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**MILLENNIUM PROJECT HUNGER TASK FORCE: LAUNCH OF THE 21ST
CENTURY UNIQUELY AFRICAN GREEN REVOLUTION**

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Thank you very much, Dr. Swaminathan and organizers. I'm not going to present to you a Power Point. In fact, I've changed the nature of my presentation after hearing my colleagues from the Hunger Task Force of which I'm a member. It was so comprehensive, quite frankly, I think that the next best thing for you to do is to go to the website that Dr. Swaminathan mentioned and read it. It's 186 pages, so it's quite a long read, but you will find that it is quite interesting.

Let me say something about the task force, and then I'm going to present to you a set of issues and controversies that have followed the Task Force for the last two years and which I think will be interesting to hear your reaction to.

The Task Force actually consists of many people who are in this room, many people who are working on food, hunger and agriculture in different places. We had members from NGOs – Florence is one of them. We had academics, a very large group from the CGIAR, the Consultative Group on International Agricultural Research – Dr. Joachim von Braun, for example, is a very prominent member. IFPRI was a very prominent contributor; multinational institutions like my own – I was a member, FAO world food program; you even had Borlaug's influence. Borlaug's influence just doesn't go away. His colleague, Chris Doswell, was a very active member of the Task Force; academic scientists.

What was unique about it was the diversity of that group, bringing together these people who often don't talk to each other, don't even like each other necessarily. You can imagine some of the NGOs, the World Bank, and Monsanto – Monsanto is a member of this thing.

So obviously you had a lot of controversy, and what I want to do is to share with you some of that controversy. I think that you've gotten a pretty good idea what's in that report. One point, however, before I get to the controversies that I would like to make, is that for me, as a Director of Agriculture and Rural Development, the World Bank, the most important element of the report itself is the richness and the detail of the examples. When you have this kind of diversity of constituents, members of the task force, each bringing their experience, their

opinions, the facts that they have seen, you can imagine that the richness of the examples is quite extraordinary, and in a sense it's a handbook for practitioners, and a very good handbook. I hope that we follow up in the international community with a lot of these examples to scale them up.

What are some of the controversies, some of the issues. There are lots of them, but I'll go through them very quickly.

Food aid. The controversy about food aid is that many people, particularly in the agricultural community, have seen the disincentive effect of food aid. Food aid often is delivered late. It's delivered for political reasons. Often it's delivered simply because there are surpluses from the places in which it comes. And it's not always directly related to the hunger needs of populations. Many of you may have read in the press a couple years ago, Ethiopian farmers, who actually had a crop to sell, looking at the free food aid going by and complaining to the press, quite rightly, that this was undercutting the prices and undercutting their capacity to sell.

Well, what we discovered – this is the bias of many people; I must say it was my own bias coming into this – is that it is just much more complicated than that and that there are places, in fact, where food aid has been absolutely vital, food aid delivered from Europe or America to the feeding of poor people, particularly those in the category you may have noticed that Joachim von Braun had up on the board and Dr. Swaminathan as well, those who are suffering from hunger for reasons of emergency, a conflict, a drought, a war. There is really nothing other than food aid that can be supplied.

So what did the Hunger Task Force say? The Hunger Task Force said that food aid is fine, but much more of it needs to be procured locally or in surrounding countries and much less of it procured in industrial countries. And much less of it should be motivated by a desire to dump surplus crops, and much more of it should be motivated by just uniquely the desire of feeding hungry people in crisis situations.

We also found the value of the school feeding program that you've just seen illustrated in both the film and in the presentation by Dr. Swaminathan. School feeding can be enormously useful, helpful; and in fact often it is done through the medium of food aid. But this is a controversy that will continue to simmer, and probably each of you has an opinion that sits on one side or the other of this divide. What I learned personally in this is that it is just much more complicated than you can imagine, and very often the answer is in the particular context of the particular place.

Another controversy is biotech. Dr. Borlaug mentioned it. As bureaucrats, most of us are very timid in dealing with this because there is a legitimate controversy out there – personally as a farmer, because I am a farmer actually; I own farms – I think that the controversy is a tempest in a teacup. I buy fully what Dr. Borlaug said, that biotechnology is the hope in the science realm in the next ten to fifteen to twenty years. But there are many who don't buy that, who see risks.

What we learned is that these risks are real risks. Many developing countries, particularly the poorest countries, simply do not have the regulatory environment, the mechanisms, the enforcement mechanisms, the laws on the books, even the knowledge to regulate this science. And so it can be dangerous in certain circumstances, and there is a good reason for introducing

first assistance to develop the capacity of developing countries, and not all of them – I think that India probably does have a good regulatory environment, and so does China. But many of the countries that we're talking about don't. And so there is an issue about the speed with which certain kinds of biotechnology innovations should be allowed.

There's a third issue. And those of you who were here last year and heard me speak on the very last day about donor coordination, I think I got, actually I did get a lot of positive response to the depiction of that story. The donor coordination and donor harmonization is terrible. One of the reasons for the decline in donor assistance to agriculture were the failures of many of these agricultural projects. When you look at these projects, actually there's nothing intrinsic in agricultural research or extension or cooperative development or credit that is bad or intrinsically a failure. What happened is that you have 25 to 30 donors working in very small countries introducing conflicting, competing systems of extension, of research, of credit. And in that context, it's hard to imagine how that ever could have succeeded.

So one of the controversies is – what is the willingness, the degree to which the donors are willing to work together to co-finance projects rather than independently finance separate extension, research, credit, you name it, livestock, regulatory systems. Quite frankly, the answer is, it's pretty weak, it's pretty weak to this day. The reasons for this are political. A lot of aid is politically motivated, and it just doesn't help when you mix politically motivated aid with a big grab bag above the donors. A lot of donors believe that they have the truth and don't want to compromise any of their sense about what should be done with other donors that also think they have the truth. So there's a lot of reasons, but it's a mess, and something needs to be done about that. The Task Force recognized this, of course, and made recommendations with respect to donor coordination.

There's another issue on government intervention. You will see in the task force report some language that suggests that market reforms, economic reforms in Africa, were responsible for at least some of the hunger problem. That is the demise of the parastatal institutions, the demise of the input subsidies, particularly fertilizer subsidies, and the demise of price controls. You'll see in other places where the same report will say almost the opposite, that actually some of these interventions have been harmful, and when India and China began to reform those kinds of systems that they had some success. And I think, you know, I'm actually quite happy to see that contradiction in the report, because it reflects the continuing ambiguity on this subject. My own view is that hunger existed in Africa when there were parastatals and when there were fertilizer subsidies and when there were price controls, and it continues to exist now. But the one, I think, legitimate criticism of the economic reforms in Africa is that they did not solve the problem. But that they caused the problem, I believe, is an error in judgment, and I think that China is proving this quite nicely, as is India. In any case that controversy continues to simmer – What is the role of economic reform, agricultural price reform, agricultural fertilizer subsidy reform, in either causing or contributing to hunger reduction.

Another big issue, which may be the biggest one – I've saved it for last intentionally – is funding. The Task Force is pretty demanding, pretty aggressive in insisting on the obligation of the industrial world to increase funding for agriculture for hunger reduction and rural development. And, of course, probably you have the converted in this room, but outside of this room, it's a very, very hard sell. And the fact of the matter is, as Jeffrey Sachs says in nearly

every speech he gives, ODA, Official Development Assistance, for any purpose is not increasing. When you compare some \$70 billion, I think was the figure last week, of Official Development Assistance from all sources for all purposes, not just agriculture and rural development, to just the U.S. military budget of \$400 billion, you know, you put it into context. The amount of that assistance going to agriculture is not increasing. In fact, all of the documentation that we have seen is that it has been actually decreasing as other issues and concerns have come to the forefront.

So the big controversy here is – what is the commitment to all of this good stuff that we’re talking about? And the answer is, outside this room, very, very, very low. Quite honestly, I don’t see it. I don’t see that commitment. And so what we have is a report that demands that the international community greatly expand its assistance and the reality in which the assistance is declining. It’s not even staying at the same level – it’s declining – and that, of course, is a very, very discouraging point.

The final controversy – I could go on, but this is one of my favorites – and that is Dr. von Braun and Dr. Swaminathan both emphasized the need for industrial country agricultural protection and subsidy reform as part of this complicated stew. In fact, Dr. von Braun, you may have noticed, had a slide in which he showed estimates of the likely gain in agricultural income for developing countries, which would be coincident with the reduction in agricultural subsidy and agricultural protection in OECD, industrial countries. And it was very substantial. In fact, if you compare those numbers that he gave that were around \$50 billion a year that we’re talking about, with the total aid that’s coming from industrial countries for all purposes, of \$70 billion, you get an idea of the importance of that kind of reform.

What’s the prognosis for reducing protectionism of American and European agriculture and Japanese agriculture? What is the prognosis for reducing the unbelievably large subsidies? Americans subsidize their farmers to the tune of some \$90 billion, is the OECD statistic. What is the prognosis for reducing those subsidies? Here we are in the middle of the American farmland, and I can tell you as a farmer myself who doesn’t receive subsidies, that that prognosis is pretty poor. It’s pretty poor.

So what are the controversies? The controversies are that the policies that we need have political obstacles in Europe, in the United States, in Japan. The aid that we need is not going up; it’s going down. There are issues, controversial issues about the degree to which governments in developing countries should interfere in prices that have not been totally resolved, juxtaposed, I think, against some very, very solid recommendations of which you’ve had just a taste here, just a taste of things that can be done.

Pedro Sanchez in the film said, “We know what to do now.” And I believe personally that that is true. We know what to do to solve the hunger problem – and what we’re up against is a lack of commitment on all sides.

Thank you very much.