

**Written Testimony to the Agriculture, Nutrition and Forestry Committee
U.S. Senate
Hearing on the Reauthorization of the Farm Bill**

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Respectfully submitted by
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I appreciate the opportunity to submit written testimony on a subject very close to my own heart and a prime policy interest of Bread for the World.

Founded in 1974, Bread for the World is a Christian, nonpartisan organization supported by 45 denominations and more than 2500 churches that works to bring about public policy changes that address the root causes of hunger and poverty in the United States and overseas. Bread for the World's 58,000 members lobby Congress and the administration to this end, and mobilize a quarter of a million constituent contacts with members of the U.S. Congress every year. Bread for the World helps concerned people learn about policy issues that are important to poor and hungry people, and then helps them turn this knowledge into positive political action.

The dimensions of global hunger are well known: More than 850 million people – half of them children – live in a state of chronic hunger and food insecurity; 25,000 die daily due to hunger and related ailments. We are seeing the Millennium Development Goal of halving global hunger and poverty by 2015 slipping from our grasp. For such demeaning hunger and poverty to persist when we have the technological and economic means of ending it is a moral affront to American values.

Food aid has been an important tool in combating global hunger, and has saved many lives, and the U.S. can rightly feel proud of its role as the world's most generous donor of food aid. Its efforts have saved millions of lives. However, the food aid program has also been burdened with ancillary objectives that undermine its effectiveness and efficiency in meeting the needs of hungry people around the world.

Bread for the World has as its fundamental mission seeking justice for hungry people. And while we appreciate the political argument for maintaining a broad coalition of U.S. support for food aid, we are convinced by our own polling results that ending global hunger is a topic that resonates with the U.S. public. Americans understand that this is fundamentally an issue of social justice, and that meeting the real needs of hungry and malnourished people should be **the** overriding objective of a U.S. food aid program.

The food aid environment has changed significantly from when Food for Peace was initiated over 50 years ago, and changes in the food aid program are overdue. One need is to simplify and clarify the multiple and sometimes conflicting objectives and statutory requirements, which cannot all be met. Specific legislative objectives set for U.S. food

aid include, in addition to combating world hunger and malnutrition, “promoting broad-based, equitable and sustainable development,” “developing and expanding export markets for U.S. agricultural commodities,” “fostering and encouraging the development of private enterprise and democratic participation,” and “preventing conflict.” On top of these are added operational requirements, including minimum tonnage (generally met), sub-minimum tonnage for non-emergency programs (not met since 1995), and value added (generally not met). It is time to clarify the mandate of food aid, giving unambiguous priority to combating hunger and malnutrition.

Bread for the World favors a transition to demand-driven food aid, based more on the needs and opportunities and less on supply and availability. Food aid is no longer a surplus disposal program, and the volumes involved are too small to affect commodity prices in any but exceptional cases. In fact, food aid tends to be pro-cyclical, so that food aid volume tends to decrease in times of high prices – such as the present -- when the food needs tend to be the greatest. This is exactly counter to the stated objective of meeting the nutritional needs of the world’s hungriest people.

Bread for the World believes that the farm bill should ensure ongoing and consistent U.S. assistance to people in need of emergency food and nutrition support around the world. This means increasing the authorized funding levels for emergency food aid – especially in light of recent agricultural commodity price increases.

We also need to recognize that commodity food aid is not always the most appropriate response to food insecurity, whether chronic or emergency. One life-affecting consideration is that of timeliness, ensuring the quickest response to emergencies or windows of opportunity. Other considerations include market impact – whether the commodity food aid serves as an incentive or disincentive to local or regional production and commerce -- and commodity composition – i.e., whether the needs are best served by commodities or products available from the U.S. In order to facilitate the most effective and efficient responses to food insecurity, Bread for the World strongly supports providing the Office of Food for Peace with the flexibility to procure food locally or in the region. We think the Administration’s request in the farm bill principles for authority to use up to 25 percent of Title II appropriations for local or regional purchase is a step in the right direction, and urge the committee’s support. Local and regional procurement is not going to be appropriate in every case and needs to be carefully applied, but there is already sufficient information and experience on the part of the World Food Program, the NGO community and other donors to clearly demonstrate the circumstances under which this instrument can be effectively applied.

Along the same lines, we support loosening the restrictions that mandate the processing (“value added”) of food aid and U.S. flag shipping. While these reflect legitimate interests, our main focus should be on meeting needs and saving lives, and employing the most appropriate and efficient means to that end. Surely, other means can be found for ensuring the viability of the U.S. merchant marine than by imposing onerous and costly restrictions on the shipment of food to meet the urgent nutritional needs of hungry people around the world.

The Bill Emerson Humanitarian Trust (BEHT) is another useful weapon in combating global hunger. We support changes that would render the BEHT more efficient and reliable in addressing food crises. These include making use of the BEHT easier and more transparent by clarifying the “trigger” for its utilization relative to Title II; increasing efficiency by directing it to hold reserves in the form of cash or options instead of commodities, thus reducing costs and increasing flexibility and responsiveness; and instituting provisions for regular replenishment.

The new Farm Bill could also open opportunities for poor countries to become more food self-reliant by reducing protectionist forms of assistance to U.S. farmers. Funding within the Farm Bill could be shifted from trade-distorting commodity payments to programs that would be much more helpful for rural America, especially for farm and rural families of modest means, and to nutrition assistance for hungry people in rural and urban America. These reforms, together with reduced protectionism in Europe and Japan, would remove significant obstacles to agriculture and food security for many of the world’s poorest people.

Finally, we would like to encourage members of this committee to consider the problem of world hunger from the broadest perspective, recognizing that getting beyond chronic food insecurity requires developing recipient country capacity to produce and trade. Emergency commodity food aid is at one end of a spectrum of responses, and needs to be recognized as a temporary fix at best. The U.S. government, along with other donors, needs to put more resources into effectively addressing long-term food security. International aid for agricultural development has plummeted over the past 20 years, from 11 percent to just 3 percent of ODA. Increased crop yields in developing countries – something achievable with current technologies -- would have a profound and lasting impact on global hunger.

Growth in the developing world would also be good for U.S. agriculture. A 2006 study, commissioned by Bread for the World Institute and conducted by the International Food Policy Research Institute, showed that a seven percent GDP growth rate in the developing world would generate nearly \$26 billion in additional U.S. agricultural exports between 2006 and 2020.

We have the obligation and the opportunity to end hunger. We need to take advantage of every means for doing so. The changes to the food aid portion of the farm bill noted above will, I am confident, move the U.S. closer, in concert with the NGO community, the WFP and other donors, toward meeting this urgent objective.

In closing, I would like to call attention to our policy paper on food aid, “Feeding a Hungry World,” issued in April 2006, a copy of which is submitted with this testimony. We would be happy to provide further information on any of the above points.

Thank you.

