storage capacity (which would have required the reservoirs). Thus, MCC did not change the problem identified by the community as a



Presidents from both the Democratic and Republican parties view aid primarily as a catalyst for development—not an end in itself



© Edwin Hufman/World Bank

In the Philippines, the Millennium Challenge Corporation worked on developing water resources for farm communities.

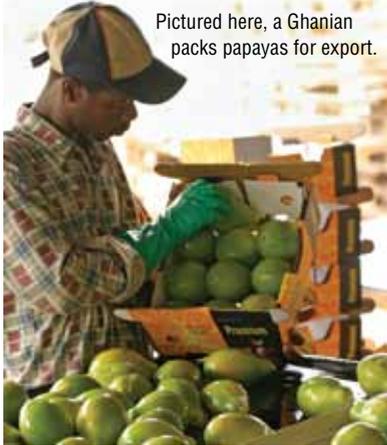
priority, but the solution was adapted based on MCC's analysis of its causes. MCC's strengths include its access to such technical expertise. Is this inconsistent with a country-led approach? MCC doesn't see it that way. Rather, the process works as a partnership, with both parties working to identify the investments with the greatest potential for poverty reduction.¹⁸

As in any true partnership, moreover, knowledge flows in both directions.

For example, the MCC compact signed with Ghana was originally centered on agriculture and transportation infrastructure. Shortly before the compact was signed, Ghanaian officials wanted to add a component to build schools in the areas where the infrastructure would be built.¹⁹ MCC staff working on the compact hesitated. The Ghanaians said that the schools were needed to buttress the planned gains in agriculture in the region—because once families earned enough income, they would move somewhere that had schools for their children. The Ghanaians understood their own community in ways MCC

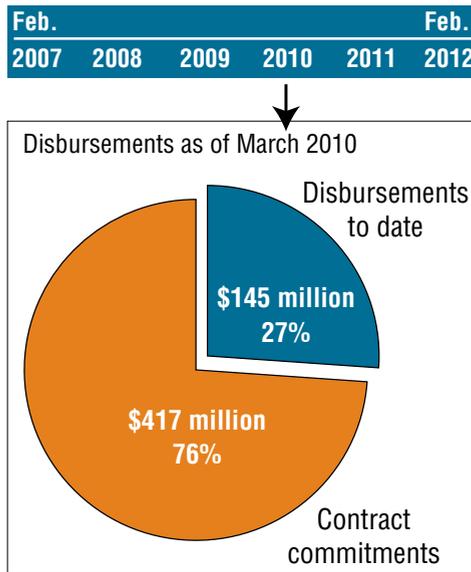
Figure 2.2 Millennium Challenge Corporation Compact with Ghana

Ghana's compact with MCC seeks to increase farmer incomes through private sector-led agribusiness development to make the country's agricultural products more competitive in the regional and global markets.



Pictured here, a Ghanaian packs papayas for export.

Source: Millennium Challenge Corporation data.



staff did not, and in the end, the schools were added to the compact.

Once the compact is signed, MCC's country-led approach continues. Country governments set up entities that oversee implementation of MCC-funded programs and are expected to continue to consult with the project's stakeholders.²⁰ These entities are accountable not only to the government, but also to the representatives of local civil society and the private sector that serve on their boards of directors.

MCC posts extensive information about projects on the Internet, both on its own website and that of the implementing body in-country. The information includes specifics such as the sectors receiving U.S. funds, the people in charge, the contractors being paid to do the work, and the timelines for reaching milestones. This gives stakeholders information they need to hold their government accountable for its use of the aid money and also enables the U.S. public to track how taxpayer dollars are being used. MCC's commitment to transparency is unique among U.S. government agencies with international development programs.

MCC assistance is also different because its compacts last five years—longer than other U.S. development programs. For example, most USAID projects are funded for one or two years at a time. A five-year commitment reflects the ambitious scope of MCC projects and the emphasis on a country-led approach, which is bound to introduce new uncertainties. "We could have moved a lot faster if we'd done more of the work ourselves and paid

less attention to country ownership,” said Maureen Harrington, Managing Director of MCC’s Africa office, at the time the Ghana compact was signed.²¹

“The process of doing this right takes far longer than anyone thinks,” said Troy Wray, who worked on the Ghana and Philippines compacts. A compact is a learning experience for all parties involved from beginning to end—and it includes responding to developments from earlier in the project. Both a Harvard study and meetings at the MCC for this report found unequivocally that development work is rife with uncertainty. A country-led approach is bound to add still more uncertainty.

“A country’s management capacity becomes much clearer two or three years into a compact,” explained an MCC staffer. Political will goes a long way toward making progress in development, but it is also important to have the technical capacity to manage assistance in a way consistent with MCC’s standards for transparency and environmental and social protections and to ensure that funds are used within the five-year compact period. MCC hopes that by being in the driver’s seat throughout program development and implementation, partner governments will strengthen their capacity to not only manage MCC-funded programs but also sustain progress once the aid runs out.

The Global Fund

Feed the Future, like the Millennium Challenge Corporation’s work, is bilateral assistance—meaning that the U.S. government decides which countries to help and how funding is divided among them, and the assistance comes from the United States alone. Multilateral assistance, on the other hand, generally combines resources from many funders and provides assistance through independent financing mechanisms. It is a different model that also offers lessons for country-led development.

The Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria, usually called simply the Global Fund, is a multilateral donor with a unique approach to country-led development. The Global Fund was established in 2002 to gather and coordinate more funding to battle these three deadly diseases, which together kill almost 5 million people a year.²² By 2010, it had disbursed nearly \$20 billion for 572 programs in 144 countries, pooling resources from more than 50 governments as well as from nongovernmental and private sector sources.²³ The U.S. government was one of the first governments to provide funding, and its generous support has been influential in leveraging contributions from others.

The Global Fund doesn’t design or implement programs, leaving this to the countries it supports. But in addition to making money available



Sara A. Fajardo/CRS

Beneficiaries of Global Fund resources for HIV/AIDS prevention and treatment in Guatemala.

for programs that fight its target diseases, the Global Fund also mobilizes technical support from funders.²⁴ The gains of today are unlikely to prove sustainable over time without improvements in critical sectors such as health care, so the Global Fund's objectives include strengthening recipients' health systems. The poorest countries in particular need more than money to strengthen their health systems, hence the provision of technical assistance. For example, in addition to funding, the U.S. government provides technical support through USAID.

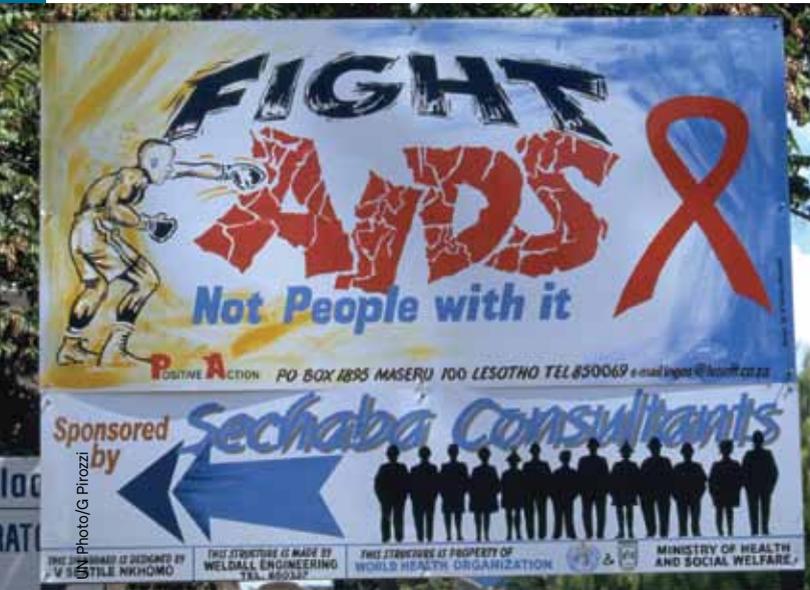
The Global Fund's approach to county-led development is distinguished by a unique decision-making structure and an unrelenting focus on performance at every stage of program development.

Decisions on how Global Fund resources are used are made by developing country governments and civil society. To ensure that civil society has the role of a valued stakeholder, the Global Fund requires recipient countries to establish a Country Coordinating Mechanism (CCM) to administer the funding with at least 40 percent of its members drawn from civil society.²⁵ CCMs design programs, write grant proposals, and decide on implementing organizations. This degree of civil society participation in program management is a radical difference between the Global Fund and other multilateral and bilateral donors. In other development programs, civil society is at best consulted through a process spearheaded by government. The CCM structure, on the other hand, guarantees

civil society an opportunity to play a significant role in running programs. Of course, participation and influence are not the same thing, and the CCM cannot turn a weak civil society sector into a strong one all by itself. It turns out that in countries where the CCM has the most meaningful civil society involvement, the sector was already strong when the Global Fund arrived.

The Global Fund requires countries to set and meet ambitious performance targets to win and keep funding. The Fund uses a standard set of evaluation criteria (for example, the number of insecticide-treated bed nets or amount of antiretroviral medications distributed), but these are secondary to the performance targets set by the countries themselves in their grant proposals. Rigorous reviews are conducted in the application phase to ensure that only strong, relevant proposals are funded. In other words, countries must promise to challenge themselves. After two years, the grants are evaluated and may be renewed for another three years. The continuation of funding is linked to the achievement of clear, measurable targets that can be independently evaluated. Failing to meet performance measures does not automatically cut off funding—generally there is a second chance with a reduced funding level, and funding may be increased again if performance improves.

The value of civil society's contributions to implementing development programs cannot be overstated. These are organizations that provide care to the most vulnerable and marginalized people in the country. Their ongoing



Billboards on AIDS prevention, like this one in Maseru, Lesotho, are common in sub-Saharan Africa.

relationships in these communities speed the process of building trust with beneficiaries. For example, explains Dr. Esther Tallah, a pediatrician and the manager of the Cameroon Coalition against Malaria of Plan International, a successful vaccination program cannot start by sending strangers in to sit down with parents and try to discuss their superstitions about letting children be vaccinated.²⁶ People close to the community, however, are able to walk families from their homes to the vaccination site and can be relied on to be available afterward and show parents what to do in case of fever.

The Global Fund says that the CCM is an evolving model and notes several remaining obstacles to stronger civil society participation, including “lack of technical capacity...and problems in accessing CCM-related information.” Donors, though they cannot solve deep-seated structural or political problems that impede the programs they fund, can address some needs by using technology to create better networking and knowledge-sharing capabilities. Few tools exist to improve the networking capacity of civil society. But in an age when it is possible to find people with cell phones in the most remote corners of the world, it is unlikely that technical barriers alone prevent networking and coalition-building. In many countries, civil society groups simply do not have experience using newer communications tools and have not felt a pressing need to ask for them. After all, there are few cases apart from the Global Fund where donors involve civil society to this extent.

Civil society groups are an integral part of reducing hunger and malnutrition just as they are in fighting the diseases targeted by the Global Fund. USAID can help countries map civil society organizations in the sectors most important to Feed the Future. The effort should be led by the host country government along with members of civil society who are able to provide support.

Capacity-building to Sustain Reductions in Hunger and Poverty

This chapter began by stating that donor assistance alone cannot end global poverty and hunger. But assistance can be a catalyst for sustainable progress. Long-term progress depends on the capacity of a partner country to build on the gains achieved with donor assistance, which is why capacity-building should be a priority for donors.

Research institutions in developing countries may not have the capacity to support local farmers in meeting agricultural productivity targets. Donors may assist in building capacity not only through direct investments in these institutions but by creating linkages with research institutions at home and/



A family in Eldoret, Kenya, receives food assistance as part of an HIV/AIDS treatment program. Hunger and malnutrition reduce the effectiveness of anti-retrovirals.

BOX 2.3 LAND REFORM IN CAMBODIA

by Craig Meisner
Cornell University

Ty Piseth and his family have been farming in the Koh Kong province of Cambodia without title or deed for decades. Because the province is sparsely populated, the land is largely undeveloped. It is also located near the ocean, a location prized by commercial developers. Enter a large Chinese investment company that wants to develop a 36,000-hectare ocean-side tourist resort.

The Chinese company is able to connect with powerful politicians to procure the land. The government and the company agree to a compensation package for a thousand growers who will be displaced. However, once development starts, the Chinese company displays a letter signed by high government officials stating that the growers' claim on the land has been cancelled. The company provides only 5 percent of the promised compensation.



Laura Sheahan/CRS

This is a story that appears almost daily in the Cambodian newspapers—the tension between developers with capital to invest who promise to be fair, and a government that negotiates with the interest of land occupants in mind, only to see the companies cheat the occupants as they implement their approved development plan.

In many Cambodian provinces, it's estimated that up to 60 percent of land has no deed or title. Many foreign and national investment firms are already committed to capitalizing on these lands for agricultural commodities like bananas, sugar cane, and rice for export. They will build irrigation schemes, processing plants, storage, and transport to the port. They will provide hundreds of jobs in agriculture. But the biggest question will be how these developers work with the government for land procurement and whether they will provide any compensation to the poor people who may occupy or have historical connections to these lands—people who are among the 35 to 45 percent of Cambodia's rural population that live below the poverty line.

The good news is that national and international NGOs are allowed freedom to work and act in Cambodia, and they often intervene on behalf of the land occupants. Newspapers also enjoy relative freedom in reporting on such land-grabbing issues.

Ty Piseth only wants justice. Will he get it?

The answer may lie in Cambodia's new anti-corruption law, designed to facilitate the prosecution of anyone within government who is involved in illegal actions with developers. Another possible avenue is the regular meetings held between donors (including USAID) and high government officials, where donors can raise issues that they are concerned about. Land ownership and land reform suggestions are always made through strong 'donor statements,' and nowadays the government is taking the statements more seriously. Time will tell if support for smallholder agriculture can be successfully coupled with land reform.

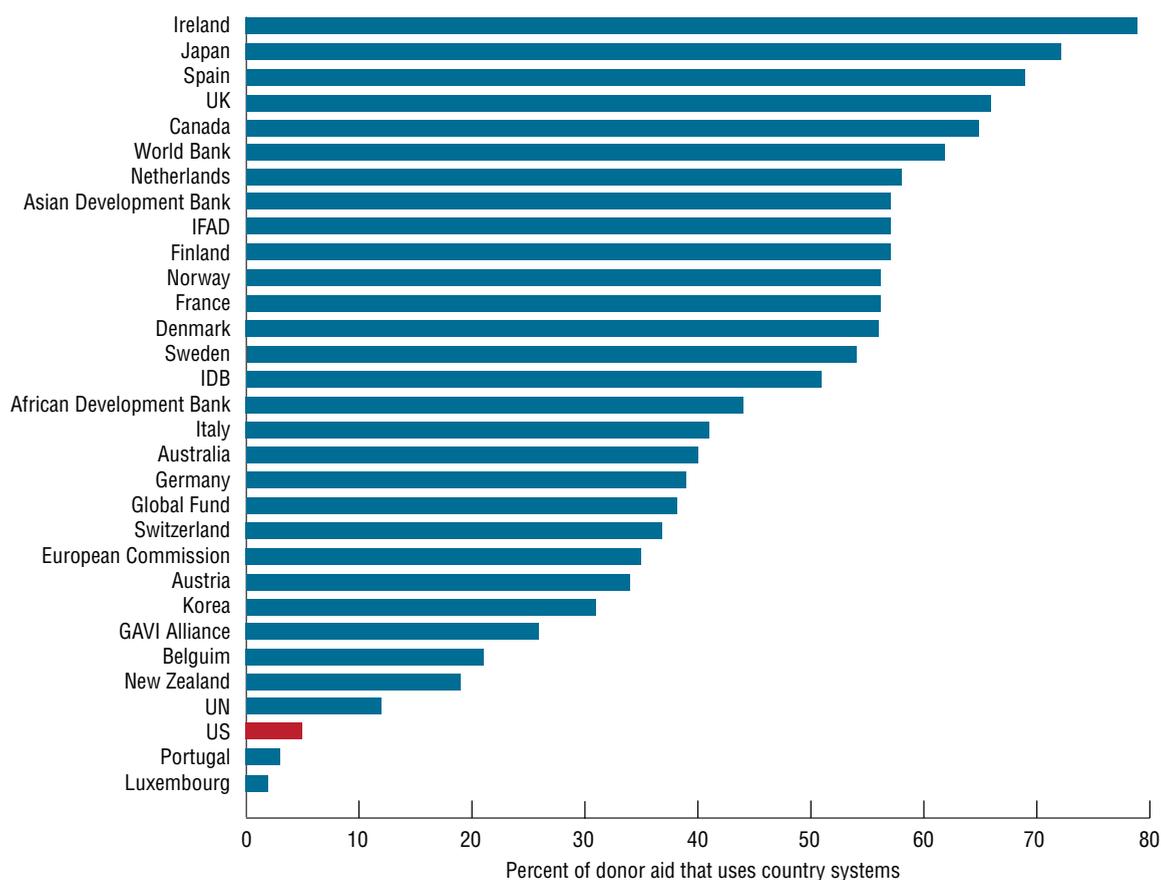
Craig Meisner is an agricultural researcher working in Cambodia as well as an adjunct professor with Cornell University.

or providing students with scholarships to study at a university that is doing cutting-edge research in their field. The extension services that countries can offer their farmers may be limited by lack of exposure to new agricultural research and technology. In this case, donors may be able to assist by financing local training sessions for government extension agents. These kinds of capacity-building activities are not new, but the scope of donors' activities does not come close to meeting the needs of developing countries.

Capacity-building should include strengthening the ability of national governments to manage aid budgets effectively—a capacity largely determined by the type of financial management system in use. If key systems are weak, aid resources are vulnerable to mismanagement and corruption. The antidote to corruption is strong institutions designed with transparency as a prominent feature. The Accra Agenda for Action includes commitments by donors to support country systems and requires an explanation in cases where they won't use them.²⁷ Donors could collectively help a country develop a long-term plan to strengthen its systems and support the plan by phasing in use of the country's own systems as agreed benchmarks are met.

The Millennium Challenge Corporation's success shows that the way aid is structured can improve governance. Other than the MCC,²⁸ U.S. programs do not use partner countries' own financial systems to deliver assistance.

Figure 2.3 **How Are We Doing on Using Country Systems?**



Source: 2008 Survey on Monitoring the Paris Declaration (Paris, OECD, 2008).



Richard Lord

A Nepalese woman carrying a jug of water. Nepal is one of the countries where the United States will increase investments in agriculture through the Feed the Future initiative.

Instead, agencies develop their own procurement, accounting, and other financial systems. Not only does this add to the operational expenses of U.S. assistance—using resources that could be going directly to help poor people—but it also undercuts the long-term prospects for sustaining the gains achieved with U.S. assistance.

For most of the past decade, the Ethiopian government has spent up to 50 percent of its budget on programs to reduce poverty.²⁹ This commitment has paid off: the country is on track to meet the Millennium Development Goal targets of cutting hunger and poverty in half by 2015.³⁰ Ethiopia's financial management capacity is "far from perfect," in the words of Save the

Children.³¹ As the largest donor to Ethiopia, the United States could be doing a lot to bolster the Ethiopian government's commitment to poverty reduction by helping the country strengthen its financial management.

All but a small share of U.S. assistance goes through U.S. contractors and private voluntary organizations that may be quite capable program managers but enable the United States to dodge the question of building countries' own capacities to manage grants. U.S. assistance should flow, with transparency and accountability, through national governments.

Capacity-building and the Civil Society Sector in Developing Countries

A country's path to sustainable poverty reduction and economic development depends on all actors: civil society, the private sector, and government. Therefore, it is important for donors to consider capacity-building broadly, not as narrowly confined to government.

Donors can work with civil society groups to build capacity in three key areas: (1) skills to participate along with the government in setting national development priorities; (2) skills in program implementation; and (3) skills in conducting monitoring and evaluation to verify that government is managing donor resources responsibly.

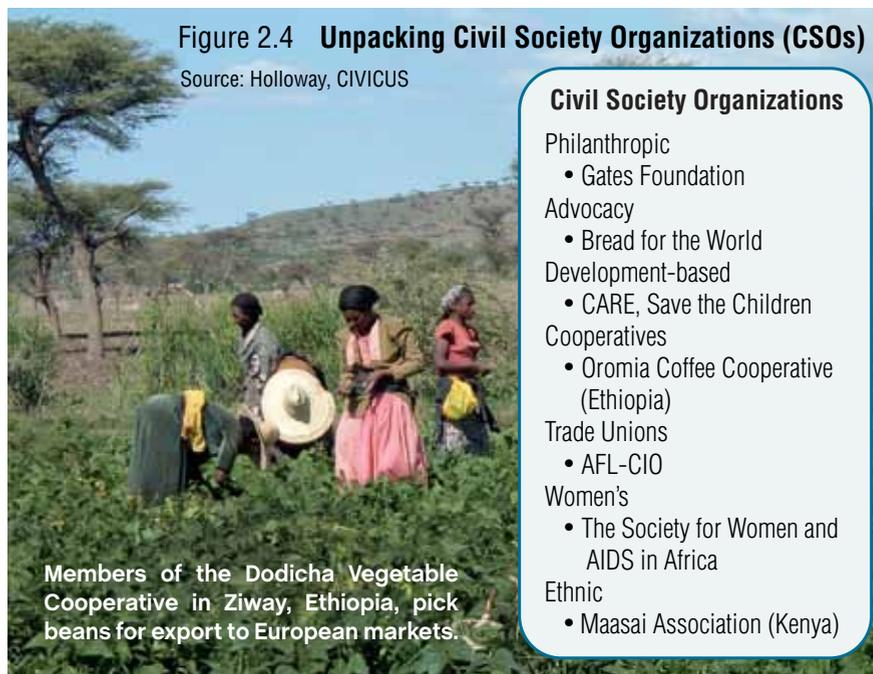
Countries that participate in Feed the Future will be expected to bring government together with civil society to set the top priorities for U.S. funding. Meaningful engagement with civil society requires talking with the right groups, including those in rural areas. Rural perspectives are critical because it is rural residents who best understand the nuances of actual rural conditions.

Building the capacity of civil society to participate in consultations may be as simple as providing travel allowances. During testimony before the Committee on Foreign Affairs of the U.S. House of Representatives, Eveline Nassuna, Uganda country director for Lutheran World Relief, highlighted transportation as one of the barriers to consultation. “In most cases, government cannot do this by email, or even by phone,” she said. “Government officials must meet in person with small farmers and civil society groups and [allow] adequate time for meaningful consultation. Very literally, this means government officials making trips, or supporting the travel of small farmers and civil society groups to hold consultations.”³²

Capacity-building at the grassroots often includes helping civil society groups organize and begin their work. Since women do most of the farm labor in the developing world, for example, capacity-building would include helping them set up farmer organizations. When small farmers organize into groups, they can quickly achieve economies of scale, making it easier to obtain credit at reasonable terms and take advantage of extension services. Once organized, the organizations may need continued support as their activities become more complex. For example, a farmer organization seeking to break into larger regional and international markets may need training in business management, linking into value chains, and/or meeting agro-processing standards.³³

In a survey of 108 women’s civil society groups in nine developing countries, Women Thrive Worldwide found that the groups had a largely positive impression of U.S. foreign assistance programs but were disappointed that the design and implementation of programs excluded local input or ownership.³⁴ Feed the Future plans to experiment with reforms in U.S. government purchasing and contracting regulations that would make it possible to contract with local groups, opening up new opportunities to take capacity-building to grassroots levels.

Civil society is responsible for ensuring that government responds to the needs of vulnerable and excluded groups. Citizens, including poor citizens, whether they speak for themselves or through civil society groups, already know that it is important to hold their government accountable. What they need is the capacity to do so. Donors can use networking technology to assist the civil society sector, largely decentralized in most developing countries, in monitoring and evaluating development programs. For example, information about aid disbursements can be posted on the Internet as the MCC does. Donors can ensure that civil society groups know how much aid is





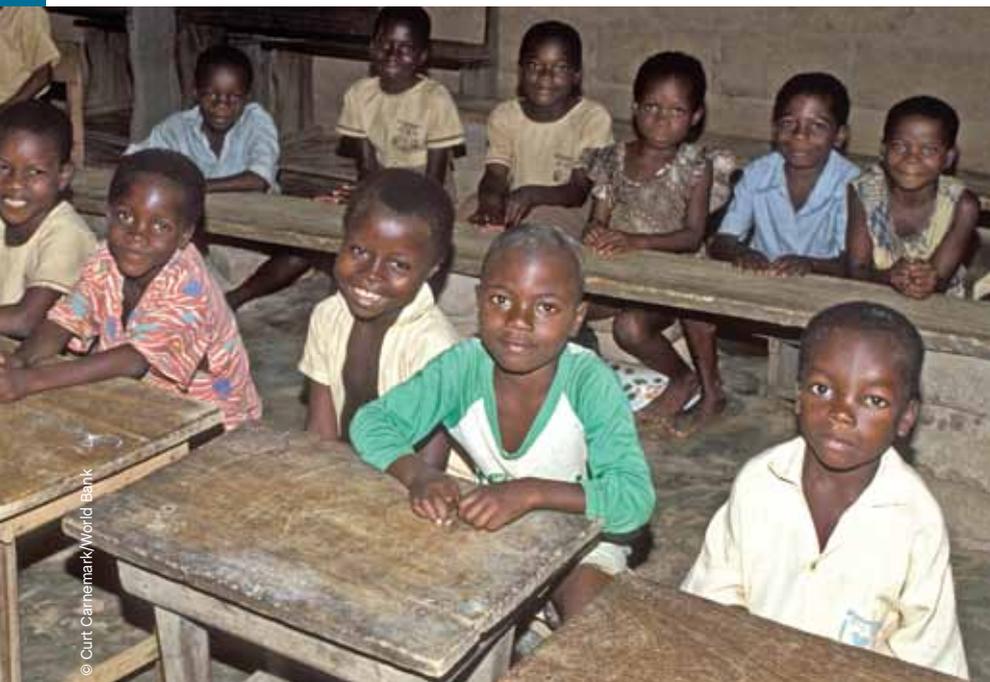
Meaningful engagement with civil society requires talking with the right groups, including those in rural areas.

being channeled through government, which ministries are receiving it, how the aid is being used, and so forth. For civil society organizations in remote areas, electricity, computers, and Internet may be difficult or impossible to access. Getting information is an enormous challenge for them, but once the information is available on the Internet, the print media, radio, and local networks can start to distribute it. An ongoing series of consultation meetings, especially in the monitoring and evaluation phase, is very important so that remote rural organizations can communicate their own information and recommendations to program managers.

Ghana's school feeding program, discussed in Chapter 1, is one of the most ambitious anti-hunger programs launched by the national government of a developing country. Lawrence Wright-Adams, head of the Ghana Research and Advocacy Programme, argues that building the capacity of civil society to monitor and evaluate the national school feeding program is the only way to ensure that the program meets the goals of serving nutritious meals to the children and sourcing food from local small farmers. In district after district, she explained, no one currently has the tools to do this analysis.³⁵ Moreover, there are no national nutrition guidelines for the school feeding program.³⁶ According to a 2010 study of a handful of districts in the program, the cooks in 22 percent of the schools had no formal training in nutrition and hygiene, while 70 percent of the schools had no

training in the maintenance of water and sanitation facilities.³⁷ Identifying such weaknesses and developing recommendations to overcome them are clearly important tasks, but local people need training and support to learn how to do this.

Building the capacity of civil society groups is critical to the sustainability of Feed the Future investments. It's important to remember that civil society organizations are accountable to poor people in their own country and should not lose this focus by putting too much emphasis on what donors want.



© Curt Carnemark/World Bank

Young children at school in Ghana. Read about Ghana's school feeding program in Chapter 1, starting on page 36.

Donor Coordination to Support Country-led Development

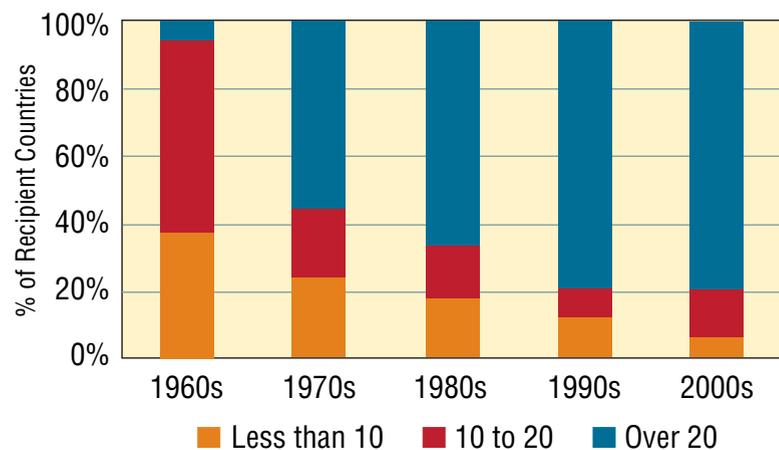
Many countries that receive foreign assistance face daunting challenges. They often lack the administrative capacity to address multiple and sometimes conflicting demands from various donor agencies. This is where donor coordination matters most. In 1960, the average number of donors working in a country that received aid was three; by 2006, the number had increased to 30.³⁸ More donors are not a problem in and of themselves—but a lack of coordination is.

One way donors can coordinate is by agreeing to streamline repetitive tasks. A simple first step is to coordinate mission visits. Development case studies are filled with examples of government ministries in developing countries bogged down with so many mission visits that it's hard to imagine their getting anything else done. Yet only 12 percent of U.S. aid missions are coordinated with other donors.³⁹ Vietnam received 787 donor missions in 2007 alone. The average number of missions in recipient countries that year was 282—more than one per workday.⁴⁰ Rwanda has taken the assertive step of encouraging donors to coordinate more closely by declaring a one-month holiday from mission visits.

Under the *Paris Declaration on Aid Effectiveness*, donors have committed to doing a better job of coordinating their activities. Coordination is improving overall, according to the most recent evaluation of the Paris commitments, but progress is slow and falls short of the benchmarks donors set for themselves.⁴¹ A 2009 study by Oxfam-France, *Aid for Agriculture: Turning Promises into Reality on the Ground*, illustrates the challenges of aligning donor activities with the rhetoric of the Paris principles. The Oxfam study focuses on three countries in West Africa—Ghana, Niger, and Burkina Faso. In Burkina Faso, “While the government had stressed the need to streamline agricultural financing through a few grain, produce, and livestock cooperatives, the four major agriculture donors—the World Bank, Germany, Denmark, and Canada—chose to support 30 different networks among them, without sufficient coordination in [selection criteria],” says Jean-Denis Crola, author of the study.⁴² “[Donors] are supporting different projects that are totally disconnected from one another and from the agriculture policy framework set up by the government.”

We can't really draw broad conclusions from one study of three countries in West Africa—yet there is little evidence from anywhere else to suggest that Oxfam's findings are atypical. The study is important since it focuses on agri-

Figure 2.5 Number of Donors per Recipient Country



Source: OECD/DAC.

BOX 2.4 HAITI: MEETING REALITY HEAD-ON

The development challenges in a country like Haiti are enormous: the highest malnutrition rate in the Western Hemisphere, a third of newborn babies underweight, and an estimated 2.4 million chronically food-insecure people in a population of 9 million.¹ These were the conditions in Haiti even before the devastating earthquake of January 10, 2010.

The challenges in Haiti require unprecedented levels of coordination and flexibility. With lives hanging in the balance, the temptation is for donors to work around the beleaguered Haitian government to get results. In the past, wary of the Haitian government, donors channeled most of their aid through international NGOs. However, this undermined capacity-building and country ownership and prevented Haitians from acquiring necessary management skills.



A Haitian boy drinks from an open pipe in Port-au-Prince.

Earthquake recovery must be Haitian-led. The Haitian government must have a visible presence in the lives of its citizens if it is to have any legitimacy with them. The government must increasingly take the lead, but donor support will be crucial. Institutional capacity-building must start in the recovery phase and continue over the long haul toward development.

The United States has led coordination of the international relief effort and will likely be the biggest bilateral donor to Haiti's reconstruction. Bearing in mind the enormous challenges to agricultural growth, including deforestation and the need for land reform, this is a clear opportunity to jump-start the rural economy. A focus on food security should support a comprehensive approach to agriculture-led economic growth and poverty reduction in Haiti. Improving food security also means expanding nutrition programs that have been proven effective in reducing hunger and, as far as possible, treating the long-term effects of malnutrition.

The United States has led donor involvement in Haiti's agriculture strategy, working closely with the Ministry of Agriculture. For FY2010, U.S. assistance for agriculture totaled about \$25 million. Building food security through agriculture under the U.S. Feed the Future effort is one area where there has been significant momentum in rebuilding the country;² soon after the earthquake, the Haitian Ministry of Agriculture worked with donors to refine and finalize a national investment plan. The plan now focuses on three key areas: improving rural infrastructure, strengthening the agricultural value chain, and building the institutional capacity of the Ministry of Agriculture.

A genuine effort to put Haitians at the center of the response cannot ignore the role of civil society. In the days after the earthquake, the Haiti Response Coalition, a network of Haiti-based NGOs, coalesced to coordinate aid efforts. The coalition has now launched "The Initiative for a New Haiti," a consultative strategy for rebuilding that focuses on key sectors, including sustainable agriculture, protecting vulnerable groups, and increasing resources for health and education. Other civil society voices are also emerging as reconstruction planning continues. The collective recommendations of organizations working directly at the grassroots level should be a starting point in developing a plan to allocate donor assistance.

culture, where donors have pledged to reexamine “business as usual” work procedures as well as to improve agricultural production in poor countries. It’s important to understand first what “business as usual” looks like.

One of the barriers to better coordination among donors is a bias toward project-driven aid, which mainly reflects donor priorities and may or may not align with partner countries’ priorities. Projects run the gamut—from building a school to running a microenterprise program to assisting in livestock production or seed distribution. In 2006, OECD countries were financing a startling 81,000 active development projects.⁴³ While it may sound like a great idea to build a school in a remote area that has never had one before, donors have been known to complete the entire building phase without ever asking whether the national government will be able to staff the school. “Sub-Saharan Africa is littered with decaying unused primary schools and health post buildings,” says Eveline Herfkens, former executive director of the U.N. Millennium Development Goals Campaign, “built by donors, without thinking of who was going to pay the nurses or teachers after they had left.”⁴⁴

Program aid—as opposed to project aid—makes it easier for donors to coordinate based on a partner country’s priorities. The government leads a process that defines a sector-wide strategy, such as for agriculture, and donors provide assistance directly to the partner country government for program activities. Program aid makes it possible for donors to help build institutions; project aid cannot do this because projects are discrete units that may or may not fit into the country’s priorities. The government determines how best to use program aid within the range of activities defined by the sector-wide strategy. Since the country is making more of the decisions, program aid comes much closer to a country-led development model than project aid.

The evaluation of Paris principles implementation showed that in 2007, only 47 percent of all development assistance was program-based. Donors are likely to fall short of the target they set for themselves—66 percent by 2010.⁴⁵ This measure alone tells us a great deal about how committed donors are to their pledge to let recipient countries set their own development priorities. At this point, it would be unrealistic to expect all donor assistance to shift from project to program aid. Program aid requires a high level of trust between donors and a partner country government, and not every government engenders such trust. In development, as in diplomacy, trust is earned. Other political realities, such as legislative earmarks, also drive donor countries’ support for project aid (see the discussion in Chapter 3). While it’s hard to imagine earmarks vanishing any time soon, the principles agreed on in the Paris Declaration are clear that aid should be moving in the direction of program support.



In Timor-Leste the Skills Training for Gainful Employment Programme (STAGE) aims to reduce poverty and promote economic growth and build national capacity. Here, men learn blacksmithing skills.

Donor coordination requires a mechanism that aligns all parties' efforts. Ideally, the coordinator mechanism is the partner country government. In Tanzania, for example, the government leads sector-wide planning and budgeting processes, and more than 70 percent of donor assistance goes directly into the Tanzanian government's budget.⁴⁶

Building Momentum for Reform

Presently, country-led approaches are the exception rather than the rule in U.S. development assistance. Early signs of progress under Millennium Challenge Corporation (MCC) compacts led the administration to incorporate a country-led approach into the plans for Feed the Future. In turn, good results from Feed the Future should encourage a much wider application of country-led development principles. As the balance shifts toward the country-led model, the U.S. government needs to adopt a single, government-wide definition of what constitutes country-led development and operational standards for its programs.

Partner countries need a coherent approach. Participating in Feed the Future shouldn't mean that they have to waste time and resources puzzling out how the definition of "country-led development" might vary from one program or U.S. agency to the next. Consistency in country-led programming will make U.S. assistance more efficient—rather than getting tangled up in bureaucracy, more of the aid can go directly to programs that help people escape poverty. A country-led approach should be accompanied by other improvements (the subject of our next chapter), but more than any other reform, it is the foundation of a new and improved U.S. development strategy.



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Sharifamoh Safarov working on her farm in Tajikistan, one of the Feed the Future countries.

SUSTAINABLE GAINS AGAINST HUNGER TAKE TIME

LESSONS FROM ACDI/VOCA'S KENYA MAIZE DEVELOPMENT PROGRAM

by Sandra Bunch and Paul Guenette
ACDI/VOCA

ACDI/VOCA's Kenya Maize Development Program (KMDP) offers important lessons on making food security programs work for the people they are meant to serve. The program nearly tripled—and in some places quadrupled—smallholder yields and increased the net earnings of some 370,000 farmers, nearly 30 percent of whom are women.

Adequate time, funding, and flexibility all contributed to the agriculture and food security gains achieved in Kenya. Still, most critical to success were the Kenyans we worked with and the relationships we built along the way.

A Long View and Flexibility

Everyone wants quick results—and rightly so. Approximately 25,000 people die every day because of a lack of food. But our experience at ACDI/VOCA suggests that successful agricultural and economic development programs need between seven and 10 years for sustainable changes to emerge.

Fortunately, USAID gave us both time and flexibility. USAID originally funded KMDP in 2003 as an \$11.2 million, four-year program to increase rural household incomes. Based on the program's success, USAID increased funding to cover seven years.

Flexible program design and the extended timeframe allowed ACDI/VOCA to work with farmers and local partners to minimize risks and, as feasible, develop opportunities out of challenges. For example, fertilizer costs for farmers doubled between 2006 and 2010. ACDI/VOCA worked with farmers' groups to partner with the Kenya Seed Company, which purchased the inputs in bulk



ACDI/VOCA's Kenya Maize Development Program nearly tripled maize yields for small-scale farmers in Kenya, about a third of whom are women. New technologies like improved seeds helped farmers realize these gains.

for the farmers, helping them realize savings through economies of scale.

Program flexibility also helped staff respond to unexpected setbacks. Post-election violence displaced thousands of Kenyan farmers in 2008 and led to the destruction of large stocks of maize. USAID allowed ACDI/VOCA to adjust the program's priorities to address the needs of displaced people, such as organizing mobile counseling clinics for victims of violence and integrating peace-building trainings into our Farming as a Family Business curriculum.

KMDP's long view and flexibility further allowed ACDI/VOCA to develop community self-help groups, local farmers' groups, and industry associations critical to leveling the playing field between rural communities and outside markets. Initially, KMDP supported 18

SUSTAINABLE GAINS AGAINST HUNGER TAKE TIME

LESSONS FROM ACDI/VOCA'S KENYA MAIZE DEVELOPMENT PROGRAM

associations. As the program drew to an end, it was working with 80 associations representing approximately 250,000 farmers. Several groups have already used their new skills to apply for additional grants to develop specific expertise in areas like livestock artificial insemination and irrigation technologies.



Most farmers in Kenya are not risk takers—farming is about survival margins. It takes the courage of people like this lead farmer in Njoro to invest in new thinking and technologies so others can watch and learn.

Relationships and Trust

ACDI/VOCA's group capacity-building efforts also strengthened local relationships and sparked innovation among groups. For example, as farmers increasingly dealt with new brokers, they had a difficult time distinguishing between unscrupulous dealers and honest traders. Based on farmer group discussions, KMDP helped to establish the Highway Cereal Traders and Marketing Brokers Association, which set itself apart as fair traders with better services.

Perhaps most important, programs that achieve sustainable change are those that manage to tap the courage of local people willing to embrace change. Kenyan farmer and KMDP staff member Rosebena Cherono Tektuk is one such person.

The 10th of 12 children, Tektuk studies agricultural education and extension at the nearby Egerton University. Bucking tradition, her father allocated her two hectares of his land. She uses the profit from the crops she grows to help pay her tuition. She also runs an agroveter store in her village to supplement her income.

Based in Njoro in southwest Kenya, Tektuk is in charge of six farmer groups. She has trained farmers in Farming as a Family Business and uses her own farm as a demonstration plot. In 2008, farmers in her area were able to make their first delivery of maize into the grain warehouse receipts system at Lesiolo Grain Handlers, Ltd., earning a profit of \$10 per bag, and these farmers have pledged at least 5,000 bags for the next season.

Development is about changing people's lives. It may seem obvious, but in the thick of foreign aid debates, it's a fact we too often forget. Tektuk had the courage to change her life. And through her work with KMDP, she is helping others find the courage to change their lives as well.

SUSTAINABLE GAINS AGAINST HUNGER TAKE TIME

LESSONS FROM ACDI/VOCA'S KENYA MAIZE DEVELOPMENT PROGRAM

Local Innovation

“[Farmers] are not risk takers,” says Julius Thuku, who like many Kenyan farmers was wary of trying new agricultural practices. “But I try hard at what I’m doing and the results will prove I am doing it from my own strength.”

KMDP included several innovations that were helpful in strengthening a farmer’s hand:

- **Farming as a Family Business.** A local gender analysis found household dynamics to be at the root of slow and/or failed adoption of new and improved farming practices and technologies. As a result, ACDI/VOCA and its partners adapted the farming business training curriculum to address household roles and promote collective efforts between men and women in farm enterprises.
- **Warehouse Receipts Program.** The Warehouse Receipts Program emerged as a private-public answer to farmers’ storage and credit problems. Producers store their grain in secure warehouses and use the warehouse receipts as collateral to obtain credit. Although many banks were reluctant to provide credit based on grain as collateral, our staff worked with Equity Bank, a Kenyan institution, to develop a financial product appropriate for the community.
- **Market data and delivery.** A major problem for Kenyan farmers is the lack of access to timely and accurate market information. KMDP partnered with KACE and Safaricom to establish a network of market information centers that convey price and trade information for local and regional markets.
- **Kenya Maize Handbook.** KMDP trainings were a key part of the program’s success, with 90 percent of targeted farmers trained during the project’s life-cycle. To develop a sustainable way to ensure that



Kenya held its first agricultural business fair in 2003. Now it's an annual regional event, hosting 80 exhibitors and 25,000 participants in 2009.

the knowledge transfer continued, KMDP staff worked with the private sector, research community, universities, and government organizations to publish the Kenya Maize Handbook, a summary of Kenya’s maize production process and industry trends.

- **Agricultural Business Fair.** A key focus of KMDP has been to stimulate demand for agricultural business services by linking farmers and their groups to the private sector. With an eye toward sustainability, KMDP staff partnered with Moi University, the Eastern Africa Grain Council, and the Cereal Growers Association to facilitate the country’s first maize industry business fair in 2003. Since then, the business fair has become an annual regional event, with 80 exhibitors and 25,000 people participating in 2009.

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Paul Guenette is Technical Managing Director of Agribusiness at ACDI/VOCA. From 1992 to 1996, he worked as Chief of Party for a USAID project in Kenya.



Getting Better Value:

An Agenda for Effective U.S. Development Assistance

CHAPTER SUMMARY

POLLS INDICATE THAT THE U.S. PUBLIC SUPPORTS USING FOREIGN AID TO RELIEVE SUFFERING AROUND THE WORLD AND HELP POOR PEOPLE. But structural problems limit the effectiveness of U.S. development assistance. Some of these are rules that require purchasing goods and services from U.S. providers, even when effective lower-cost alternatives are available closer to where assistance is needed; a profusion of earmarks throughout the aid budget that create a scattershot approach to development at the expense of setting strategic objectives; short-term funding cycles that are unrealistic given the time needed to attain and assess meaningful progress in development; poor coordination between development assistance and trade policy; and finally, loss of skilled personnel and political influence at the U.S. Agency for International Development (USAID), the agency charged with leading the implementation of U.S. development programs. Rewriting the Foreign Assistance Act (FAA) is the most effective way to solve the problems listed above and reform foreign assistance comprehensively. The current FAA was written in 1961 and does not reflect the changed circumstances and emerging priorities of the 21st century.

Recommendation

The outdated U.S. Foreign Assistance Act should be rewritten to make clear the importance of poverty reduction and development in U.S. foreign policy.



U.S. foreign assistance is a vital tool for rebuilding shattered societies like Afghanistan. Anna Badken, who writes for *Foreign Policy*, reported online from several areas of war-torn Afghanistan in the spring of 2010. Her report¹ “Where Have All the Children Gone?” illustrates vividly how good intentions can go awry when it comes to foreign assistance.

Everyone in Shahraqi Mawjirin, home to 145 families, knows where their children are going—to the cemetery on the edge of the village. The children are dying of preventable malnutrition-related causes. In Afghanistan, one child in four dies before his or her fifth birthday; the country is second only to Sierra Leone in child mortality.²

U.S. foreign assistance built a school, a clinic, and a playground in Shahraqi Mawjirin. The school has no teacher, the clinic has neither a doctor nor medicine, and the playground sits unused. Given the immediate needs of the villagers, the sight of these projects is a constant reminder of what aid didn’t accomplish here. “Because there is no work, there is also no food. People bring discarded dry bread from the [nearby] village, soak it in boiling water, and eat the glop. Boiling the water is tricky, too. There is no firewood, and the women make brittle cooking fires with the dried grass their children gather in the desert.”

When Badken was interviewed on National Public Radio a few weeks after her story appeared, she reported that events in the village had taken a turn for the worse.³ The villagers had concluded that a resurgence of the Taliban in the area could only be explained as a plot by the United States to eliminate the village. It may be easy for people who are struggling for life’s basic necessities to believe such “explanations,” especially if they already see the ever-present empty school, barren clinic, and unused playground as signs of a lack of empathy with their plight.

Now juxtapose this with another scene from Afghanistan. Herat Province is on the western side of the country, bordering Iran. Hunger and malnutrition are just as common here as in other rural areas. Most of the 1.5 million residents of the province depend on subsistence agriculture. Poppies are raised for opium as well, because they generate income that feeds hungry children. Adults don’t like the dangers associated with the opium trade and would grow something else if they could earn a living from it. Thirty years ago, Afghanistan was one of the world’s largest exporters of pomegranates, dates and raisins. But decades of conflict have plunged the agricultural sector into chaos.

In 2006–2007, a USAID project promoted the use of greenhouses, providing building materials and training to hundreds of farmers in three districts. Each of the 81 new greenhouses is now being shared by a group of farmers. This project was designed to increase the local supply of fruits and vegetables and rebuild agriculture markets with the hope of replacing poppy production. USAID reported that farmers participating in the program nearly doubled their annual incomes.⁴



Martin Lueders

Half of all Afghan children suffer from chronic malnutrition. A quarter die before the age of five.

When foreign assistance is done well, it can help people escape poverty and end chronic hunger. When it's done poorly, it is a waste of resources and erodes public confidence—in both the donor and recipient countries—in the whole enterprise of development. It's not an accident that some programs are strong and effective and others wasteful and ineffective. Structural problems with how the U.S. government gives and implements foreign aid has made the Shahraqi Mawjirin example more common than it should be.

Development assistance focused on agriculture is almost always a good bet. Building schools and hospitals, even playgrounds, are not poor investments in and of themselves, and no doubt the intentions were good. But good intentions don't count in the end, and the further removed decision-makers are from beneficiaries and understanding their needs, the greater potential for projects to go wrong.



Revitalizing Afghanistan's rural economy is critical to the country's long-term economic growth and a fundamental component of U.S. development strategy there.

Room for Improvement

Developing countries are now asked to do a lot of work before presenting their development priorities to the U.S. government. As we saw in the last chapter, a thorough process of consultation involving multiple stakeholders is generally expected. The consultative process is designed to make the governments of developing countries more responsible partners, since they must demonstrate that they are serious about growth that is geared toward significantly reducing poverty.

The United States can also take specific actions to demonstrate its commitment to be a stronger, more reliable partner with the countries to whom it provides development assistance. The rest of this chapter focuses on factors that weaken the effectiveness of the U.S. government's development assistance efforts, offering solutions to help achieve better long-term development outcomes, such as promoting economic growth and meeting the U.N. Millennium Development Goals (MDGs).

Issues covered in this chapter:

- The high costs of tying aid to U.S. providers of goods and services
- The proliferation of earmarks that undermine strategic objectives
- The scarcity of long-term funding for development
- Trade policies that clash with development assistance
- Strengthening USAID, the government's lead development agency

Untie Aid:

Tied Aid is Not Cost-effective and Undermines Capacity-building

In an environment where resources are always scarce, it is critical to use all available funding in a well-planned strategic approach.

Foreign aid is considered “tied” when it comes with conditions that the goods and services funded must come from suppliers in the donor country. For example, 75 percent of U.S. food aid must be shipped on U.S.-flagged vessels, a requirement written into the 1936 Merchant Marine Act.⁵ And under the 1961 Foreign Assistance Act, virtually all commodities purchased with U.S. food aid resources must come from the United States.⁶

During the 2007-2008 period of skyrocketing food prices, more than a billion people in the world were hungry. Food aid was indispensable to mitigate their suffering—yet tens of millions who needed the aid went without. Haylor Ayako, a farmer in Ethiopia, doesn’t know about tied aid—what he knows is that in the midst of the spike in food prices, seven of his grandchildren died of hunger in the six months before U.S. food aid reached his village from North Dakota.⁷ If it were not tied, much more U.S. food aid could be purchased closer to where it is needed and would arrive sooner, saving countless lives as a result.

Tied aid is simply inefficient. A U.N. study of bilateral aid to sub-Saharan Africa found that tying reduces the value of the aid by 25-40 percent.⁸ Value is lost anytime a higher-cost supplier is chosen when others could do the job more efficiently but are legally prohibited from competing for contracts. The good news is that donors are reducing the proportion of aid that is tied. In the early 1980s, tied aid accounted for 70 percent of all bilateral aid from the major donor countries; in 2006 it was less than 20 percent.⁹ The United Kingdom and Norway have untied 100 percent of their bilateral aid.¹⁰ The United States has been making progress but not as quickly as other major donors. The United States still ties more than half of its bilateral aid, according to analysis by the Organization of Economic Cooperation Development.¹¹

Figure 3.1 Comparison of Cost and Time in Food Aid Delivery

Average Cost Differential
(percentage by which the cost of U.S. in-kind food aid differs from the cost of local procurement)

Worldwide.....	25% more
sub-Saharan Africa	34% more
Asia.....	29% more
Latin America.....	2% more



^aTime elapsed between the purchase order date and the date WFP takes possession of the food in the recipient country. Additional time is required for the food to reach intended beneficiaries.

Time (in-kind donations)
Time (cash donations)
Time saved (cash donations)

Source: GAO analysis of USAID and WFP data.

The United States has policy options that will improve the efficiency of its aid. For example, more than half the value of U.S. food aid is lost due to tying, most of it eaten up by shipping costs.¹² Many other countries have switched to giving food aid in cash rather than in commodities. They have made the decision that making their food aid as effective as possible is more important than channeling business to domestic suppliers.

When food aid is provided in cash, it allows recipients to source food locally or regionally and at a much lower cost. In addition, cash assistance enables recipients to purchase food from producers in areas of the country with surpluses to distribute in areas of scarcity. This, in turn, helps strengthen local and regional agricultural sectors and markets, and it can increase incomes for smallholder farmers and poor rural communities.

Local or regional purchase also gives countries the flexibility to choose the most culturally appropriate foods available. U.S. food aid sometimes falls short in this regard: countries whose staple diet is rice may get shipments of sorghum or wheat from the United States because those are the current surplus commodities, whereas rice might be available in nearby countries or in other parts of the country experiencing the hunger emergency.

A small amount of U.S. food aid is in fact provided in cash for local and regional purchase. The 2008 farm bill included a provision to use \$25 million as a pilot project for local and regional purchase. But this is only about 1 percent of the U.S. food aid budget,¹³ far less than what is needed to demonstrably improve the efficiency of food aid.

So far, efforts at more substantive reform have been defeated by U.S. agribusiness and shipping interests who spend millions of dollars on lobbying to protect the advantage they get from tied food aid. Industry lobbyists don't dispute that food aid can reach its destinations in more efficient ways than shipping on U.S.-flagged vessels. Instead, they argue that food aid provides jobs to U.S. workers (13,127, according to an industry analysis)¹⁴ and maintains the U.S.-flagged shipping fleet, which, in their view, is "constantly in danger of erosion by foreign-flag vessels."¹⁵ A different study by a team of Cornell University researchers used data from every USAID food aid

BOX 3.1 THE ROADMAP TO END HUNGER



Tony Hall

In 2009, a coalition of U.S.-based non-governmental organizations, including Bread for the World, produced a five-year plan called the *Roadmap to End Hunger* designed to improve U.S. food aid and agricultural development programs.

The plan calls for no further increases in U.S. commodity-based food aid, while cash-based food aid rises steadily until reaching parity with the commodity-based. "While commodities are an appropriate response in some emergency settings," the *Roadmap* states, "U.S. programs should aim for increased flexibility through greater reliance on cash-based emergency assistance that can be easily adapted to suit immediate needs and market conditions. Where market conditions permit, regional and local purchase or voucher programs may allow for more rapid provision of food while also stimulating local markets. Where market conditions are not appropriate for local purchase programs, cash-based assistance can be combined with U.S. commodities, as appropriate, to enhance the effectiveness of the intervention. Cash should also support the logistical requirements of the humanitarian response."

The *Roadmap* also calls for investments in long-term, agricultural development that would "reach parity with emergency [food aid] funding, reflecting the expectation that more resilient agricultural systems will be less prone to shocks that require emergency response."

In the next two years, the U.S. Farm Bill comes up for renewal, providing an opportunity to reform food aid policies. Like Feed the Future, the Farm Bill contributes to U.S. efforts to reduce hunger and poverty around the world.

shipment in 2006, finding that in fact, most of the vessels were owned by U.S. subsidiaries of foreign corporations.¹⁶

Beyond supply questions, another problem with current U.S. food aid is that the commodities sent often aren't the foods most effective in fighting malnutrition. In 2008, World Health Organization (WHO) experts agreed that animal-source foods such as dairy products are the most effective choice for treating moderately malnourished children.¹⁷ Severely malnourished children get Plumpy'nut and other super-fortified nutritional pastes.¹⁸ "In contrast to severe acute malnutrition," write Andre Briend and Zita Prinzo of the WHO, "management of moderate malnutrition has remained virtually unchanged over the last 30 years."¹⁹ Cereal-based foods do not provide the nutrients that malnourished children need, yet these are the foods the United States primarily provides. Medecins Sans Frontieres/Doctors Without Borders estimated in 2008 that it would cost \$4.3 billion (3.5 billion euros) annually to treat moderate malnutrition worldwide according to the new standards set by WHO.²⁰ Providing more animal-source foods and fewer cereals will raise the costs of food aid sourced in the United States. The higher costs, combined with the Obama administration's new emphasis on child nutrition, only add to the reasons that the United States should untie its aid.

Tying foreign assistance also undermines efforts to build capacity in recipient countries. As discussed in Chapter 2, capacity-building is critical to ensuring that the gains achieved with aid are sustainable. Using contractors from the donor country to provide services and implement development programs, rather than hiring local workers, passes up an opportunity to provide people not only with jobs, but with very desirable jobs in the local economic context. Hiring locally not only reduces

unemployment but also improves workers' skills, provides businesses with money to reinvest in their growth, and keeps more money in the country, circulating through the economy rather than going overseas.

In 2010, USAID unveiled a procurement reform strategy focused on broadening the base of USAID's partner organizations locally and overseas, reducing the size of USAID awards and setting specific targets for building local capacity and driving resources into local institutions. The plan outlines clear, quantifiable targets within a five-year time frame. Procurement reform, while not the most exciting concept, is critical to the success of Feed the Future and other major initiatives, including the United State's five-year strategy to accelerate progress on the MDGs.

Curtail Earmarks: Excessive Earmarking Undermines Country-led Development

Assistance that is earmarked is legally set aside by Congress for a specific issue or country. The programs that receive earmarked assistance today are



The United States provides more food aid than any other country. All but a fraction is purchased in the United States, rather than closer to where the food is needed, costing precious time during hunger emergencies.

worthwhile—sanitation, microfinance, childhood immunization, women’s education, biodiversity, and so on. The problem is that earmarks steer resources to programs or countries without a process of using objective criteria to determine where assistance is needed most and/or how it can achieve the best results in catalyzing sustainable development. In other words, earmarks cost flexibility and coherence in development assistance.

Maybe an earmark here or there for a vital but neglected issue wouldn’t cause much harm. But earmarking is rampant in the development assistance budget. In some countries, such as Mozambique and Cambodia, Congress has earmarked 100 percent of the USAID field mission budget,²¹ in effect dictating how the money will be used before it arrives. USAID mission staff in more than 100 countries²² work directly with the conditions that keep people locked in hunger and poverty—yet they have minimal input into decisions on how to use development assistance.

As we’ve said throughout this report, the United States should use a country-led approach to development—working with developing countries to define their priorities for assistance once the countries have in turn consulted with a wide spectrum of their citizens. Development is context-specific and highly dependent on local conditions. The United States has already pledged support for country-led development in the Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2008). In an environment where resources are scarce, it is critical to use all available funding in a well-planned strategic approach. Earmarks make this difficult. Funding decisions should be made with a clear understanding of U.S. development objectives and in support of a well defined national development strategy. In the absence of that, earmarks fill the vacuum.

Private companies and the lobbying groups they belong to, plus philanthropic organizations and other nongovernmental organizations (NGOs), have interests in particular program areas and lobby Congress on behalf of their institutional interests from their offices in Washington, DC. NGOs have drawn attention to issues that Congress and the administration were doing little to address. For example, it was NGOs that originally mobilized support in Congress and the administration to respond to the nascent HIV/AIDS epidemic.

But earmarks can have unintended consequences. Earmarks for one important issue or cause often come at the expense of funding for others as well as at the expense of a more balanced approach to development. Development economist Owen Barder described this as the “lethal effect of development advocacy.”²³ Learning from past experience, Bread for the World, for many years, has pushed for increases in the overall budget for poverty-



Young village boys in Catembe, Mozambique observe a long-lasting insecticide-treated bed net during a demonstration. The President’s Malaria Initiative event helped community members learn about malaria and how to use the bed nets.

focused development assistance rather than for specific programs within the foreign aid budget.

Ethiopia epitomizes the problems created by earmarks in U.S. development assistance. The stakes are high for Ethiopia since between 2002 and 2007, the United States provided 40 percent of its official development assistance (ODA)—more than four times as much as the next largest donor.²⁴ The country is a security priority for the United States and will likely remain one for some time since it's in an unstable region of the world with Somalia to the east and Sudan to the west. In 2008, total U.S. assistance in Ethiopia amounted to \$900 million.

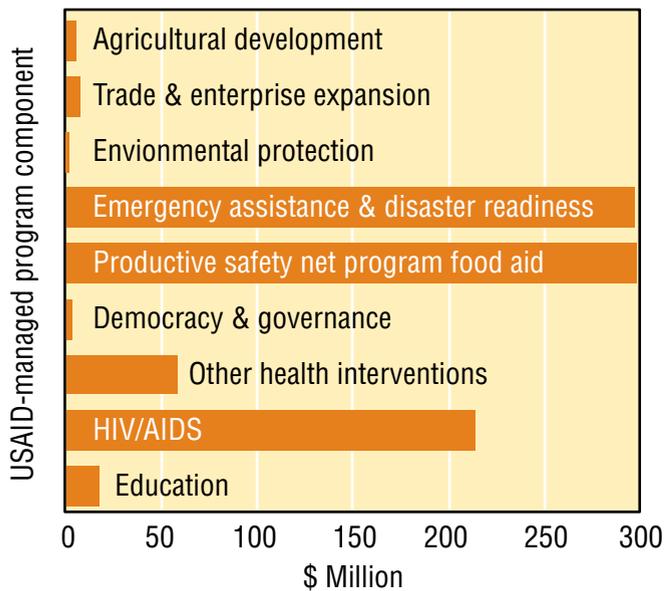
However, USAID had almost no say in how the funding would be used because congressional earmarks and a presidential initiative determined all but 2 percent. Aside from emergency food aid, the largest share of the USAID budget in Ethiopia went to HIV/AIDS.²⁵ Was this the best choice? The rate of HIV infection was lower than in many other sub-Saharan African countries, which as the epicenter of the global crisis has infection rates ranging from less than 1 percent of all 15- to 49-year olds in some countries to well over 20 percent in others. Ethiopia's rate of HIV infection was a relatively low 2.1 percent, or 1.6 million people. On the other hand, malaria causes 27 percent of all deaths and 65 percent of the population (52 million people) live in areas prone to malaria epidemics.²⁶ Funding for malaria is just over 5 percent of what is spent on HIV/AIDS.²⁷

In Ethiopia, the large amount of aid flowing in to treat a disease with a relatively low rate of infection has sent people the wrong signals. "There are even rumors here in Addis Ababa that some people are deliberately getting themselves infected

in order to give their children a better start in life," reports economist Owen Barder.²⁸ People mourn a negative test result, because the support for people with HIV/AIDS includes free health care, assistance in finding a job, food, and free education for their children. This was obviously not the result that the policymakers who earmarked funds for HIV/AIDS had intended.

Ethiopia presents a compelling case for reducing earmarks and ensuring that U.S. assistance is flexible enough to support its development priorities. Ethiopia has been one of the largest recipients of U.S. food aid—many Americans still recall the heartbreaking images of famine in the early 1980s—at the expense of U.S. support for Ethiopian agriculture. U.S. support for increasing farmers' productivity is a fraction of what was spent on food aid. Ironically, the vast numbers of Ethiopians who receive U.S. food aid are the country's smallholder farmers and their families. Agriculture programming has not been a high priority for U.S. foreign assistance for decades, although the government's new global hunger and food security initiative, Feed the Future, signifies a welcome change.

Figure 3.2 **Funding to USAID-managed Program Components in Ethiopia, FY2008**



Source: USAID, Save the Children.

Be a Reliable Partner:

Development Takes Time

Following the end of El Salvador's civil war in 1992, USAID began a program to help rural communities displaced by the fighting. The project focused on cashew nut production, providing families with trees to plant and technical assistance. After that, the farmers established a farmers' cooperative with support from USAID. Next, USAID coordinated with European aid agencies to help farmers begin to process their cashews so they would be worth more at market. The European agencies and USAID then worked together to help the farmers break into sales to export markets. Farmers who have benefited from the program are now earning enough to send their children to school, cover their family's health expenses, and pay for a portion of other household expenses.²⁹ But it took more than a decade to reach this point.

Development occurs gradually over time. Bursts of progress at the outset are encouraging but do not guarantee sustainable outcomes. The example of cashew cultivation in El Salvador illustrates how development is a process of building success on top of success. The first success: planting the trees to produce a source of food and a cash crop. Second, forming a cooperative to capitalize on economies of scale; third, adding value to the product using processing technology; fourth, diversifying and expanding their markets. More than a decade later, the resources invested in the earlier successes are paying off in income, health, and education gains. The farmers' children have more opportunities than their parents did, which is what development assistance is meant to do.

Development on a national scale demands still more patience. China is the best example of dramatic reductions in poverty the world has ever seen. Between 1981 and 2004, the poverty rate fell from 65 percent of the population to 10 percent.³⁰ We associate China's economic success with the "Made in China" label on manufactured goods. But the rise of the manufacturing sector came after astounding productivity growth in agriculture during the Green Revolution, which was fueled by donor investments in agriculture and national government prioritization of food security and rural development.³¹

When people are asked to name successful examples of development assistance, the ones that invariably come up are long-term investments such as the agricultural innovations that propelled rural growth in China and other Asian countries or the eradication of smallpox, which took more than a decade.³² Both efforts were launched in the 1960s. At that time, USAID country missions were able to develop five-year plans with some assurance



A community in Bangladesh meets with USAID-funded project staff. Since the country's independence in 1971, Bangladesh has received consistent levels of development assistance from the United States.

that funding would be available and priorities would not be changed in Washington. Today there are few instances when the U.S. government is willing to make a commitment of up to five years. One is the Millennium Challenge Account (MCA). Unlike most other development programs, MCA initiatives have enough time to experiment and learn from the inevitable mistakes of their early phases. When projects last only a year or two, project officers have much less room to be creative or to adapt project plans as situations change.

The trend toward short-term commitments is out of step with what we know it takes to boost food security and reduce hunger in a lasting way. Agricultural research, for instance, generally takes more than a decade to be translated into the anticipated productivity gains.³³ The time horizon on infrastructure projects is typically 10 to 30 years.³⁴ On food security-related

programming, commitments of five years or more should be the norm rather than the exception, and they should be reliable. It is much more difficult for developing country governments to plan their own budgets when there's no way of knowing how long commitments will last or if and when donor priorities will change. For countries that depend on aid, such as many in sub-Saharan Africa, unpredictable aid flows carry serious consequences. According to one study, "The [volatility] of the aid system has generated the same negative shocks to per capita incomes in developing countries, and with more frequency, as the two World Wars and the Great Depression generated in developed countries."³⁵ Shocks on this

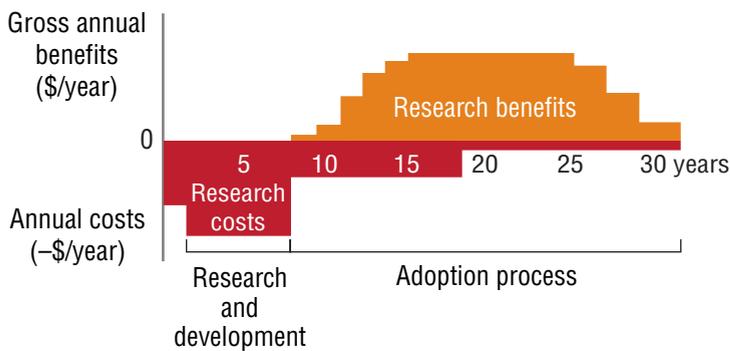
order of magnitude are clearly catastrophic. The same study notes that of all donors, the United States has the most volatile pattern of assistance.

The Paris Declaration on Aid Effectiveness includes expectations that governments of developing countries will consult with citizens who stand to benefit from donor assistance.³⁶ The objective is to articulate the broadest, most inclusive view of the country's development priorities. These talks will no doubt raise expectations among citizens. When donors fail to come through at all or don't sustain their commitments, disappointment and frustration are inevitable reactions.

When programs end after a year or two, it's difficult to reach any reliable conclusions about their long-term impact. Short-term programs are shaped from the very beginning by the need to demonstrate short-term results, which affects everything from program design to implementation and evaluation. Evaluation generally means measuring inputs and outputs rather than actual development outcomes. It is possible to count how many additional children are in school or how many have been vaccinated. It is more difficult to evaluate how much the children are learning.

Increasing agricultural productivity or economic growth, or empowering women, requires different expectations about timeframes altogether. These are big economic and social issues that don't turn around in a year

Figure 3.3 Agricultural Research Costs and Benefits Over Time



Source: USDA.

or two. It's much easier to report how many people received shipments of food aid than to show that investments in agricultural research led to less poverty or sustainable improvements in food security. The disparity between how much emergency food aid the United States gives versus how little it invests in agricultural programming could be seen as symptomatic of the reluctance to make long-term commitments to development.

A system that is unwilling to pay for long-term development programming can lead to results that don't make sense. For example, a small portion of U.S. food aid actually funds development projects. This started in the 1990s as the budget for agricultural programming was rapidly shrinking. USAID and its implementing partners (World Vision, Save the Children, CARE, ACDI-VOCA, and other NGOs) were desperately looking for a way to shift more money into development programs and to stretch it further than a year or two. They persuaded Washington to dedicate a portion of food aid for development.

In practice, this usually means that U.S. food aid commodities are shipped to a recipient country and then sold in local markets, with the money then used for a development project. Such "monetization" of food aid is clearly inefficient. Worse, often the effect of introducing U.S. commodities into local markets is to depress grain prices, which hurts farmers. Ironically, the farmers may well be the intended beneficiaries of the development program being funded with food aid. The monetization of food aid illustrates the lengths to which the implementers of development assistance have sometimes had to go to transcend policies that don't work for people on the ground.



Richard Lord

Residents carry water in Barrio Las Fuerzas in Tegucigalpa, Honduras.

Coordinate Trade Policy with Development Assistance

When Aligned, They Increase the Benefits of Both

Rwanda provides an inspiring example of how smallholder farmers in developing countries can compete in global markets. Rwanda produces some of the highest quality coffee in the world. A winner of international competitions, Rwandan coffee is virtually guaranteed a spot on menus in Starbucks and other upscale coffee shops around the world.

Less than two decades after the country was left in ruins by war and genocide, Rwanda is developing rapidly thanks in part to gains from international trade. Coffee exports have created jobs in rural areas and raised farmer incomes. In 2006, USAID reported, "50,000 households have seen their incomes from coffee production double."³⁷ Thousands of jobs have been created in coffee-washing facilities alone.³⁸ During the global recession, coffee provided Rwanda with a valuable cushion against declines in its other exports.

The Rwandan coffee sector was struggling as recently as 10 years ago. Its miraculous turnaround owes much to the technical support provided by USAID and other donors.³⁹ Another element in its recent success is that Rwandan coffee beans can enter the U.S. market duty-free under the African Growth and Opportunity Act (AGOA), which provides duty-free, quota-free access to U.S. markets for certain African products. AGOA has helped other African countries break into the U.S. market with a range of products, from teas to fruits to seafood and more.⁴⁰

In contrast to Rwanda's success, countries like Cambodia and Bangladesh are disadvantaged by another U.S. trade policy—high tariffs on labor-intensive goods classified “sensitive.” These products include textiles, apparel, and footwear—precisely the kinds of goods in which many developing countries

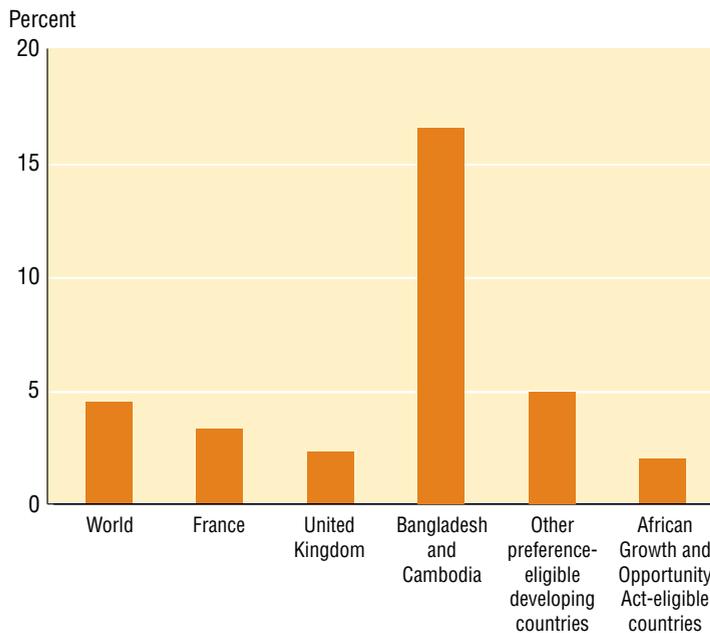
are competitive.⁴¹ Two of the poorest countries in Asia, Cambodia and Bangladesh produce high-quality garments that would be competitive in the U.S. market if they did not face steep tariffs. (See Figure 3.4). Both countries are recipients of U.S. foreign assistance, some of it designed, ironically, to improve manufacturing capacity. In 2006, the two received \$125 million in foreign assistance but paid \$850 million in import duties.⁴²

This lack of attention to how foreign assistance interacts with trade policy also hurts producers and consumers in the United States. Unfortunately, U.S. trade policies produce more cases like Cambodia and Bangladesh than like Rwanda. Altogether, products from the least developed countries of the world amount to less than 1 percent of non-petroleum imports into the United States.⁴³

When conflicting policies lead to slower economic growth in developing countries, U.S. businesses are denied larger markets for their exports and consumers have fewer choices of products. President Obama has said he wants to double U.S. exports over the next five years.⁴⁴ The majority of potential new customers for U.S. products live in the developing world. “If people living in developing countries truly start benefiting from the global economy, demand for American products will grow dramatically,” says William Lane, director of government affairs for Caterpillar, Inc.⁴⁵ The United States can help developing countries gain ground in the global economy by opening its markets to a wider variety of products. Extending full market access to all developing countries would increase their exports, which in turn would create jobs and lead to higher incomes.

Another U.S. trade policy that works against the goals of development assistance is tariff escalation (tariff rates increase for products that are more

Figure 3.4 Tariffs Collected as a Share of U.S. Imports, by Import Source



Source: International Trade Commission DataWeb.

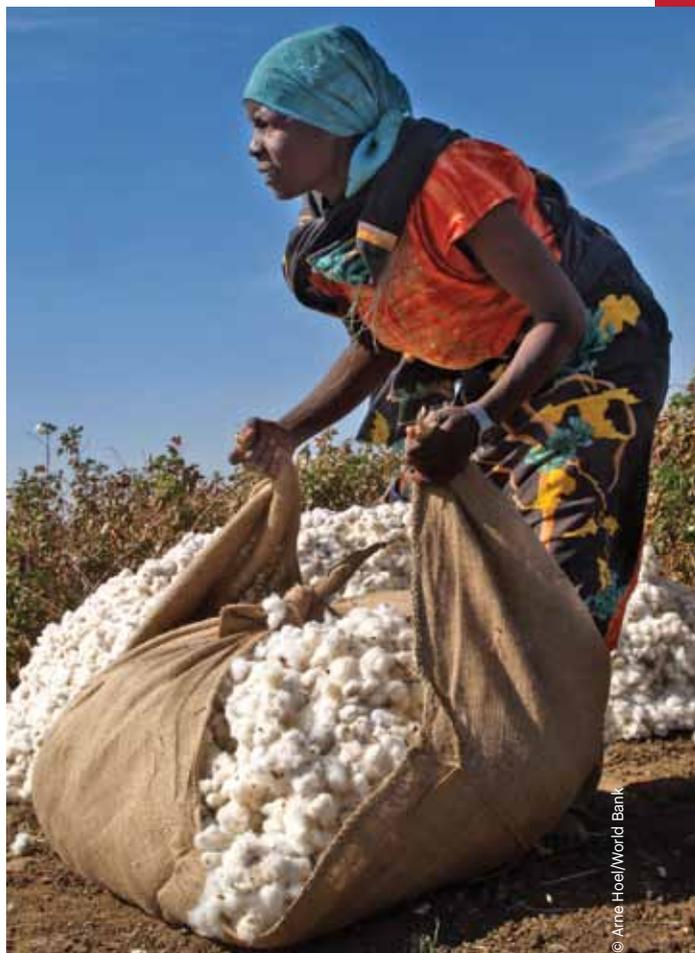
highly processed). For example, unprocessed soybeans can enter the United States duty-free, but there is a 22.5 percent tariff on soybean oil.⁴⁶ Cocoa faces higher tariffs in processed forms, discouraging entrepreneurs in developing countries from producing and exporting value-added products like chocolates. In general, tariff escalation policies undermine the idea of developing the manufacturing sectors of developing countries.

U.S. agricultural subsidies are another major stumbling block to a more coherent approach to trade and development. The federal government protects U.S. farmers from losses during periods when prices for commodities such as rice, corn, wheat, and soybeans are low. The problem is that this protection enables or even encourages farmers to continue planting and growing certain crops even when it would be unprofitable—leading to large surpluses that are then dumped into export markets. This depresses prices, hurting farmers in the developing world and slowing progress toward reducing poverty and meeting other development assistance objectives.

In recent years, the global prices of food commodities have been historically high, which reduces the effect of U.S. agricultural subsidies. But the lack of investment in agriculture in the past, combined with trade-distorting subsidies, prevented most farmers in developing countries from benefiting from these higher food prices to raise their incomes. The rising food prices were accompanied by rising prices for inputs like fertilizer, so the majority could not grow more crops and sell them when their prices were high.

U.S. agricultural policies continue to protect domestic cotton producers and harm poor farmers in developing countries, particularly in West Africa, whose largest cash crop is cotton. Total direct support from the U.S. government to U.S. cotton producers tripled from 2007–2008 to 2008–2009.⁴⁷ A study by the International Center for Trade and Sustainable Development (ICTSD) found if the United States had eliminated cotton subsidies from 1998–2007, the global price of cotton would have risen by 6 percent.⁴⁸ The subsidies cost cotton farmers in West Africa hundreds of millions of dollars in lost income. In 2008, the World Trade Organization (WTO) ruled that U.S. subsidies to cotton farmers were illegal, finding in favor of the complaint filed by Brazil. But the U.S. farm lobby and their supporters in Congress refused to give any ground in the 2008 farm bill. In the meantime, the United States and Brazil have worked out an interim compromise which includes a \$147.3 million payment to Brazil to not act on its win.⁴⁹ There could be other WTO challenges based on the trade-distorting effects of U.S. policies.⁵⁰

U.S. agriculture stands to gain if agricultural subsidies are phased out. In the 2007 Hunger Report, *Healthy Food, Farms and Families*, Bread for the World Institute commissioned a study by the International Food Policy Research Institute to model the effects of reducing poverty in developing countries on U.S. agricultural exports. The data inputs used in the model



Cotton is the largest cash crop in West Africa, but farmers there find it hard to compete against the heavily subsidized U.S. cotton producers. Without the U.S. subsidies, African farmers would enjoy a comparative advantage.

were time-sensitive, but the conclusions remain relevant. The study showed that U.S. agricultural producers stand to benefit from poverty reduction in developing countries. The fastest way to reduce poverty in the developing world is to raise the incomes of smallholder farmers. Smallholder farmers

are net food buyers. As their household income rises, they are able to diversify their diets and include foods that are not produced domestically. Thus, the purchasing power created by reducing poverty gives U.S. producers an opportunity to expand into new markets.

Reforming U.S. agricultural policies would create some much-needed momentum to restart the Doha Round of trade negotiations. Recognizing that “international trade can play a major role in the promotion of economic development and the alleviation of poverty,” WTO members (including the United States) agreed to place trade and development “at the heart of the [Doha] work program.”⁵¹ Developing countries stand

to benefit from a successful conclusion to the Doha Round, with one study suggesting up to \$30 billion in gains.⁵² However, the negotiations stalled in July 2008 and have been deadlocked since. The disagreements concern agriculture, the area most important to developing countries.



Smallholder farmers in Cambodia plowing fields with oxen. Read more about Cambodia on page 70.

Strengthen USAID: The United States Needs a Revitalized Development Agency

In the 1960s and 1970s, USAID was one of the most respected development agencies in the world, and it was a respect earned by having technically qualified staff to respond to the most difficult development challenges of the day. Starting in the 1980s, a transition occurred to change a respected organization of “doers” into one of “managers,” as one USAID official put it.⁵³

Deep budget cuts in the 1990s led to the further erosion of technical expertise as staff size dropped precipitously. Between 1992 and 2002, the staff was cut by 37 percent—from 3,163 to 1,985.⁵⁴ Meanwhile, the number of countries where USAID was involved had doubled,⁵⁵ and the list of new challenges continues to mount: the HIV/AIDS epidemic, more than a billion people living in poverty, nearly as many people hungry, climate change and the effects it is already having on development, and more.

The U.S. government’s commitment to fighting hunger and food insecurity has refocused attention on USAID’s capacity. The agency is finally beginning to staff up to meet the development challenges of the 21st century. New staff has to come with the right set of skills. The lack of technical expertise at USAID becomes especially problematic with the new Feed the Future initiative, which treats agriculture programs as a fulcrum for development. But the

development community has learned much since the last time agriculture was a focus, 30 years ago. It's not enough to put more calories in people's stomach. The quality of food matters, too. Feed the Future recognizes that a nutrition focus has been missing from agricultural programming. More staff with the knowledge and experience to incorporate a focus on nutrition into agriculture programs will be sorely needed. For more on capacity issues at USAID, see the article starting on page 100.

A mandate to hire new staff is good news, but getting technical experts out in the field is not as straightforward as simply hiring them. Due to heightened security concerns in the aftermath of September 11, U.S. embassies around the world now co-locate government staff, so agencies must vie for space for their new staff. Priorities in Washington, DC, and who is setting those priorities, determine how long it will take to place new USAID staff in their field assignments—and thus how long it will take to get Feed the Future up and running on the ground.

While USAID's technical capacity was declining, it relied more and more on contractors to fill in gaps. But, as a U.S. government study points out, the use of contractors has limitations: "Compared to [USAID] staff, contractors generally do not have the same level of agency commitment; do not fully understand how the agency works and the political pressures that it faces in Washington, DC; are not subject to the same degree of accountability; and have limited administrative and decisional authorities. Furthermore, contractors cannot supervise U.S. direct-hire staff, even if the contractor is very experienced and the direct-hire is new to USAID."

Another way of filling the gap in technical knowledge at USAID was to broaden the range of government actors doing development work, leading to fragmented and confusing situations for countries that receive U.S. foreign assistance. More than 20 agencies now participate in implementing development policy. Steve Radelet, an expert on development, has likened this collection of agencies involved in development policy to a choir without a conductor.⁵⁶ It's common for five agencies to be charged with implementing a program funded by the President's Emergency Program for AIDS Relief (PEPFAR). In Mozambique, for example, PEPFAR funding goes through USAID, the State Department, the Centers for Disease Control, the Peace Corps, and the Department of Defense, each with its own way of administering the program. "The Mozambique government and other donors are perplexed by the absence of a unified voice for the many U.S. agencies on the ground," says an Oxfam America report, based on interviews with U.S. and Mozambican personnel in June 2008.⁵⁷ The

The U.S. government's commitment to fighting hunger and food insecurity has refocused attention on USAID's capacity.



USAID worker in Mozambique distributes and demonstrates insecticide-treated bed nets.



Rajiv Shah was sworn in as USAID Administrator in January 2010. Secretary of State Hillary Rodham Clinton administered the oath of office. Shah's family is behind her.

fragmentation and resulting confusion lead to operational inefficiencies that waste tax dollars and perpetuate an image that U.S. development policy lacks leadership.

While USAID may not be fully staffed, it still has the greatest range of technical expertise in development, making it the natural choice to be the U.S. government's "lead agency" on development policy. With the appointment in November 2009 of Rajiv Shah as administrator, USAID also has the benefit of strong technical skills at the top, since before becoming the agency's administrator, Shah had worked as the chief scientist of the U.S. Department of Agriculture, as the director of agriculture programming for the Bill and Melinda Gates Foundation, and as a medical doctor.

The State Department, the Department of Defense, and USAID represent the three pillars of foreign policy: diplomacy, defense, and development. There is a clear division of labor between Defense and the other agencies, but the relationship between State and USAID is muddled. In fact, the USAID administrator reports to the Secretary of State and the heads of USAID missions to U.S. ambassadors. Beyond capable leadership, we need a strong USAID that brings an independent voice for development. Otherwise, there will always be a question as to how much the diplomatic agenda drives the development

agenda. The two must be weighed separately: diplomacy is about building good economic and political relationships abroad, while development is about saving lives and changing the conditions that keep people in poverty.

Reform Foreign Assistance

Showing how foreign assistance can work better has been the main aim of this chapter. The reforms we recommend could help tens of millions of people escape hunger and poverty. Effective aid matters to poor countries and to the United States, as it creates partnerships that fuel the growth of both. Moreover, effective aid that reduces poverty helps to build a more stable world, improving the security of all.

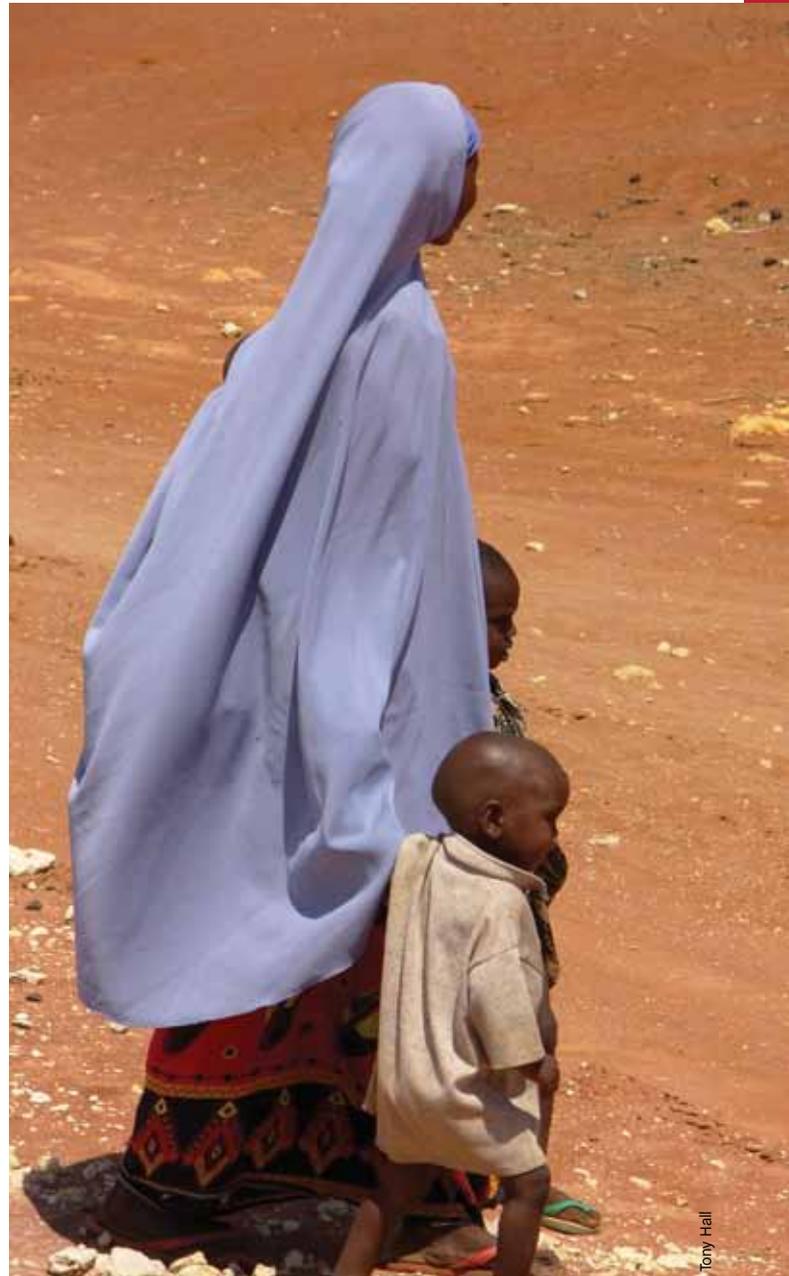
In September 2010, President Obama released a new wide-ranging policy directive to make U.S. foreign assistance programs more effective. The policy affirms that development should function as a central pillar of the U.S. national security policy, and it states a commitment to rebuilding USAID as the lead development agency. The USAID administrator will be included in relevant National Security Council meetings and the Strategy will be reviewed and approved by the President every four years. The policy also creates a U.S. Global Development Council to garner high-level input from the private sector and civil society.

The President's U.S. Global Development Strategy does not address a more fundamental problem with U.S. foreign assistance. The United States needs a 21st century legislative framework to replace an outdated Foreign Assistance Act (FAA). The most effective and lasting way to address the prob-

lems identified in this chapter would be for the administration to engage Congress to work together to reform the FAA. Congress passed the FAA in 1961. It has been amended on a number of occasions, but the resulting framework has come to resemble a mechanism jerry-rigged just to keep running, rather than to function as needed in the world we live in. The world has changed dramatically since 1961, when per capita incomes in Africa were higher than in China, the United States defined its relationship with developing countries through the prism of the Cold War, and nobody could have guessed that carbon emissions might one day become the single biggest factor in sustainable development.

Rewriting the FAA will improve the quality of U.S. foreign assistance and strengthen the case for sufficiently funding development programs. The U.S. government is committed to helping poor countries develop. That commitment is honored by upholding high standards for how aid is used, which requires development assistance that is distinct from U.S. diplomatic and defense funding. Congress should pass legislation that makes clear the importance of poverty reduction and development in U.S. foreign policy.

U.S. foreign assistance must reach those who need it most and support their efforts to lift themselves, their families, and their communities out of poverty. The main driver of poverty reduction is the hard work of poor people themselves, who will seize every opportunity made available to them.



Tony Hall

“If you want to know how stable a country is,” says Secretary of State Hillary Rodham Clinton, “don’t count the number of advanced weapons, count the number of malnourished children.”

THE CHALLENGE TO FEEDING THE FUTURE: CAPACITY BUILDING AT USAID

by Charles Uphaus
USAID

In the mid-1980s USAID directly employed 221 agricultural development officers. By 2010 the number had dropped by roughly 90 percent, paralleling the steep decline of the agency's budgets for agriculture and food security. Retirements vastly exceeded the number of new hires, and those who entered USAID as agricultural officers soon realized where the opportunities for advancement and programmatic impact did *not* lie and moved into other fields within the agency.

Then, in 2008, the world's attention was grabbed by the dramatic rise in agricultural commodity prices. Riots led to the fall of at least one government, trade restrictions were imposed, and the number of hungry people in the world increased dramatically, after years of slow but steady decline. This chain of events led the United States and other donors to significantly and rapidly increase their funding for food security and agricultural development, resulting in an overall \$18.5 billion, three-year commitment. The U.S. government's portion of this effort is known as Feed the Future.

Funding, however, does not translate directly into effective programs and it is here that the loss of agricultural development expertise comes into play. The U.S. government cannot simply open a tap and achieve the desired

food security outcomes. The absence of a whole generation of experienced agricultural development professionals is seriously constraining USAID's response capacity. The rest of this brief essay will discuss how we got here and what has to happen to restore USAID's capacity.

What happened to erode USAID's technical competence in agriculture?

Beginning in the 1980s and continuing up to the recent past, donors (with the United States in the lead) were content to address global food shortages through the provision of food aid rather than take on the harder task of building up poor countries' capacity to provide for their own food security needs. Low and stable food prices over a period of decades meant that food security was not a pressing political issue for most countries. The low prices also made it easy to argue that the world's food needs could be met more efficiently through a combination of trade and food aid.

The 1980s and 90s were also the period of the Reagan/Thatcher "revolutions" with their heightened emphasis on the private sector and markets as the engines of development. Donors cut funding to programs aimed at upgrading the capacity of public sector institutions—this despite the fact that smallholder agriculture in particular is dependent on such public goods as research, education and extension services. USAID retreated to the realm of high-value crops, or cash crops; these are important, but not broadly enough based to have a transformative effect on the rural sector in poor countries, leaving the proliferating number of nongovernmental organizations to address community-focused rural development with food aid resources.

Another factor that contributed to the hollowing out of technical competence was USAID's increased reliance on contractors, not just to implement activities, which had always been the case, but also to design programs and



Farmers in Kyrgyzstan benefit from USAID expertise as they learn to dry tomatoes for export to the United States and Europe.

THE CHALLENGE TO FEEDING THE FUTURE: CAPACITY BUILDING AT USAID

deal with host governments on strategic and operational matters. All of this left the agency ill-prepared to respond to the new challenge.

The consequences of inadequate field staff have to do with more than just the capacity to “move the money.” If a renewed effort in agriculture and food security is to be “country-led,” it is going to require significant and substantive consultations and negotiations. The lack of experienced, knowledgeable USAID field staff to conduct this work is not sending the right message to our partner governments. Credibility with host governments is at stake. Similarly, the new push is supposed to be more collaborative, working with the panoply of other bilateral and multilateral donors, civil society and the private sector. Competent field staff will be critical.

How can USAID meet the capacity challenge?

USAID is now well into an effort to double the number of agricultural officers by 2012, adding 100 new staff over a three-year period. There is no shortage of applications, and the new hires are well qualified, many with significant technical knowledge under their belts. However, along with technical qualifications officers require operational skills, and these can only be acquired by experience. New officers can't be expected to be experienced operationally for several years at minimum, and that is the period during which the course will be set for the agency's food security programs. Former agricultural officers currently serving in non-agriculture positions may be able to meet part of the need. Bringing on new mid-level officers with prior field experience—as contractors or with NGOs—will also help. But for the next few years USAID will continue to require contract personnel to perform a lot of the necessary program design and management.

An associated problem is also beginning to manifest. When agricultural programs were cut, the agricultural

officer positions went with them. Re-establishing those positions is complicated by security and logistical considerations. For reasons of security, USAID missions must now be co-located with embassies, and space is limited and in high demand. Global food security is one of several major initiatives, all of which require office space, logistical support and operating budgets. Unless a strong push is made to establish the positions, we will see a repeat of the earlier experience, when newly hired agricultural officers either left the agency or moved into non-agriculture positions. This push has to come from the administration—from the State Department and USAID's leadership. Missions can be directed to create and fund positions; ambassadors can be directed to approve increases in staff. They (the Secretary of State, USAID Administrator) just have to do it.

Coda

Feed the Future has recommitted the United States to achieving the Millennium Development Goal of halving hunger and poverty by 2015. Achieving this goal will take a major, sustained effort. This can't be a flash in the pan. Experience confirms that development requires a long-term commitment. If, after a few years, the funding dries up our credibility as a reliable development partner will be shredded. A lot of taxpayer money will have been wasted re-building a superfluous agricultural staff.

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“In It Together”:

International Cooperation to Confront Global Hunger and Malnutrition Challenges

CHAPTER SUMMARY

A SURGE IN FOOD PRICES IN 2007-2008 CAPTURED GLOBAL ATTENTION AND BROUGHT THE ROOT CAUSES OF HUNGER AND MALNUTRITION TO THE FORE. The hunger crisis ginned up political will around the world as policymakers made global hunger and malnutrition the focus of attention. For all the political will that was generated in response to the hunger crisis, hungry and poor people remain on tenuous ground. Donor countries and international institutions have increased their investments in agriculture and nutrition, yet climate change could undermine most or all of the progress to date. International trade talks have stalled. All of these challenges require coordinated and concerted global action. If U.S. investments to reduce hunger and poverty through Feed the Future are to maximize their impact, the United States will have to lead international efforts to strengthen the capacity of the world to prevent and respond to hunger crises and find solutions to some of these problems. The challenge in 2011 (and beyond) will be how to harness the political will mobilized by the hunger crisis to resolve related problems that also require urgent international cooperation.

Recommendation

The United States should take the lead in strengthening international institutions that complement U.S. bilateral assistance in fighting hunger and malnutrition.



In December 2009, the city of Copenhagen played host to governments from around the world as leaders met for two weeks of negotiations on a new international treaty on climate change. The current treaty, the Kyoto Protocol, was developed in the mid-1990s and will expire in 2012. Scientists have learned a great deal about the dimensions and dynamics of the climate change problem since the Kyoto agreement was drafted.

A sense of urgency pervaded the event in Copenhagen, fueled by warnings from distinguished scientists about the world's narrow window of opportunity to contain climate change at a manageable level. Preliminary negotiations had been in progress for two years. The public was impatient for governments to come to a meaningful agreement. More than 14 million people signed a petition (known as the "tck tck tck" petition) calling on governments to stop squabbling and finish the job,¹ and more than 100,000 people marched outside the Copenhagen proceedings to support the same goal.

But the meeting in Copenhagen did not lead to a breakthrough. The richest countries in the world—the ones whose commitment to significantly reduce greenhouse gas emissions (GHGs) is essential to achieving a meaningful deal—mostly repeated noncommittal pledges. Nor did they make any firmer commitments to provide assistance to the developing countries that are already bearing or are expected to bear the brunt of the damage from climate change—even though these countries' share of GHGs is a fraction of their own. In the end, no leader committed his or her country to taking action that is anywhere near commensurate with the scope of the problem.

The failure of Copenhagen highlights how difficult it is to achieve international cooperation when economic issues are at stake. Climate change is every bit as much an economic issue as an environmental one.

Climate may be the ultimate example of a global public good—meaning something that is shared across borders, across generations, by all populations, and that all depend on to thrive.² When a global public good is threatened, it affects everyone and takes everyone working together to solve the problem. It's not possible for any one country to adequately respond to the threat by itself.

This chapter focuses on three interconnected global public goods: climate, global food and nutrition security, and trade. International cooperation on one of these public goods spurs progress on the others. Conversely, a setback or communication breakdown in one is bound to jeopardize progress on the others.

Working Together for a Common Good

The 2008 global financial crisis showed how interconnected national economies are in the 21st century. A housing bubble in the United States burst, and the whole world plunged into recession. The spike in food commodity prices in 2007-2008 was due partly to financial speculation in rich



UN Photo/Jawad Jelali

A boy carrying kindling in Kapisa province, Afghanistan. Kindling is used in rural areas for heating homes and cooking. War and poverty have contributed to the loss of more than 70 percent of the country's forests in the last two decades.

BOX 4.1 DEVELOPMENT—A CROWDED FIELD

Today, the number and diversity of partners working on international development is vastly different than just a couple of decades ago. For example, the amount of Official Development Assistance (ODA) distributed through nongovernmental channels has increased tenfold since 1990 and it's estimated that there are as many as 30,000 national nongovernmental organizations in developing countries.¹

The proliferation of actors is a reason both for excitement and concern. More resources available and more people working to address global problems would be a good thing. But according to scholars Jean-Michel Severino and Olivier Ray, who have studied the trend, right now “We are at a phase of international policies where thousands of actors are playing different ball games in the same field with no referee!”²

Coordinating the actions of so many diverse partners may sometimes appear to be more challenging than solving some of the world's most urgent problems. In the United States, private giving now exceeds ODA.³ Private giving includes everything from philanthropies to small groups of “friends” organizing themselves on Facebook.

This is where the value of formal structures such as the G-20 becomes apparent: they can steer good intentions into effective collective action. Once countries agree

to act, their joint efforts channeled through multilateral instruments have a power that is unmatched. The instruments of the future will need to harness the resources that all the new actors bring to the challenge of solving global problems.

Table 4.1 Total U.S. Engagement with Developing Countries, 2007

	Billions of \$	%
U.S. Official Development Assistance	\$21.8	9%
U.S. Private Philanthropy	\$36.9	16%
Foundations	\$3.3	9%
Corporations	\$6.8	18%
Private and Voluntary Organizations	\$10.8	29%
Volunteerism	\$3.5	9%
Universities and Colleges	\$3.9	11%
Religious Organizations	\$8.6	23%
U.S. Remittances	\$79.0	34%
U.S. Private Capital Flows	\$97.5	41%
U.S. Total Economic Engagement	\$235.2	100%

Source: OECD, Hudson Institute, World Bank.



Volunteers trained through a CRS-supported polio program distribute polio vaccinations in the form of two liquid drops. Some of the greatest successes of multilateral aid have occurred in health. Both the elimination of smallpox and the near-elimination of polio were multilateral efforts.

David Snyder/CRS

countries,³ energy policy in the United States, droughts in Australia, and long-term neglect of investments in agriculture and food security.⁴ An additional 100 million people were plunged into hunger by the resulting runaway food and fuel prices.

The global economy has evolved faster than anyone has learned how to manage effectively. Globalization has helped many countries develop rapidly, but it has also exposed more nations to systemic risks that arise because of the gap in management ability. Even before the financial crash, the risks were present. Warren Buffett labeled the infamous credit default swaps “financial weapons of mass destruction” in 2002⁵—six years before they detonated and almost took down the global economy.

Building institutions to manage the fluid global economy is essential. Some progress is being made; for example, the G-20 rather than the G-8 is now the dominant decision-making body on global economic

issues. Its rising influence has been a victory for diversity and signals recognition by rich countries that their prosperity is bound up with that of developing countries. The G-20 breathed new life into the International Monetary Fund (by pumping in a lot of money) to keep credit flowing to poor countries during the recession.⁶ The G-20 gave a boost to the LAquila Food Security Initiative announced at the July 2009 G-8 Summit.⁷

In a speech at the Woodrow Wilson Center for International Studies in April 2010, World Bank president Robert Zoellick laid out the challenges facing his own institution and others. “We are now in a new, fast-evolving multipolar world economy—in which some developing countries are emerging as economic powers; others are moving towards becoming additional poles of growth; and some are struggling to attain their potential within this new system ... Economic and political tectonic plates are shifting. We can shift with them, or we can continue to see a new world through the prism of the old. We must recognize new realities. And act on them.”⁸

The site of his address was not lost on Zoellick—an organization whose namesake, President Woodrow Wilson, is remembered best for his promotion of the League of Nations. The League of Nations was created specifically to provide a set of global public goods. “Some now view Woodrow Wilson’s attempt to create a new international system after World War I as an opportunity lost that left the world adrift amidst dangers,” said Zoellick. “Will this be a similar moment?”⁹

In Woodrow Wilson’s day, no one could have known that climate change would one day be the threat it is now. Probably no one would have believed



UN Photo/Marie Fechon

A man in the Democratic Republic of the Congo receives maize meal. The country has vast natural resources that are of great value to the global economy, but most of the citizens live in grinding poverty.

that global trade would evolve as it has. There are global threats that would have been impossible to fathom in a pre-digital age. But hunger was a well-known scourge, even in the most prosperous countries of the day, including the United States. The world's population is much larger now, but a far smaller proportion of people are going hungry. Further progress, though, is threatened by the same threats to progress as a century ago: lack of political will to confront and solve the major challenges of the day.

“Globalization has helped many countries develop rapidly, but it has also exposed more nations to systemic risks that arise because of the gap in management ability.”

Food Security and Nutrition— a Global Issue

In late 2007 and early 2008, there was widespread unrest over the rising cost of staple foods. Riots were reported in 37 countries. In Dhaka, the capital city of Bangladesh, 10,000 workers rioted.¹⁰ Many governments called on their armies to quell violence related to food prices. In Haiti, the prime minister had to step down after ordering a ruthless crackdown on protests in Port-au-Prince.¹¹

This is a recent event, so it's easy to recall how quickly the food-price crisis spread around the globe and how few tools were available to respond to it. The situation seems even closer when we remember skyrocketing wheat prices in the summer of 2010—and violent outbreaks in Mozambique in reaction. When the hunger crisis of 2007-08 was unfolding, it was described as “a perfect storm”¹²—a convergence of causes in just the right combination for the resulting disaster.

The problem with this metaphor is that it fails to separate preventable causes from factors that no one could control, at least in the short run. Climate change contributed to the crisis, and it may be ultimately subject to human intervention, but it was not a preventable cause during the months that global hunger was rising rapidly.

On the other hand, the decision by several governments to ban grain exports seemed expedient to them, but it didn't work as they anticipated. Countries banned exports in an effort to conserve supplies for their own people. But not only were poor people in food-importing countries harmed by these bans, the people at home that governments were trying to protect were harmed as well. Export bans were put in place in one country after another—with the result that supplies of grain tightened in global markets, sending prices that were already unusually high soaring higher. Food was available, but poor people simply could not afford to buy it.

Another factor that drove up food prices was the current policies that encourage farmers to divert food grains to biofuel production. In fact, bio-



Firefighters use a manual hose line to extinguish the fire on a burning barricade during the food crisis riots in Port-au-Prince, Haiti, 2008.

BOX 4.2 FOOD AID CONVENTION: CONTRIBUTING TO GLOBAL FOOD SECURITY

C. Stuart Clark
Canadian Foodgrains Bank

The Food Aid Convention (FAC) is a multilateral instrument that was set up to guarantee a minimum predictable annual disbursement of food aid. Over the years this largely unknown treaty has provided a ‘floor level’ of food aid, which has been important to organizations like the United Nations World Food Program.



Pakistanis affected by their country's widespread, torrential floods in August 2010 receive wheat flour and other provisions from the UN World Food Programme (WFP) in Alipur, in the Muzaffargarh district of Punjab Province.

The objective of the convention is to improve the ability of the international community to respond to emergency food situations and other food needs of developing countries and to contribute to world food security. FAC members make food aid available to developing countries on a predictable basis, regardless of fluctuations in world food prices and supplies.

The current version of the treaty was renegotiated over a decade ago and in many key aspects has been rendered less and less suited to contemporary realities. For example, it fails to fully recognize the importance

of the nutritional adequacy of food aid, particularly the important role of micronutrient supplementation.

The convention also fails to provide adequate representation to recipients because it limits its membership to donors only. There is interest in finding ways to include the voices of recipients, both national governments and local civil society organizations, and food related organizations in the work of the convention.

Despite these weaknesses, most FAC members think that scrapping the convention would carry an unacceptably high political price—particularly in the context of increasing climate change-related emergencies and volatility of world food markets. The principal debate now centers on how much to change the convention, and in what direction.

Current FAC members and many interested organizations are in agreement that it should become a ‘Food Assistance Convention,’ which will allow direct transfers of food and other newer practices such as food vouchers or even small cash transfers to be counted.

Some FAC members have shown their support for a stronger human rights orientation for a new convention. The principles of respecting and protecting the right to food do not carry any particular resource transfer elements. Practically, they involve such issues as ensuring that food aid does not negatively impact local food markets, that rations provided are nutritionally and culturally adequate, and that no groups are discriminated against in food aid distribution.

C. Stuart Clark is a senior policy advisor with the Canadian Foodgrains Bank. The Foodgrains Bank is a highly trusted advisor to the Canadian government on the Food Aid Convention.

fuel-related policies accounted for as much as 70 percent of the rise in grain prices during the 2008 spikes,¹³ according to Donald Mitchell of the World Bank. The United States has a set of policies that encourage the production of corn-based ethanol. In 2009, ethanol subsidies cost U.S. taxpayers \$6 billion.¹⁴ The United States and Brazil account for the largest share of ethanol production (Brazil produces its ethanol from sugar cane), while the European Union leads the world in biodiesel production. Figure i.5 on page 20 of the Introduction compares outputs of the top ethanol producing nations.

An urgent problem like the 2008 food price crisis, where hundreds of millions of people suddenly were no longer able to afford their usual foods, illuminates very clearly the weaknesses and gaps of governance systems. What is needed for an effective global response to such a global crisis? Currently, there is no functioning mechanism to coordinate and manage the complex web of relationships created by the interactions of the global economy with food security—but that is what is needed.

In 1974, member countries of the U.N. Food and Agriculture Organization established the Committee on World Food Security (CFS), whose role includes monitoring food security efforts. But the committee was criticized as mainly a “talk-shop.” It had no means of holding governments accountable for what they say they will do to reduce hunger in their country. It did not have the mandate, the resources, or the power to enforce coordination of food security planning or to prevent countries from taking harmful unilateral action such as imposing export bans. Finally, there was no representation of nongovernmental stakeholders on the committee. Hungry people need a stronger CFS.

In April 2008, the U.N. High Level Task Force on the Global Food Security Crisis was set up to help coordinate international agencies’ responses to the food-price crisis. The High Level Task Force includes the heads of the U.N. agencies, the World Bank, the International Monetary Fund, the Organization for Economic Cooperation and Development, and the World Trade Organization. The task force developed a “Comprehensive Framework for Action” to guide the food security funding and activity planning of its participating institutions.¹⁵ Additionally, efforts to strengthen the CFS got a further push from the G-20 countries (a group whose own existence recognizes the need for broader, more multilateral solutions to global problems).

As a result, the CFS now has a high level panel of experts from a variety of food security and nutrition-related fields¹⁶ to provide it with specialized scientific advice. The panel will serve in much the same way as the Intergovernmental Panel on Climate Change



A Wide Range of Issues Merit Attention in a Global Food Security Strategy

Research and innovation: improving agricultural productivity and ensuring food security.

Food emergencies: preventing, monitoring, and responding to crises.

Health: improving food safety and setting health and nutrition standards.

Climate change: spurring adaptation and mitigation strategies.

Prices: preventing excessive speculation in food markets and wild price volatility.

Trade and investment: setting policies for trading food reserves and standards for foreign investment that protect poor people.

Natural resources: protecting soils and biodiversity and improving water use.

Source: Joachim von Braun, 2010.

(IPCC), which advises the U.N. Framework Convention on Climate Change. It's a hopeful sign because the IPCC, more than any other institution, has raised awareness of the risks associated with climate change and how to address them. There are scores of experts working independently on issues related to food security, just as with climate change.

The improved CFS has a broad charter that includes coordinating global action on agriculture, food, and nutrition and holding governments to account. A wide set of stakeholders are involved, not just governments. One of the central pillars is to provide civil society groups with an international forum to communicate their concerns. Meaningful engagement with civil society will help the CFS be more accountable. The hope is to make the CFS the broadest and most inclusive global platform on food security.

National Alliances Against Hunger and Malnutrition

The *Paris Declaration* and the *Accra Agenda for Aid Effectiveness*¹⁷ both emphasize heavily the principle of country ownership of development, which they define as a process in which governments engage local citizens' groups, the private sector, and other stakeholders in the design and implementation of the country's development agenda. Through the principle of country ownership, civil society is empowered to hold government accountable for following through on its promises.

A vibrant and engaged civil society is essential in fighting hunger. The CFS could be the vehicle through which a broad array of citizens' groups in

The Guatemalan Alliance to End Hunger works with the Ministry of Public Health to distribute a fortified drink mix to families at risk of malnutrition.

Alliance to End Hunger

each country are energized, empowered, and equipped to play this critical role. The reformed CFS could be a transformative institution.

There are now dozens of national alliances against hunger and malnutrition in the developing world. National alliances provide a structure for various groups of citizens—women, faith-based, farmer groups—to work together against hunger and malnutrition. Some alliances function as an advisory group to their governments. The alliances could become partners with the CFS and facilitate its contacts with citizens' groups.

The CFS should also work with the International Alliance Against Hunger, supported by the FAO in Rome, to build the capacity of national alliances. “Twin” or “sister” relationships between alliances in the global North and alliances in the global South would be one way to do this. South-South cooperation would also be effective; a West African sub-regional alliance that includes national alliances from Mali, Burkina Faso, and Benin has already formed. The CFS can support the efforts of civil society groups to work together to ensure that governments honor their commitments to reduce hunger and malnutrition.

Much of this report focuses on Feed the Future, a new U.S. bilateral assistance program. But other donors, multilateral institutions, developing country governments, and civil society must also take complementary steps. The CFS, with its new charter and a high level task force to provide technical guidance, can help coordinate the effort. The United States will also be a key player.

Building Global Momentum to Scale Up Nutrition

Earlier in this report we referred to the ground-breaking series of articles in *The Lancet* on maternal and child nutrition. Its findings and recommendations as well as its timing helped shape the global response to the rise in hunger and poverty over the last three years. The surge in global food prices and rise in hunger created an opening to raise awareness that nutrition as a sector of development programming has suffered from lack of leadership and coordination.

Following release of the *Lancet* articles, a multi-stakeholder effort took place to develop a plan for scaling up evidence-based nutrition interventions, focusing on pregnant women, new mothers and children under the age of two. Out of that process came the policy brief, *Scaling Up Nutrition: A Framework for Action* (SUN Framework), endorsed by nearly 100 organizations including development agencies, UN organizations, civil society organizations, foundations and academic institutions.

In April 2010, the SUN framework was released at a high level event co-hosted by the governments of Canada and Japan, USAID, and the World Bank. It laid out the key principles and priorities for increased investments in nutrition, including support for country-owned and led nutrition strategies, the need for a multi-sector approach that strengthens nutrition outcomes in



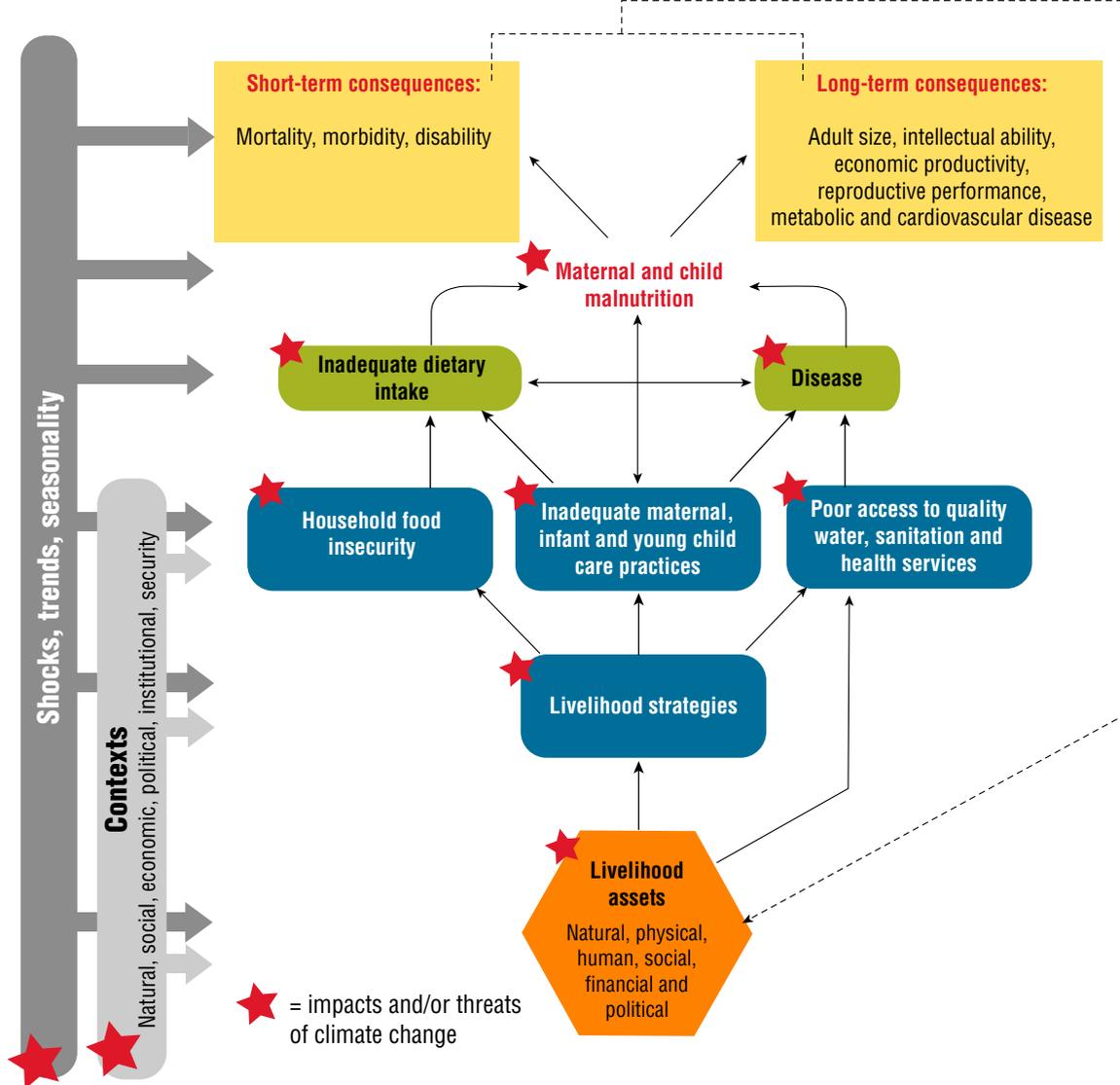
Mother and baby girl in Sudan. A child who receives the right nutrition during her first 1,000 days is less likely to die or suffer serious illness.

agriculture, health and other development activities, and the importance of additional resources, both domestic and external.

A Roadmap for Scaling Up Nutrition, launched in September 2010, outlined a detailed plan for countries to scale up nutrition interventions. A launch event took place at the U.N. Summit on the Millennium Development Goals, underscoring how crucial nutrition is to achieving all of the goals, and was hosted by Secretary of State Hillary Rodham Clinton and Irish Foreign Affairs Minister Micheál Martin.

The *Roadmap* coincides with a campaign to draw attention to the first 1,000 days, from conception to age 2, when nutrition makes the most difference in determining a person's chances for a healthy and productive life. The *1,000 Days: Change a Life, Change the Future* campaign aims to give a boost to scaling up nutrition. Many additional steps are needed, including an effective mechanism at the global level to coordinate and monitor action.

Figure 4.2 Framework on the Causes of Malnutrition



Source: United Nations Standing Committee on Nutrition.

Tackling Global Issues that Threaten Progress Against Hunger

Climate Change

Putting strategies in place to contain climate change is critical to the success of any hunger and malnutrition initiative. Everything that Feed the Future and other international initiatives are hoping to achieve in the near term depends on substantial progress in global efforts to minimize the impact of climate change.

The Lancet has described climate change as the number one global threat of the 21st century.¹⁸ *The Lancet* is not alone in this assessment, but we emphasize its position because of the journal's authoritative reputation on matters related to health, including malnutrition.¹⁹ The danger malnutrition poses to children is especially alarming because of the lifelong effects of malnutrition in the early years of life.²⁰ The International Food Policy Research Institute (IFPRI) estimates that if current projections of climate change are correct,²¹ a 20 percent rise in child malnutrition rates is possible by 2050. Research in Niger found that children born in drought years were 72 percent more likely to be stunted (which is a direct effect of malnutrition).²²

The effects of climate change will be felt most in the lower latitudes, where the poorest countries are concentrated and where many people lack resources to see them through emergencies and hard times. Each year natural disasters affect 250 million people; this number will surely rise as climate change means more frequent and severe weather-related disasters, such as floods and droughts.²³ Severe flooding, as occurred in Pakistan in summer 2010, cuts people off from access to food and clean water, causing malnutrition and leading, in turn, to water-borne diseases. Epidemiologists have concluded that climate change is already contributing to the spread of tropical diseases, as temperatures once considered extreme in a given region become its new norm.²⁴

Sub-Saharan Africa and South Asia, by virtue of their size, population density, and higher poverty levels, will likely be “ground zero” in a warming world—forced to confront desertification, sea level rise, and the resulting displacement of thousands or millions. Sub-Saharan Africa will suffer some of the worst effects because so much of the population relies on agriculture for their livelihood.²⁵ By 2020, African farmers in some countries could see

Figure 4.3 Six Climate Threats, and the 12 Countries Most at Risk

Low Income		Middle Income		High Income	
Drought	Flood	Storm	Coastal 1m	Agriculture	
Malawi	Bangladesh	Philippines	All low-lying Island States	Sudan	
Ethiopia	China	Bangladesh	Vietnam	Senegal	
Zimbabwe	India	Madagascar	Egypt	Zimbabwe	
India	Cambodia	Vietnam	Tunisia	Mali	
Mozambique	Mozambique	Moldova	Indonesia	Zambia	
Niger	Laos	Mongolia	Mauritania	Morocco	
Mauritania	Pakistan	Haiti	China	Niger	
Eritrea	Sri Lanka	Samoa	Mexico	India	
Sudan	Thailand	Tonga	Myanmar	Malawi	
Chad	Vietnam	China	Bangladesh	Algeria	
Kenya	Benin	Honduras	Senegal	Ethiopia	
Iran	Rwanda	Fiji	Libya	Pakistan	

Source: World Bank

BOX 4.3 CARE'S SHOUHARDO PROGRAM IN BANGLADESH

Eric Muñoz
Oxfam America

There are few places on earth where the specter of climate change looms larger than in the densely packed, low-lying country of Bangladesh. The country is already vulnerable to extreme weather events, so the threat of rising sea levels, more erratic rainfall, and increasing seasonal floods raises new worries as Bangladesh struggles to spur economic development and lift people out of poverty.

Approximately one-fifth the size of Texas, Bangladesh is home to more than 150 million people—about half the population of the United States. The population swells the capital city of Dhaka, spilling into areas of the countryside prone to flooding from the thousands of tributaries that feed into the country's major rivers. It's little wonder efforts are underway to help communities reduce risk to natural disaster and build resilience.

CARE Bangladesh is working in some of the most vulnerable communities in the country, and I travel with staff to visit one of CARE's most celebrated programs. Our destination is a small cluster of villages surrounded by rice fields and accessible only by boat. Fields are green and awaiting harvest. In two months, I am told, the area will be inundated with water as the annual cycle of flooding begins.

What I find upon arriving is an example of how a community can reduce its vulnerability to the harsh realities of living in a flood-prone area. With help from CARE, residents have built a wall of brick and concrete surrounding their village, providing protection against floodwaters.

The community has gone on to do much more than climate-proof the village. Local people have reclaimed land to use for vegetable gardens, improving food security and



nutrition. Through a savings plan developed by village residents, women have been using small loans to start businesses, improving their status and contributing to household well-being with the income they earn. The villagers have also dug wells to improve access to clean water.

All these activities, it is explained to me, are a result of community members discussing the problems they face and identifying solutions. Finding community-based solutions to problems faced by rural poor people is a core objective of CARE's work in Bangladesh. Another is empowering community members, especially women, with knowledge and information about their rights. With CARE's help, the community has formed a village council, identified local leaders, and gained the capacity and confidence to call on government officials to provide basic services and protect their rights. At the small office dedicated to the work of the Village Development Council, the names and cell phone numbers of local elected officials are displayed for all to see. As community members contribute to the demand for government services in everything from health care to agriculture extension to basic education, they send an important message about where the priorities of the government need to be.

CARE's five-year, USAID-funded project demonstrates that real development cannot be achieved overnight and cannot be designed without input from community members themselves. It also shows that lasting solutions to hunger and poverty require empowering individuals to become active citizens—claiming their rights and holding their government accountable.

Eric Muñoz is a policy analyst with Oxfam America. From 2005 to 2010, he was a policy analyst with Bread for the World Institute. He traveled to Bangladesh for Bread in early 2010.

their crop yields reduced by as much as 50 percent—the result of persistent drought.²⁶

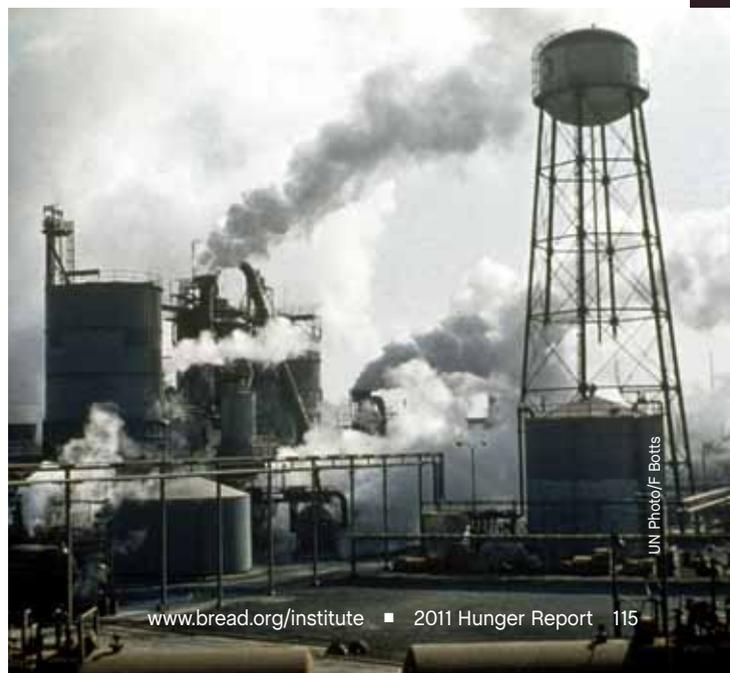
Where Global Cooperation Ends

Scientists predict that a century from now, the world will look quite different if governments do not intervene to slow or stop climate change.

Rich countries have spent the better part of the last 150 years, since the dawn of industrialization, expanding their economies quickly by harnessing energy from fossil fuels. Since fossil fuels are the main source of GHGs, industrialized countries released large amounts of carbon dioxide into the atmosphere. To do their part to slow climate change, they must cut their use of fossil fuels and/or replace them with clean energy alternatives that do not produce GHGs. Rich countries are scaling up investments in clean alternatives like solar and wind power, but a period of economic adjustment is unavoidable. Because the economic costs are unclear, the social costs are unclear as well.

Emissions from the countries that benefited most from industrialization—the United States and Western European nations—have dwarfed those of developing countries, including rapidly developing countries. India and China, the two largest developing economies, together have contributed less than 10 percent of the world's total carbon dioxide emissions since 1900.²⁷

Poor countries cannot put off economic development until clean energy becomes affordable for everyone. Economic growth and energy use are indivisible, so poor countries cannot reduce poverty, hunger, or malnutrition without increasing their use of energy. The addi-



UN Photo/F. Botis

tional 3 billion people projected to be born by mid-century will live mostly in the developing world. Over the next 20 years, 87 percent of the increase in demand for energy will come from developing countries.²⁸

Emerging economies—most prominently, China, India, and Brazil—have resisted demands by rich countries to set stricter limits on their own emissions.

These countries are becoming more powerful actors in the global economy and have large numbers of poor people who would be harmed if they had to limit their growth. India, despite growth rates of nearly 9 percent per year, has one of the highest child malnutrition rates in the world—43 percent.²⁹

The three pillars of a meaningful global agreement on climate change are: (1) limits on greenhouse gases by the major emitting countries, (2) support by rich countries for adaptation to climate change in vulnerable poor countries, including (3) transfer of clean energy technologies from countries that are developing these technologies to those that lack the capacity to develop them independently.

Clearly there are other important issues to be resolved by a climate change agreement—for example, whether to rely on taxes, markets, or some combination to finance adaptation—but slowing the rate of climate change essentially comes down to mitigation, adaptation, and technology transfer. A new treaty on climate change that incorporates all three pillars is needed.

Learning to Adapt

Resources to help countries adapt to climate change are essential to reduce the impact of climate change. Developed countries must provide support for adaptation in poor countries.

The sector most directly affected by climate change is agriculture, which will need to become more productive and more sustainable. For example, placing a higher premium on conserving water and/or fertilizer will make farming more sustainable. A stream of agricultural innovations to increase productivity will be needed just to keep pace with population growth. Nowhere is the challenge greater than in sub-Saharan Africa. By 2050, the region's population is expected to increase by 108 percent. The population of East and Southeast Asia, by comparison, is expected to grow by 11 percent.³⁰

Investors in agricultural products to help sub-Saharan Africa adapt to climate change have tremendous market opportunities. In fact, the World Bank says that investments in improving agricultural productivity have an overall rate of return of more than 40 percent.³¹

But the private sector is risk averse. “Agricultural R&D by the private sector is virtually nonexistent in developing countries because of market



© Dana Smiley/World Bank

In a rapidly globalizing world, we find many examples of modern and traditional technology existing side by side.

failures that make it difficult for them to recoup up-front costs in developing new products,” says Kim Elliot of the Center for Global Development.³² “In African agriculture, the obstacles are even larger because there are many staple crops that are not demanded in significant quantities elsewhere.” Wheat, rice, and maize—staples eaten around the world—are less than one-third of what is consumed in sub-Saharan Africa, where roots like cassava, along with sorghum and millet, are in higher demand.

In the developed world, nearly all investment in agricultural research comes from the private sector (95 percent in 2010). But innovations designed to benefit poor people rarely generate sufficient profit to make the upfront investments in research and development worth the cost. It is the public sector that has every reason to invest in public goods. Public sector investment in agricultural research is in fact rising in developing countries and now exceeds private sector investment (60 percent public, versus 40 percent in 2000).³³

According to Elliot, a tool known as advanced market commitments (AMCs) could encourage private sector investment in agricultural products for developing countries. AMCs have been successfully used to expand the distribution of vaccines in developing countries: donors commit to paying an above-market price for a given number of units of a drug, which allows the drug manufacturer to recoup its R&D costs and be guaranteed a profit.³⁴ Without an AMC, pharmaceutical companies feel that the risks do not warrant doing the research to develop the products for this market—instead, they focus their research on diseases in the richest countries.³⁵ But an AMC means a win-win situation for drug makers and consumers. Donors pay when the project achieves specified outcomes, so the pharmaceutical company must ensure that countries will adopt its product.

Clean energy is another sector that needs private sector investment to build a market. It is difficult to attract this investment—even though many technologies to substantially reduce greenhouse gases already exist and some are relatively cheap to produce—because capital costs are high and infrastructure is undeveloped. Private investors thus face major barriers to market entry.

Multilateral development banks like the World Bank provide financing to poor countries for large capital projects. These institutions should be weighing the long-term effects of climate change on development in all their lending decisions. But currently, most of the World Bank’s energy financing is for fossil fuel-based projects like building new coal plants. It is estimated that the projects funded in 2008 alone will be responsible for 7 percent of the annual global carbon emissions in the energy sector once they are up and



USAID’s Southern Africa agriculture program covers research and increasing the productivity of small farming businesses to cope with the persistence of chronic hunger, malnutrition, and threat of famine, particularly in a region reeling from the effects of HIV/AIDS.

running.³⁶ In a 2010 paper analyzing the World Bank’s financing of energy projects, the Center for American Progress put the problem quite succinctly: “The [Bank] is committing its recipient countries to an unsustainable growth model that will have profound long-term consequences for the countries’ residents, ecosystems, and economies.”³⁷

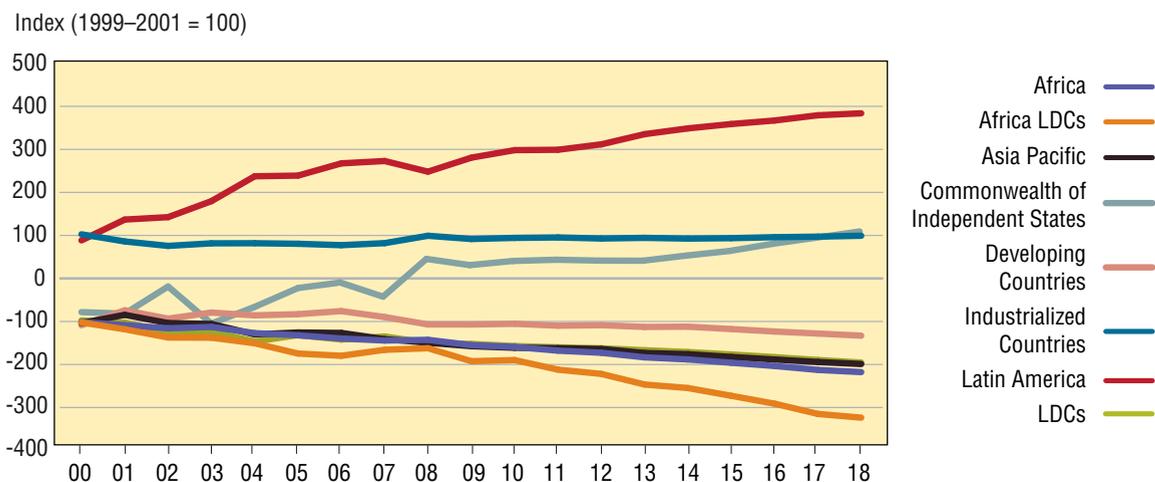
There is, however, a shift toward sustainability taking place at the World Bank. In 2008, the United States, along with the United Kingdom and Japan, initiated a Clean Investment Fund administered by the World Bank to provide financing for clean energy investment plans in areas like wind energy, solar energy, energy efficiency, and urban transportation. The Clean Investment Fund provides the World Bank with a means of transitioning away from its investments in dirty fuels. Currently, though, spending on the latter is five times as much as investment in cleaner alternatives.³⁸

Trade

While cutting hunger and poverty by more than half since the late 1990s, Vietnam was also quietly becoming the world’s second-largest exporter of coffee and rice.³⁹ “Trade in agricultural, forestry, fishery, and handicraft products has been crucial to the economic growth, job creation, and poverty reduction in Vietnam,” explains Diep Kinh Tan, the country’s vice minister of agriculture and rural development.⁴⁰ It’s easy to see that the amazing growth of the Chinese economy has also been fueled by exports. From 2001 to 2010, China’s exports of manufactured goods soared from \$267 billion to \$1.5 trillion.⁴¹

Global trade has helped to lift hundreds of millions of people out of poverty and hunger. In fact, trade-related growth is a far more reliable friend to developing countries than foreign aid, which is five times more volatile than a country’s Gross Domestic Product and three times more volatile than its exports.⁴² In Kenya, for example, foreign assistance flows increased by nearly

Figure 4.4 Changes in Food Commodity Net Trade



Source: OECD-FAO, 2009.

300 percent between 1980 and 1989 before declining by more than 350 percent from 1989 to 1999.⁴³ Research at the Brookings Institution showed that the effects on a developing economy of economic shocks of this magnitude are equivalent to the effect of the Great Depression on developed countries.⁴⁴

We are not arguing here that trade should be a replacement for foreign aid. Rather, trade and aid are complementary means of economic development.

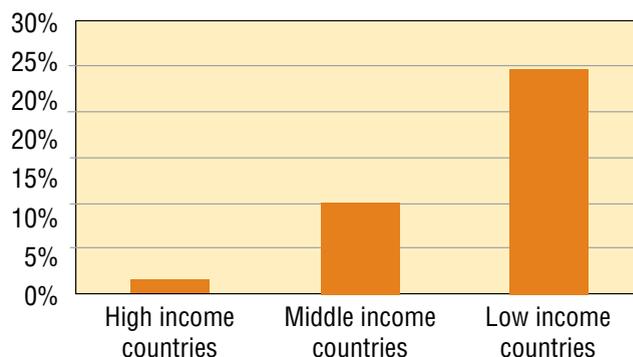
While much of this report focuses on aid, another essential element of achieving sustainable growth is improving the capacity of poor countries to participate in the global economy. Trade should be viewed as a win-win situation. Developing countries need trade to drive their growth, while developed countries need the markets in developing countries to increase the demand for their products. Enabling millions of new customers to afford developed countries' exports is a key reason for these countries to support trade and economic development in poor countries.

Despite its shortcomings, the World Trade Organization (WTO) has helped open markets in manufacturing and services. Agriculture, however, has proven more difficult to negotiate. In 2001, the Doha Round of trade talks opened. Doha was advertised as a development round; developing countries were supposed to realize strong gains. But 10 years later, the round has still not reached a conclusion acceptable to all. As time passes, countries expect less and less of the Doha Round. But it is still possible to reach a deal that provides developing countries with significant improvements, including in agriculture.

One theory as to why Doha has languished so long is that the private sector has shown too little interest.⁴⁵ Compared to earlier WTO rounds, Doha's agenda has been mainly driven by governments. "Corporate lobbying is nothing like as strong as in the previous so-called Uruguay round of talks, which concluded successfully in 1994, and were driven forward by U.S. pharmaceutical and financial services companies," wrote Alan Beattie in the *Financial Times*.⁴⁶ The private sector has already won the market liberalization it sought in manufacturing and services, so it has seen little need to expend energy on Doha, where the big unresolved issues on the table concern agriculture and intellectual property rights. Agriculture is not the driver of economic growth in rich countries that it is in developing countries.

Too much is at stake for developing countries to give up on the Doha Round. Based on what is now up for negotiation, an agreement would reduce farm subsidies in developed countries significantly—by 60 percent in the United States and 70 percent in the European Union.⁴⁷ A Doha agreement

Figure 4.5 GDP from Agriculture (2007)



Source: World Bank



would also have benefits for rich countries. A study by the Peterson Institute for International Economics estimates that the potential payoffs for the major participants in the negotiations, including seven developed countries, could be as high as \$280 billion per year, raising their overall GDP by about a half percent.⁴⁸ A boost this substantial could create millions of jobs by increasing consumer demand for new products—and given today’s high unemployment in developed countries, the prospect of job growth is a strong incentive for developed countries to return to the Doha negotiations. President Obama has said his administration wants to increase U.S. exports, but so far neither the president nor his administration has done much to move the Doha Round forward.⁴⁹

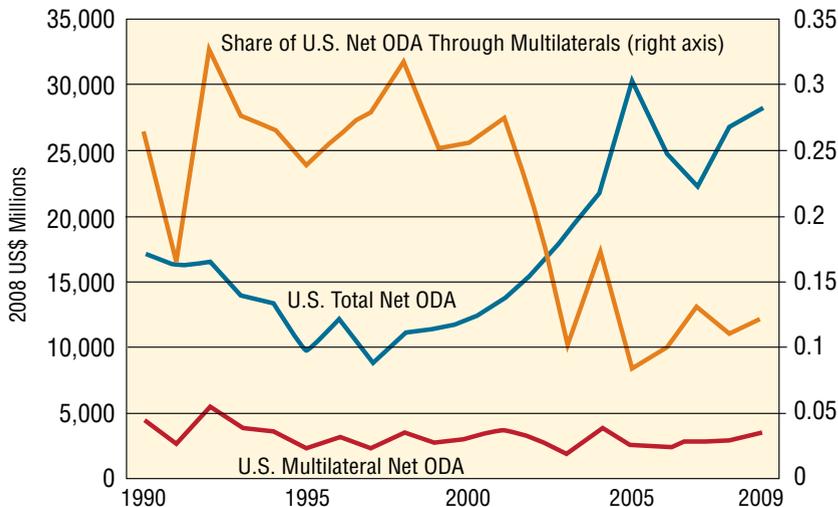
U.S. Leadership in the Fight against Hunger and Malnutrition

Feed the Future will be operating within a broader movement: rich and poor countries alike support making more assistance available for smallholder farmers and for improvements in maternal and child nutrition. The surge in food prices in 2007-2008 and the unprecedented rise in hunger that followed galvanized many countries to focus on smallholder agriculture. The crisis focused attention on the root causes of hunger and malnutrition; and those roots led straight to rural areas and families struggling to get by on subsistence agriculture.

Feed the Future, by its own description, aims to “strengthen collaboration with the international community, including other bilateral donors, multilateral development banks, and other international organizations.”⁵⁰ If the initiative lives up to this pledge, it will be extraordinarily different from most U.S. bilateral assistance programs, which partner primarily with U.S.-based private contractors and NGOs.

Since 2000, the United States has increased official development assistance by about 10 percent a year.⁵¹ However, the share of U.S. assistance channeled through multilateral institutions has fallen by 11 percent over the same period.⁵² Some of the advantages of making U.S. development assistance available through multilateral organizations, such as the World Bank’s concessional lending arm, the International Development Association, and the specialized agencies of the United Nations, such as the Food and Agriculture Organization, the International Fund for Agricultural Development and UNICEF, include pooling resources and reducing the trans-

Figure 4.6 U.S. Bilateral and Multilateral Foreign Assistance



Source: OECD, DAC.

action costs associated with bilateral aid; taking advantage of a wider assortment of technical experts; sharing knowledge and lessons learned with other donors; committing to multi-year programs; and finally liberating assistance from domestic politics.

The response of the U.S. government to the global food and financial crises has been marked by a growing appreciation that to tackle today's increasingly interconnected challenges we need a new set of multilateral tools. President Bush convened the first G20 Summit in Washington in November 2008 to address the worst global economic recession since the Great Depression and President Obama's leadership at the G8 Summit in L'Aquila, Italy in 2009, led to the L'Aquila Global Food Security Initiative. Now the United States has stepped forward to lead the *1,000 Days Campaign*, launched by Secretary of State Hillary Clinton and her Irish counterpart in New York in September 2010, to address the urgency of maternal and child malnutrition.

When the United States leads, other countries know that more resources are likely to become available—the country's role as the largest donor makes it possible to leverage commitments from others. And that makes it possible to do things that weren't possible before—for example, agree to significant debt relief for the poorest countries or make real progress through the Global Fund to Fight AIDS, Tuberculosis and Malaria. A multi-donor trust fund managed by the World Bank, the Global Agriculture and Food Security Program (GAFSP), is an example of how U.S. commitments have leveraged additional resources from other partners to create a multilateral instrument that will complement U.S. bilateral investments in Feed the Future.

The challenges of the 21st century are increasingly global in nature. To effectively manage these challenges, the United States has an important role to play in forging new ways to work with other nations. Because international cooperation is needed now more than ever, it is essential to build and strengthen multilateral institutions and mechanisms to identify and begin to solve global problems.



UN Photo/Christopher Herwig

Tonglewin (Liberia) village elder Kou Pealea is a midwife. Ninety-nine percent of deaths in pregnancy and childbirth occur in the developing world, reflecting the “urgent need for skilled health workers, particularly midwives,” according to the World Health Organization.

TIME TO TRADE: FOR AFRICA, FOOD SECURITY MEANS MARKETS AND GROWTH

by Joe Guinan and Katrin Kuhlmann

Environmental Working Group and German Marshall Fund

At least 70 percent of sub-Saharan Africa's population depends on agriculture in some way for their livelihoods. But most continue to live in extreme poverty, isolated from a market system that could provide real economic opportunities. The lack of functioning food markets has hampered broader economic development and continues to keep the region on the sidelines of the global economy.

Trade and markets are critical in at least two ways. First, food security is not possible without attention to improving the channels through which food is bought and sold—and ensuring that local producers, small and large, participate in those channels. Farmers need an incentive to change their production patterns and increase productivity. Both this change and market-improving investment will happen only if farmers and investors see access to markets that can connect supply with demand. In Africa and elsewhere, the solutions are often close to home and market-based. Building Africa's regional markets will provide the most immediate opportunities to increase trade. Lack of infrastructure, local policies that create needless barriers to trade, and weak capacities in areas such as customs, transport, and storage must be managed in the process.

Second, more open, better-connected international markets can provide necessary export opportunities for developing countries, growth for businesses worldwide, and an additional channel for poor farmers to raise incomes and living standards. This will involve not only access to markets but also assistance in obtaining required inputs as well as knowledge about production techniques and demands of consumers in potential markets.

Bringing the power of trade and markets to the world's poorest region will not be easy. Global agriculture is far from a level playing field, tilted heavily in favor of rich countries by tariffs and subsidies. But African leaders have coalesced around an innovative approach to market development. It consists of using existing roads and railroads linking mines and other investments with regional markets and ports to bring farmers into a system that can move food, goods, services and information. This is the African "Development Corridors" movement, and it could do for Africa what projects like the Erie Canal did for development in the United States. Much of the policy change needed to make the Development Corridors work must happen within sub-Saharan Africa, but international trade and development policies must also play a significant



Tony Hall

TIME TO TRADE: FOR AFRICA, FOOD SECURITY MEANS MARKETS AND GROWTH

role. Well-designed trade policies create opportunities for current and future trade. Complementary development assistance can strengthen markets and respond to the needs of the poorest.

Recently, Zambia's trade minister and chair of the World Trade Organization's (WTO's) group of least developed countries appealed to the WTO membership to support Africa's Development Corridors. Last spring, WTO Director General Pascal Lamy highlighted the Development Corridors as an innovative way of making trade work. Supporting Africa's Development Corridors and the regional markets they encompass provides a way to harness the power of trade and achieve greater food security at the same time. Africa has asked for our help and has given us the way forward. It is now up to us to act.

The 2008 food crisis resulted in unprecedented political attention to the pressing problem of ensuring global food security. The G8 L'Aquila Joint Statement on Global Food Security of July 2009 and accompanying pledges of \$22 billion were a welcome start. The United States has been showing strong international leadership with the launch of Feed the Future. While the priorities at the heart of Feed the Future are the right ones, critical elements are currently missing, without which the initiative will struggle to achieve success. In particular, the initiative lacks a clear strategy on trade, markets, and economic growth.

World leaders have repeatedly reaffirmed that global trade policy needs to prioritize development. But there are still major flaws in donor thinking and in the rigid policy structures that continue to separate development and trade. Even with the additional resources generated by the increased prioritization of global food security, there is not enough donor money available to pay directly for everything needed to generate major improvements in the livelihoods of Africa's subsistence farmers. Donor funding must be catalytic, triggering more private capital



Women sort coffee beans at a processing facility in Ethiopia.

flows, if large numbers of Africa's small farmers are to benefit.

Today, trade policy in the United States is largely stalled amid partisan rancor and fear of foreign competition in an economic downturn. But stimulus packages alone will not restart growth. The answer to both breaking the deadlock in U.S. trade policy and addressing global hunger is one and the same. The Obama Administration should adopt a new trade policy that leads with development. In that way, by thinking about trade differently, the power of markets can be unleashed at home and abroad.

From the very beginning, when the global economic system was founded from the ashes of depression and war, the United States has been a leading force. If the United States reaffirms a commitment to trade, the global community will respond. If the United States supports other countries' efforts to improve markets, increased global food security—and enhanced security overall—will follow. History shows the way.

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Katrin Kuhlmann is a Resident Fellow at the German Marshall Fund and an Adjunct Professor at the Georgetown University School of Law. The views expressed are their own.



A mother and child among the refugees waiting for food distribution at a government relief station at Lalibela, Ethiopia in 1983.

For the Least of These

Tony Hall

Executive Director, The Alliance to End Hunger

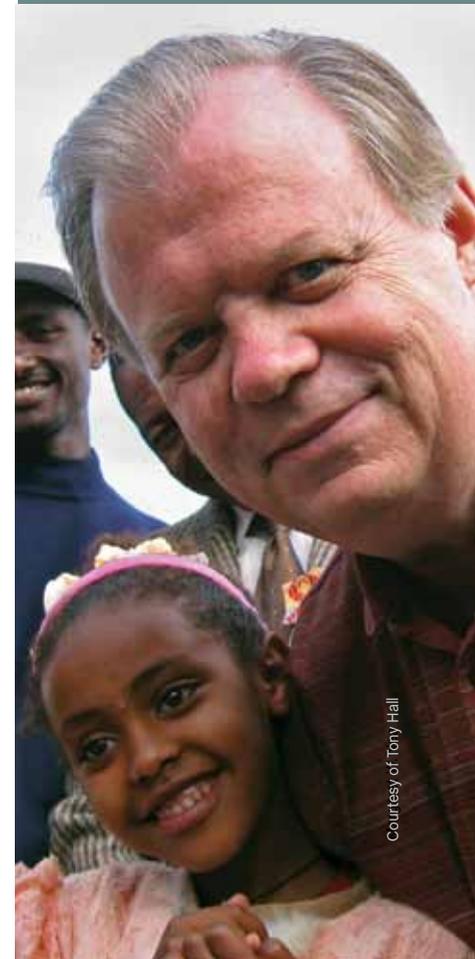
DURING MY EARLY YEARS IN CONGRESS, I HAD A LIFE-CHANGING EXPERIENCE THAT SHAPED THE REST OF MY YEARS AS A PUBLIC SERVANT. In 1984, I traveled to Ethiopia to witness firsthand the devastating famine that killed more than 1 million people and left millions more destitute. I had seen poverty as a Peace Corps volunteer in Thailand, but I had never seen anything like this. I saw thousands of starving people and many dying children. Thinking that I was a doctor, mothers would shove their babies into my arms asking me to save them. Sadly, many of those children were already dead and others died in my arms—a horrifying experience that I will never forget.

This was primarily a natural disaster—famine caused by drought. The cycle of drought, famine, hunger, and starvation had been repeated in Ethiopia for centuries. But there were human causes too—poor farming practices, deforestation, government repression and corruption, civil war ... and a wealthy world that had taken too long to understand the scope of the disaster and much too long to respond to the need.

Conclusion

“ If we don’t act, we will only perpetuate the cycle of crisis and response that helps people at their greatest hour of need, but doesn’t help them become self-sufficient.

In 2005, Tony Hall returned to Ethiopia, representing the United States as Ambassador to the U.N. Agencies for Food and Agriculture.



Courtesy of Tony Hall

While we haven't seen a famine on the same scale since 1984, the food price crisis in 2008 reawakened the world to the ever present danger of hunger and starvation. World leaders committed themselves to finding long-term solutions that would help people in hungry countries feed themselves.

Feed the Future is the U.S. government's response to the need to increase agricultural production, reduce hunger, and improve maternal and child nutrition. It is the most ambitious and comprehensive plan on global hunger that the United States has ever undertaken. But there are two important areas that need to be addressed if Feed the Future is to succeed.

Investing in Civil Society

One of the pillars of Feed the Future is that countries will consult with their own civil society organizations (CSOs) in creating and implementing their plans. Engagement with and input from these organizations is critical in order for a country-led process to be effective. CSOs such as farmers' organizations are often in the best position to know what kind of agricultural investments are most important and useful. CSOs are also well positioned to monitor these investments and ensure that the money is being spent appropriately.

By making consultation with CSOs one of its pillars, Feed the Future opens the door for civil society to be engaged in this process. But opening a door does not necessarily mean that someone will walk through it. There are four ways to help ensure that civil society is fully engaged with Feed the Future:

First, establish a clear structure and system for engaging civil society at the country level. CSOs need an accurate understanding of the Feed the Future process and information on how they can be engaged. Civil society



Civil Society Partners Working Globally

The boundaries of civil society cooperation in Africa do not always end at the continent's shores. In 2008, for example, the Association of African Agricultural Professionals in the Diaspora (AAAPD) was formed to give African agricultural professionals living abroad the opportunity to partner with their peers on the continent. AAAPD aims to mobilize resources to promote the exchange of information and technology and encourage public-private investments in agricultural research, extension and training. "Our role is to become a bridge to African agricultural institutions, play a catalytic role in agricultural development and provide a mechanism to harness African Diaspora experiences toward Africa's agricultural and rural development," says AAAPD President Peter Jeranyama. "In this quest, we plan to work in collaboration with 'Friends of Africa'—people who share a common interest of facilitating Africa's development." Some of Africa's most talented human capital may be living abroad—but that doesn't mean it is gone.

needs to be invited in, empowered to open the door themselves, and encouraged to keep coming back to visit.

Second, provide capacity-building support for CSOs to engage with Feed the Future—especially for groups that represent key stakeholders such as farmers, women, indigenous peoples, or traditionally underserved populations.

Third, civil society consultation should be used as a measurement of success for Feed the Future programs. Broad-based, consistent, meaningful engagement with civil society is an excellent way to measure good governance.

Fourth, governments should make regular public reports on the progress of the country's Feed the Future investment plan. These reports should be available in a variety of formats and languages so that a diverse cross-section of civil society can access them.

The Alliance to End Hunger is working with national alliances against hunger in Feed the Future countries to help them engage in the consultation process in their countries. The Ghana Alliance Against Hunger will work with the Ministry of Agriculture to help monitor and evaluate Ghana's Feed the Future investments. In Honduras, the head of the new Honduras Alliance Against Hunger was part of the team that developed the Feed the Future plan for the country. The Honduras alliance was able to bring the voices of civil society and the faith-based community to the table. In Nepal, the head of the hunger alliance participates in the food security working group that is providing input from civil society to the Feed the Future plan.

It's important to realize that the process of consulting civil society takes time and effort. In our rush to produce positive results, it is tempting to shortchange this process. But if Feed the Future is to have the kind of transformative impact it is designed to have, we must ensure that the voices of the people—especially those of women farmers—are adequately represented in the development, implementation, and evaluation of the plans and programs.

Political Will

When I was in Ethiopia in 1984, I thought about how easy it is, as a politician, to flit from one hot-button issue to another. It's a great way to appeal to voters and keep yourself in the spotlight—but you rarely accomplish anything. Doing something real, something important requires that you carry its banner, even when it is unpopular.



A market in Accra, Ghana, offering a bounty of locally grown foods.

Alliance to End Hunger

BOX c.1 COMING TOGETHER

by Tammy Walhof
Bread for the World

Several Zambian NGOs and their international partners work in communities throughout the country's Eastern Province. Collaboration has served the region well.



Diaconia, of the Reformed Church of Zambia, works on agro-forestry, vegetable crops, and simple agriculture techniques to mitigate the effects of climate change and drought. A network of trainers and volunteer workers bring ideas to local communities and help them experiment on

test plots with new crops and techniques. Communities provide regular feedback and Diaconia's international partners, the Christian Reformed World Relief Committee (CRWRC) and Foods Resource Bank (FRB), collaborate closely to provide support and training for Diaconia on joint priorities.

For a number of years, Justin Kadyeni, Diaconia's Eastern Province Manager, participated in Provincial Collaborative Meetings with local organizations and government officials to share information and discuss challenges. A sense of trust and accountability developed between the organizations and government officials, and among the organizations themselves. When Zambia developed its Poverty Reduction Strategy Plan to qualify for debt relief, the group worked together to provide input.

Diaconia, CRWRC and FRB continue to work together, but provincial meetings between local organizations and government officials stopped. Mr. Kadyeni laments these missed opportunities to benefit the farmers of the region. "Coming together we tend to find better solutions than separately. The whole community of development workers sharing challenges can find better solutions."

Tammy Walhof is a senior organizer for Bread for the World in Minneapolis, MN.

In tough economic times, giving money to help people in other countries can be seen by voters and politicians as a luxury item we can't afford. The combination of high unemployment and high deficits will make support in Congress for Feed the Future hard to come by. It will require strong political will and sustained commitment from the Obama administration and its allies in Congress to see it through.

Now is the time to spend our money wisely and to invest in programs like Feed the Future that will strengthen the ability of hungry people to feed themselves. Until more people in vulnerable countries have the ability to feed themselves, the world will be unable to prevent the kind of food price crisis we had in 2008. If we don't act, we will only perpetuate the cycle of crisis and response that helps people at their greatest hour of need, but doesn't help them become self-sufficient.

With so many Americans hurting financially, it is tempting to focus only on ourselves and the many challenges we face. But we could not isolate ourselves from the rest of the world, even if we tried. We are too interconnected, too dependent on one another.

I remember the first time I met Mother Teresa. She took my left hand in hers and said, "I want you to always remember something." Then she used her other hand to fold each of my outstretched fingers, one by one, into my palm. With each finger she said a word: "For...the...least...of...these. I want you to always think of this. For the least of these."

Tony Hall is Executive Director of the Alliance to End Hunger. From 2002–2005, he was United States Ambassador to the United Nations Agencies for Food and Agriculture. Earlier he represented the Third District of Ohio in the U.S. Congress. During his twenty-four years in Congress, he was chairman of the House Select Committee on Hunger and the Democratic Caucus Task Force on Hunger.

GET INVOLVED

Share this report. Ending hunger and poverty may seem like a monumental task, but in the end it comes down to political will, i.e. do we want to do it? Changing the political dynamics on these issues starts right within our own circles of family and friends and spreads from there to our communities and beyond. By sharing this report with others, you can help mobilize the political will needed to end hunger and poverty in this country and around the world.

Become a member of Bread for the World by visiting our website, www.bread.org, or calling 1-800-82-BREAD. As a member, you will receive up-to-date information about how you can communicate with your elected representatives and help shape hunger-related legislation. Your financial contributions also help to change policies in ways that benefit hungry people worldwide.

Involve your church. Each year, more than a thousand churches hold an “Offering of Letters” to Congress. Just as churches take up offerings of money to help people in need, these churches invite their members to write to Congress on a Bread issue.

Become an activist. You can join or form a Bread for the World group in your church or community. Some groups meet just a few times a year to take specific action, such as visiting their members of Congress or planning a workshop for local congregations. In most congressional districts, volunteers have organized telephone trees to mobilize action at key points in the legislative process.

Bread for the World members from Missouri met with Rep. Jo Ann Emerson (R-MO) during Lobby Day 2010, and presented her with a photo in appreciation for her work on behalf of hungry and poor people.



Rick Reinhard