

DOCUMENT RESUME

ED 245 986

SO 015 760

TITLE Overcoming World Hunger: The Challenge Ahead. Report of the Presidential Commission on World Hunger. An Abridged Version.

INSTITUTION Presidential Commission on World Hunger, Washington, DC.

PUB DATE Jun 80

NOTE 34p.; Photographs and pages printed on colored paper may not reproduce clearly.

AVAILABLE FROM Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402 (\$6.00).

PUB TYPE Reports - Descriptive (141)

EDRS PRICE MF01/PC02 Plus Postage.

DESCRIPTORS Developed Nations; *Developing Nations; Foreign Policy; *Global Approach; Government Role; *Hunger; International Cooperation; *International Relations; International Trade; Nutrition; Poverty; *World Problems

IDENTIFIERS Food Production; Food Supply

ABSTRACT

This U.S. presidential commission report outlines specific recommendations for eliminating world hunger in the 1980's. Following a summarization of world hunger problems, the report addresses specific ways to deal with world hunger. Short-term goals include taking immediate action to ensure that poor people are not hungry, assuring that infants and children are adequately nourished, eliminating diseases resulting from specific nutritional deficiencies, and providing disaster relief. Long-term goals involve the provision of equitable growth, redistribution of existing wealth, production of enough food, and development of a system of world food security. Recommendations for U.S. action involve commitment and action in the following areas: (1) developing more equitable trade and debt policies, (2) ensuring that corporate investments made by private U.S. companies do not harm, but aid the fight against hunger and poverty, (3) ensuring that there are adequate food supplies even during times when production is low, (4) ensuring that development assistance goes to the countries and people who need it most and that it is as effective as possible, (4) overcoming domestic hunger, and (5) establishing an organization to educate and inform the American public about hunger and malnutrition. Appendices summarizing the report and additional views of commissioners are appended. (LH)

* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *

Overcoming World Hunger:
The Challenge Ahead

Report of the
Presidential Commission on
World Hunger

June 1980

An Abridged Version

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION
CENTER (ERIC)

This document has been reproduced as
received from the person or organization
originating it.

X Minor changes have been made to improve
reproduction quality.

• Points of view or opinions stated in this docu-
ment do not necessarily represent official NIE
position or policy.



30 015 760

**Overcoming World Hunger:
The Challenge Ahead**

Report of the
Presidential Commission on
World Hunger
An Abridged Version

June 1980

About The Presidential Commission On World Hunger

Mounting public and Congressional concern over the continuing deterioration of the world food situation led President Carter to create a Presidential Commission on World Hunger by Executive Order 12078, dated September 5, 1978. The Commission's mandate was to identify the causes of domestic and international hunger and malnutrition, assess past and present national programs and policies that affect hunger and malnutrition, review existing studies and research on hunger, and recommend to the President and Congress specific actions to create a coherent national food and hunger policy. The Commission was also directed to help implement those recommendations and focus attention on food and hunger issues through various public education activities. The Commission issued its Preliminary Report in December 1979 and its Final Report in March 1980.

Members of the Commission

Ambassador Sol M. Linowitz,
Chairman
Dr. Steven Muller, *Vice Chairman*
Dr. Jean Mayer, *Vice Chairman*

Dr. Norman E. Borlaug
Mr. D. W. Brooks
Mr. Harry Chapin
Mr. John Denver
Senator Robert Dole
Dr. Walter Falcon
Mr. Orville Freeman
Congressman Benjamin Gilman
Senator Patrick Leahy
Ms. Bess Myerson
Congressman Richard Nolan
Dr. Howard A. Schneider
Dr. Adele Smith Simmons
Mr. Raymond Singletary, Jr.
Dr. Eugene Stockwell
Dr. Clifton R. Wharton, Jr.
Mr. Thomas H. Wyman

Daniel E. Shaughnessy, Executive Director

Commission Staff

Janice E. Baker
Alan Bowser
Patti Mae Chaifetz*
Don Ambrose Chevalier
Jeffrey D. Curran*
Elizabeth Anne Donnelly
Karen A. Gross*
Donald B. Harper
Linda S. Hensel
Margaret C. Jameson*
Betsy Krystynak
Janet W. Lowenthal
Rosemary R. Mandelstam
Terence H. Martin
Joan V. Middleton
Lynn Randels
M. Carolyn Rhodes
Terence A. Rogers
Timothy P. Rumberger*
Thomas W. Stephens
Russell L. Tuttle
Daphne C. Weaver*
Caroline E. Wellons*
Charles W. Wixom
Susan E. Worth

*resigned

For a verbatim listing of recommendations see Appendix A

For additional views of Commissioners see Appendix B

Overcoming World Hunger: The Challenge Ahead is an abridged version of the Final Report of the Presidential Commission on World Hunger. The full Report by the same title is available from the U.S. Government Printing Office, Washington, D.C. 20402. Stock No. 041-002-00015-8 \$6.00 per copy

Photographs Courtesy USAID and USDA

Overcoming World Hunger: The Challenge Ahead

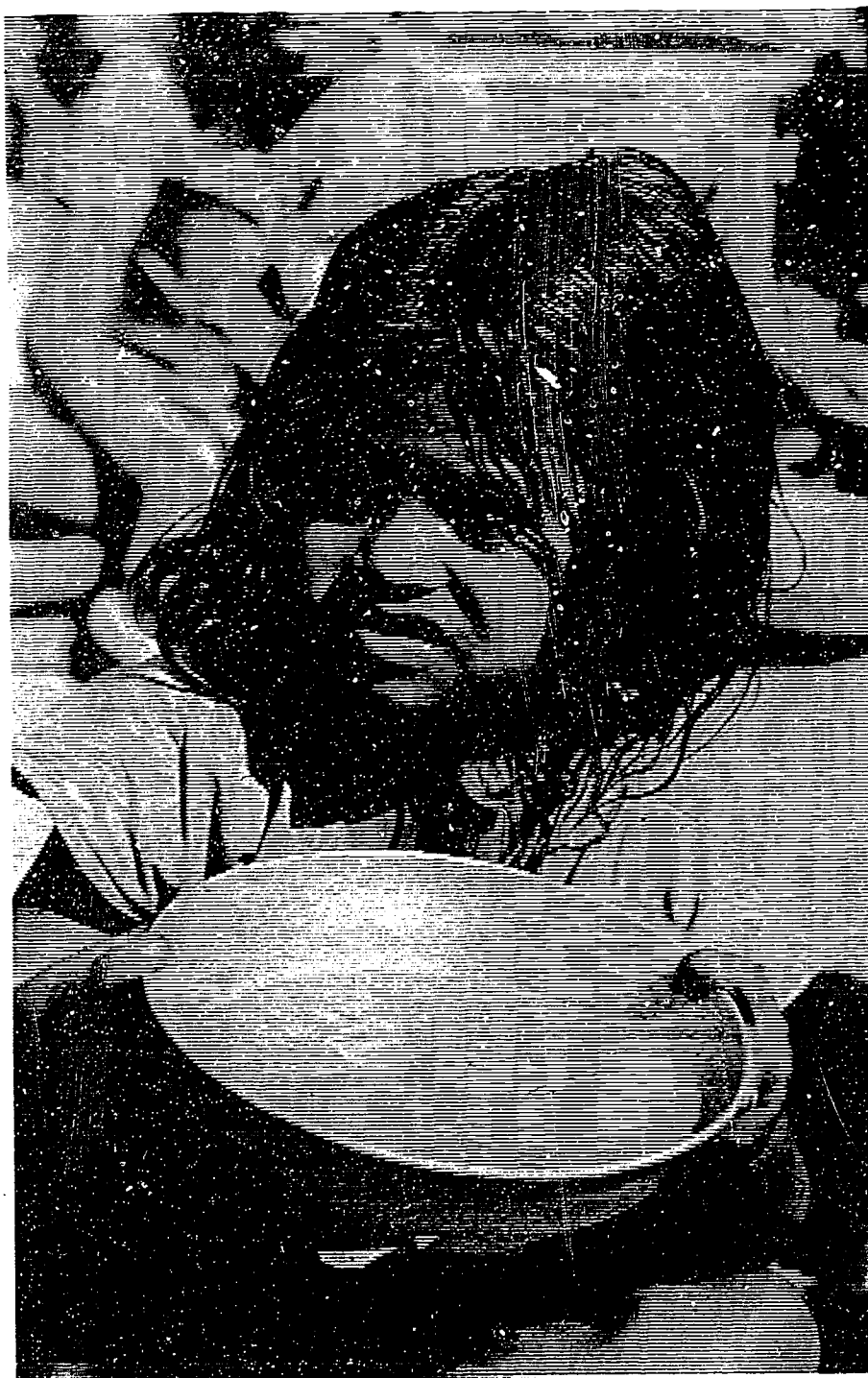
The Problem Of World Hunger

... hunger is at least as much a political, economic, and social challenge as it is a scientific, technical or logistical one.

Starving children in Biafra, drought in the Sahel, earthquakes in Guatemala, wars in southeast Asia. These are the events we think of when we think of hunger in the developing world. Like people in many other rich countries, we in the United States often have responded quickly and generously to the threat of starvation and death resulting from such temporary problems.

But the hunger and starvation caused by natural disasters or political crises are *not* the major hunger problems in the world today. The true hunger problem of our time is chronic undernutrition--the problem of millions of men, women and children who do not get enough to eat. This is a problem that does not make headlines--perhaps because the hungry have little or no political power and are not able to exert pressure on their own behalf. But the toll of undernutrition is immense. As many as 800 million of the earth's poorest people do not get enough to eat each day and many more suffer from specific varieties of malnutrition.

Hunger (or undernutrition) results when people consume fewer calories and less protein than their bodies need in order to live active, healthy lives. It diminishes physical and mental capabilities and thus makes people less energetic, less productive and less able to learn. Undernutrition also increases susceptibility to disease. About one out of every four children in the developing world die before the age of



five—mostly from nutrition-related causes.

Malnutrition results from a deficiency in essential vitamins and minerals, usually from not eating enough of the right kinds of food. For example, 100,000 children go blind each year for lack of Vitamin A.

Who is affected by hunger and malnutrition and the many diseases that result? More than half are children. Women are more often affected than men, and those living in rural areas more often than urban residents. Most of the world's hungry live in the Indian subcontinent, southeast Asia, and sub-Saharan Africa. Many also live in the Middle East and in parts of Latin America. Even in the United States, many of the poor are undernourished. (A sad fact of our time is that malnutrition in this country is also a problem, but it is primarily malnutrition resulting from overconsumption. Though serious, this is a different problem, and requires different solutions, from the hunger and poverty problem that continues to stunt so many lives and human capabilities.)

Despite the severity of the hunger problem, its true proportions are not often understood for a variety of reasons.

- Undernutrition is a "silent killer." It increases vulnerability to diseases that cause death, but is seldom identified as the "cause" of death.
- The sheer number of people affected makes it difficult to grasp the problem. It is much easier to understand—through television and newspapers—what the victims of a particular flood, earthquake, or war are facing than to picture a quarter of the world's people in chronic suffering.

• Although hunger contributes to political instability, hungry people—especially women and children—do not have political power and are not perceived to directly threaten the political establishment. As a result, national and international policymakers often ignore chronic hunger, responding instead to more immediate pressures and more vocal constituencies.

Yet hunger is one of the most serious problems of our time. It requires immediate steps to relieve the present-day suffering of millions, together with long-term strategies for eliminating its causes.

IN THE NEXT 60 SECONDS . . .

234 babies will be born

- 136 in Asia
- 41 in Africa
- 23 in Latin America
- 34 in the rest of the world

23 of these 233 will die before age 1.

- 6 in Africa vs. .01 in North America
- 2 in Latin America vs. .25 in Europe

34 more will die before age 15

50 to 75 percent of these deaths can be attributed to a combination of malnutrition and infectious diseases.

Many who do survive beyond age 15 will be stunted in growth and will suffer brain damage that can incapacitate them for life.

Poverty + Food Insecurity = Hunger

. . . hunger offers the single most powerful point of intervention in the world of underdevelopment—poverty, unemployment, disease, and high rates of population growth.

The primary cause of world hunger is poverty. Even in years of abundant harvests, many of the world's hungry have neither the land on which to grow food nor the money with which to buy it. In many rural areas, large numbers of people often have little or no access to land, water, or credit. In urban areas, where schools, medical care, and food may be available, jobs (and thus the income to obtain these services) are scarce—largely because so many men, women and families have been forced to leave the countryside. Inequitable distribution of resources—particularly land—is a major cause of poverty.

The gap between the rich and the poor is often widened because poor countries and poor people tend to be less productive than wealthy countries. For example, agricultural productivity per worker is now about 13 times higher in the developed than in the developing world. The yield per hectare (about 2.5 acres) for rice is almost four times as much in the developed countries as in the developing (where 92 percent of the world's rice is grown). Poor health, lack of training, and lack of capital and technology are partial explanations. In addition, lack of irrigation systems, flood control, and proper drainage makes it more difficult to improve productivity. Frequently, the fertility of the land has declined, because it has been farmed—some-

times for thousands of years—without replacing essential nutrients in the soil. Furthermore, inappropriate methods of food storage and preservation cause a large portion of the harvest to be lost or spoiled by insects, rodents, or decay.

Farmers who do not own their own land but work instead on the land of absentee landlords have little incentive to increase production, since the land owners benefit rather than the farmers. Even for those farming their own small plots of land, government policies frequently hold down the prices farmers receive for their crops, restrict their access to credit, and make such important items as fertilizer far too expensive for them to use. In addition, there frequently are no extension or farm organizations where farmers can learn new technologies or how to adapt existing knowledge to local conditions. When such services and training do exist, they tend to be directed toward the men and to ignore the women—even where the women do much of the farming and all of the marketing of crops.

Rich people frequently say that "if the poor had fewer children, they would have more food." Yet population growth is not only a cause but also an effect of poverty. At both the national and the family level, the more people there are, the less food there is for each one and the more likely the next generation is to continue the cycle of poverty and malnutrition. For people who are poor and powerless, however, the desire for many children is a response to high rates of infant mortality, to the need for extra hands to earn the family income, and to the need for support in old age. The key to reducing population growth is eliminating the social conditions—poverty and all its consequences—that make large families an attractive option.

FACTS

... ABOUT THE DEVELOPING WORLD

- *Today the developing countries grow 87 percent of their own food; by the end of the century this figure could fall to 74 percent.*
- *By 1988, the developing world will have an annual deficit of 85 million tons of wheat, rice and coarse grains.*
- *More than 100 million agricultural workers have little or no land of their own.*
- *In 1976, the developing countries spent over \$10 billion to import food. This is equal to about 70 percent of the total development assistance provided by the industrialized countries in that year.*

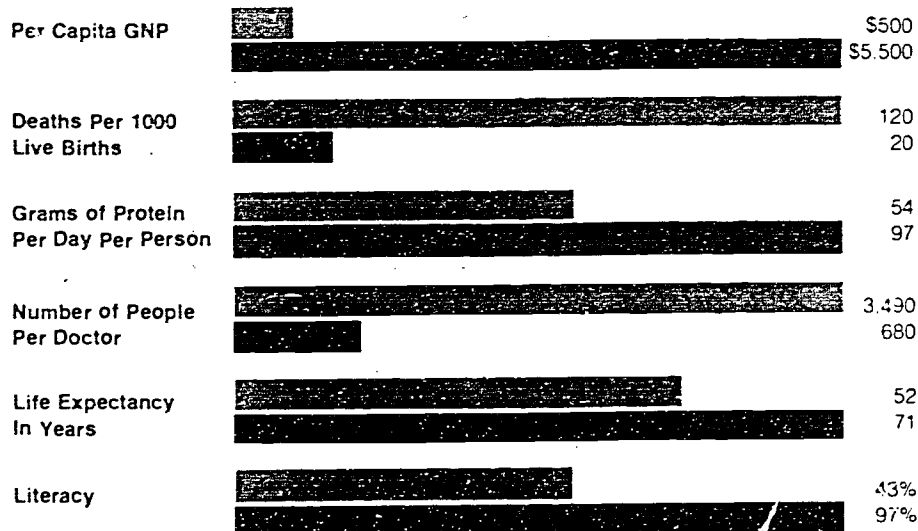
- *One out of every eight people on earth is hungry most of the time.*
- *In many countries, up to 40 percent of the population is malnourished.*
- *Between 1957 and 1976, developing-world imports of military goods grew from \$5.4 billion to \$9.3 billion (in constant dollars).*
- *In the developing world, there exists one soldier for every 250 people, but just one doctor for each 3,700.*

... ABOUT HUNGER AND POVERTY

- *16 percent of the world's children are malnourished.*
- *Over 600 million people live on incomes of less than \$50 per year.*
- *Even under conditions of rapid economic growth, 470 million people will still be living in absolute poverty in year 2000.*
- *More than three-quarters of the world's inadequately nourished people live on the Indian subcontinent, in Southeast Asia, and in sub-Saharan Africa.*

While the developing countries themselves will play the most important role in making many of the changes required to improve conditions of life for their poor, international economic circumstances over

The Development Gap



■ Less Developed Country

■ Developed Country

which they have little control limit their ability to act. North America, Europe, and Japan—with only 19 percent of the world's population—earn 67 percent of the world's income. In contrast, the poor countries—with 51 percent of the world's population—earn only 14 percent of global income. If world hunger is to be brought under control, the rich countries—especially the United States—must make a major political and financial commitment to eliminate both hunger and poverty. This will require not just "more foreign aid" but also some important changes in the world economy.

The problem of poverty is often compounded by a *second major cause of hunger—the insecurity of*

food supplies. Food security means a combination of having enough food in the right place at the right time at a reasonable price, of adequate transportation within and among countries to transport food where it is really needed, and enough personal or national income to buy extra food when the local supply is inadequate.

Unfortunately, when the local supply is smaller than usual, families who normally have barely enough food are forced to eat even less. Even if supplies exist somewhere else in the world, poor countries may not be able to buy additional food if the world price is too high or if they do not have enough foreign exchange. The world currently has no system for assuring that no community or nation must suffer because of temporary crop shortages. Establishing such a system is an important objective in the fight against hunger.

What Is Needed?

... the outcome of the war on hunger, by the year 2000 and beyond, will not be determined primarily by forces beyond human control but, rather, by decisions and actions well within the capability of nations working individually and together.

The hunger problem—particularly in the developing countries, and even in the rich countries like the United States—is enormous. It affects hundreds of millions of people directly and, as a result, affects all of us in one way or another. If we continue to allow the problem to go unchecked, it will have even graver and deeper consequences than the energy crisis.

Despite the size and the severity of the problem, it is possible to eliminate the worst aspects of hunger and malnutrition by the year 2000 (less than 20 years from now!)—provided the United States and other countries make this a major policy objective. Doing so will require action in a number of areas—some of which are not yet widely recognized to be related to hunger and poverty. It will also require that two kinds of approaches be taken. In the short-run, it will require measures aimed at hunger directly, under conditions of continued poverty and underdevelopment. However, to overcome hunger on a permanent basis requires a concerted attack on the very causes of hunger—poverty and insecure food supplies—by helping developing nations to achieve rapid and equitable economic growth.

Alleviating Hunger In The Short Run

The short-term goal of alleviating the hunger of those who are poor is sometimes criticized as attacking the symptom rather than the disease. Yet it would be arrogant and unfair to talk only of preventing hunger in the future and to ignore the pain of those who suffer now. Taking immediate action to alleviate hunger even before poverty is eradicated involves four areas:

Ensuring that poor people are not hungry.

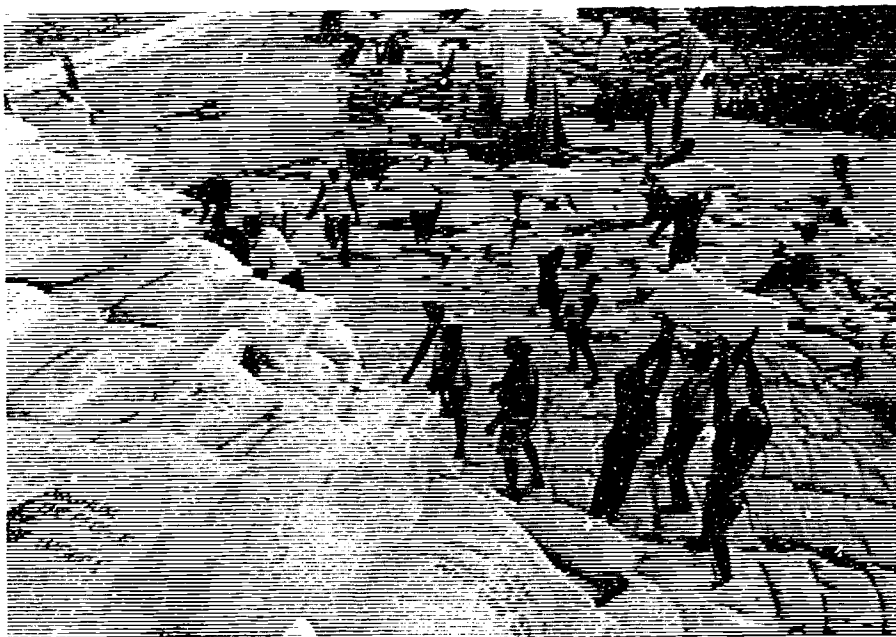
Food supplements and income supplements (on the model of the U.S. food stamp program, which enables participants to stretch their food dollars) can help the poor to obtain both more food and more nutritious food.

Assuring that infants and children are adequately nourished.

Malnutrition takes its greatest toll among infants and young children. For those who do not die from it, the adverse effects of malnutrition are lifelong. Nutrition programs directed at pregnant and nursing women and pre-school children can help to ensure that malnutrition will not impair the lives of yet another generation.

Eliminating diseases resulting from specific nutritional deficiencies.

Nutritional deficiencies currently devastate millions through such diseases as blindness, goitre, and anemia. These can be prevented in the near term—long before poverty is eliminated—through some very specific health and nutrition programs. Such programs can be implemented relatively quickly and inexpensively.



Providing disaster relief.

Effective international relief efforts undertaken in response to wars, famine, earthquakes, and other natural and man-made disasters can and do prevent mass starvation. To be effective, however, such efforts require food reserves, fast transport, efficient administration, and the cooperation by and with local authorities.

Building A World Without Hunger

In the long-run, hunger will be eliminated only when the poor countries have the opportunity to develop and when all countries work together to ensure that global food supplies are large enough to meet global needs. Building a world without hunger requires action toward four goals.

Equitable economic growth.

Even if the poorest countries achieve the highest economic growth rates possible between now and the year 2000, at least 470 million people will still be living in the conditions of stark poverty. Yet this figure could be reduced by at least 120 million (about the population of Japan) if these countries start increasing the share of income going to their poorest people. This would require policies in these countries specifically designed to meet the "basic human needs" of the poorest people by redirecting income from the rich to the poor.

Redistributing existing wealth.

Redistributing existing wealth is as important as redistributing income resulting from new growth. Redistribution, however, requires changes in existing economic and political systems. (Examples of such changes are land reform and the



creation of new jobs through expanded public services.) Because these actions are so politically difficult, such changes require extraordinary commitment from local leaders. Political, financial and technical support from the more developed countries can assist local governments to make the required changes

Producing enough food.

By the year 2000, the world will have at least six billion people, and nearly 8 out of every 10 of them will live in the developing world. The world has the physical capacity to grow enough food to feed all these people. Yet more food must be grown in the developing countries them-

selves. Since the poorest countries cannot afford to import all the food they need to feed their populations — and because the need for increased production is greatest in these countries—it is vital that they achieve significant increases in food production. This will require both reform in domestic agricultural policies and supportive international actions. At the same time, attention must be given to preserving the environment and to reducing the rate of population growth. To the extent that population growth is reduced, the burden of increasing world food production will be lightened. But population growth has such a strong momentum that the 50 percent expansion of world population by the year 2000 must be faced realistically and efforts to eliminate hunger must be planned with that fact in mind.

A system of world food security.

Achieving a world without hunger will require insurance against the variations in yearly food production that result when natural or man-made disasters (floods, droughts, earthquakes, wars) occur. Since the poor are inevitably the first to suffer when short-term shortages push food prices up, the world needs a system for raising and keeping prices at reasonable levels even when food production itself fluctuates. An international system of grain reserves would enable excess grain to be stored in years of abundance and made available during times of shortage.

A Question of Will

Eliminating at least the worst aspects of hunger requires commitment on the part of both developed and developing countries. To date, neither the developed nor the developing countries have given top priority to alleviating hunger or investing in agriculture in the poor countries. Domestic political problems, national security questions, industrial development, and improving armies and cities have often attracted more attention and resources in the developing countries than investment in agriculture, health care or education. Moreover, policies that have emphasized "modernizing" the economy rather than assuring that the benefits of development reach the poorest—and hungriest—people have often caused the gap between rich and poor to widen, rather than to narrow.

The rich industrialized countries have also not paid adequate attention to the alleviation of hunger. In setting their policies toward the developing world, the United States

and other developed countries have not given the elimination of hunger a high priority and have too often been guided by short-term security and political concerns. As a result, they have often paid more attention to training local military personnel than to educating teachers, farmers, scientists, economists and health care specialists.

While more countries are talking about hunger and meeting the basic needs of the world's people, words have not yet been translated into decisive action. Action must begin immediately both to alleviate hunger in the short-run and to build a world in which there is no hunger. While this requires commitment—and, in some cases, political, economic and social reform—by the developing countries themselves, the Presidential Commission on World Hunger has examined what the United States can do to assist in the process.

Food, Development And The International Economy

... [accepting] the moral and economic responsibilities for helping the hungry and the poor ... will require a willingness to reevaluate current policies, both private and public, in light of their impacts on world hunger.

Economic relationships among countries strongly influence the chances of meeting both the short-term and the long-term goals. While development assistance (a part of "foreign aid") is a very important ingredient in helping poor countries overcome their problems of hunger and poverty, and is crucial for alleviating immediate hunger, it is not the only, nor even the most important, form of economic activity between the rich and poor countries.

A continued dependence upon direct aid and development assistance would doom the developing countries to continued poverty. While greatly increased foreign aid could alleviate the immediate pain of hunger, it would not, by itself, bring about a world in which the threat of hunger is eliminated. The developing countries will only become free of hunger as a result of equitable and self-reliant development. Yet the pace and extent of economic development depends on far-reaching changes in the international economic environment. Among the major changes needed are increasing levels of international trade, adequate and appropriate investments, and systems which assure global food security.

Trade and Debt

Trade can make an important difference in poor countries' efforts to achieve self-reliant development. It can foster economic growth by providing larger markets for the countries' products, by creating more jobs, by making cheaper resources available, and by stimulating efficiency through competition. Imports provide products and technical abilities that are in short supply at home, while exports provide the foreign exchange needed to pay for those imports. Without enough foreign exchange, the developing countries are forced further and further into debt. Countries with too many debt obligations, just like individuals and families who have over extended themselves, sooner or later must cut back on even essential purchases.

The contribution that trade can make to economic growth—which is crucial to the long-term struggle against hunger—does not assure that the benefits of growth will actually reach the poor and hungry, but it does at least help to create the climate within which developing-country governments can act to eliminate hunger. As a leading trade power, the United States is in an ideal position to influence that climate.

More than half of the developing countries that do not export oil earn 50 percent or more of their trade income from sales of raw materials. Many countries depend heavily on only one or two export commodities, such as tea, cocoa, cotton, and rubber. This dependence on primary products makes these countries economically vulnerable, since the prices of these products—and often the developing countries' total earnings—vary widely from year to year. These sharp fluctuations often disrupt carefully planned investment and long-term development planning. Moreover, this dependence on primary products sometimes increases the temptation to grow more commodities for export, at the expense of food needed for local consumption.

World markets for many raw materials also expand far more slowly than the markets for manufactured products, causing many developing countries' purchasing power (that is, their ability to purchase certain goods) to decline sharply in recent years. Diversification of exports (i.e., depending on several products rather than on just one) would help to average out the effect of price fluctuations, since the prices of some of a country's exports are likely to be high while others, low. It would also allow investment capital to shift from one industry to another, without leaving the country, ultimately improving total earning capability.

The developing countries cannot solve the problem of fluctuating prices alone. Price stability will require binding agreements on raw

materials between the buying and selling nations. These agreements will often involve setting up reserves of the commodity so that enough will be available in times of shortage. To make price agreements and the accompanying reserves work, the United States and other rich, consuming countries must be willing to bear a fair share of their costs.

Some developing countries have already begun to earn more from sales of manufactured products. Between 1960 and 1978, the developing countries as a whole raised earnings from the sale of manufactured goods from \$8 billion to \$64 billion. The shift to manufactured goods has a number of advantages for developing countries: it reduces their dependence upon the export of raw materials, provides jobs for their landless unemployed, and—because the prices of manufactured goods are more stable and markets grow more rapidly—it increases their total earnings.

FACTS

... About U.S. Food Trade

- *More than half the grain that crosses international borders is from the United States.*
- *The United States provides 46 percent of the world's wheat exports and 25 percent of the world's rice exports.*
- *Developing-country imports of food from the United States rose from \$2 billion to almost \$10 billion in the past decade.*
- *Over half of U.S. wheat exports and nearly three-fourths of its rice exports go to the developing world.*
- *Although farm output makes up only 3 percent of the U.S. Gross National Product, it provides nearly 25 percent of its exports.*

However, some industries in the United States and other industrialized countries will be threatened, as the developing countries begin to capture a share of the richer countries' manufactured good markets. Textiles from Taiwan, shoes from Korea, and leather products from Brazil, all are in competition with American industries. In response to this challenge, the United States and other industrialized countries maintain high import taxes or other restrictions on products made in the developing world. These restrictions help to perpetuate a situation in which the developing countries provide less than one-tenth of the world's exports of manufactured products even though they have more than half of the world's people.

The greatest impediment to the expansion of developing countries' manufactured exports is not in the area of import taxes, which increase the cost of imports, but in the area of "quantitative restrictions," which put ceilings on how much of a given product the industrialized countries allow to be imported. The United States, for example, puts such restrictions on products ranging from color television sets to clothes pins. While developing countries, with their low labor costs, can sometimes overcome the effects of high tariffs, there is no way they can escape the impact of the industrialized nations' limits on how much of a given product may be imported.

The industrialized countries are confronted by a dilemma. If they allow cheap manufactured imports into their countries, they risk the closing of some industries, the loss of some jobs and increased dependence on other countries. If they limit imports, they deprive their own consumers of low-cost goods and the developing countries of improved export earnings. On balance, the benefits of imports greatly outweigh the costs, however, and the industrialized countries should therefore implement policies which will enable them to remain open to low-cost imports, but without putting a disproportionate share of the burden on the affected industries and workers. For the United States, this will require programs to "adjust" the economy to the changing requirements of international trade and domestic economic policies which insure balanced economic growth and full employment. The development of the poor countries must not be achieved at the expense of the jobs of the poorest workers in the United States and other industrialized countries.

While some developing nations have increased their earnings by exporting manufactured products, the export earnings of most poor countries have not kept up with the rising costs of their imports. As a result, those countries have had to borrow heavily to pay for their imports. By 1978, the total debt of the non-oil exporting developing world had increased to \$220 billion and was an estimated \$300 billion at the end of 1979. This is more than a threefold increase since 1973.

Before 1974, the problem of developing-country debt was not particularly severe. In that year, however, the combination of increased import prices — oil, in particular — and a recession in the industrialized world, which reduced poor countries' exports because the rich countries were buying less, forced the developing nations to borrow considerably larger amounts to keep their economies going. This increased borrowing now seriously threatens their economic progress. The present recession in the United States will only intensify the debt problem of the developing countries.

As the single largest government lender, the United States is in a good position to affect the debt position of many developing countries. The United States can reduce the government debt of selected countries, thereby automatically making increased funds available for development programs. We could also slow the build-up of future debt by making more U.S. foreign aid available in the form of grants rather than loans. U.S. action in the International Monetary Fund can also help developing countries with their debt and their hunger problems. The United States should use its influence in the Fund, which is an inter-governmental "credit union" to which most nations belong, to ensure that policies are properly designed to protect the interests of the poorest people in the borrowing countries:

Corporate Investment

In 1977, 20,000 affiliates of international corporations were operating in the developing countries. About half of these affiliates were American. These companies affect efforts to alleviate hunger through their involvement in national food systems and through their impact on employment, income distribution, and international trade. Of all the companies in the developing world, the agribusiness firms that produce plant and animal products and sell food, seed, fertilizer, and pesticides and the construction firms that build rural roads and irrigation systems have perhaps the most direct impact in the attack on hunger.

The international corporations can have either a positive or a negative effect on efforts to eliminate hunger, depending on the practices of the developing-country governments and the companies themselves. Such companies increase the amount of capital and credit available in the developing world, which, if properly used, can assist development efforts. The corporations also have access to international markets, technology, scientific expertise, and managerial skills. They can help the developing countries to modernize their food systems by building rural storage facilities, developing food-processing capabilities, or establishing food-fortification facilities to upgrade the nutritional value of traditional foods.

However, corporations sometimes badly undercut efforts to alleviate hunger and malnutrition. Some firms, for example, have converted valuable agricultural land to the production of products which poor people in developing countries usually can-

not afford to buy. Some have used sophisticated advertising techniques to promote products with little or no nutritional value, or have induced poor people to spend their meager incomes on products they cannot afford. Such actions may be highly profitable for the firms, but they work at cross-purposes with efforts to eliminate hunger and malnutrition.

Neither business executives nor developing-country officials realistically expect the activities of corporations to automatically increase the quantity or the quality of the food consumed by the poor. Rather, governments in poor countries that wish to attract foreign investment must create incentives that induce foreign firms to promote the development process, while the corporations should make good-faith efforts to respond to those incentives in ways which aid in the struggle against hunger.

Due to their size and management practices, small-scale U.S. firms may ultimately prove to be better economic partners for poor countries than the large corporations which now account for nearly all foreign investment. Yet small firms need assistance to make the contacts and to develop the experience necessary to identify investment opportunities abroad.

LESSONS FROM THE PAST

"Years ago, the United States entered into what was then called a 'War on Hunger.'

"... In recognition of the limits in manpower and money available through the public sector ... a major effort was made to enlist the participation of multinational agribusiness corporations. ... Results were meagre and ... while corporate investments in food-related enterprises grew overseas, they had little effect on the crisis of hunger and its twin, poverty.

"... Fundamentally, the mainstream of investment decision was not consciously and directly concerned with solving the hunger problem or benefiting the poor. On the one hand, investments focused on an existing market among those already free of the pressures of poverty ... on the other hand, investments were extractive and related to world trade directed toward the advanced countries: in sugar, cocoa, coffee, spices, oilseeds, fruits, and grain, essentially."

"This is not to insinuate that to serve a market anywhere, U.S. corporations should hesitate to compete for profit. Nor is it intended to downgrade the positive impact on national development that often accompanies international investment, such as creating jobs and training the unskilled; earning foreign exchange and broadening the tax base. ... However, these indirect benefits filter too slowly or not at all into the stomachs, pocketbooks, and daily lives of the multitudes on the sidelines.

"Past experience, then, has taught us this: if international agribusiness does accept ... responsibility to organize any part of its resources with intent to help relieve world hunger and poverty, then it must realize that the traditional manner and types of investment are not adequate to do the job."

Excerpted from an article by:
Simon Williams, Director
Center for Agricultural and Rural
Development
Fort Collins, Colorado;
in *Agribusiness Worldwide*,
September/October 1979

In deciding whether to attract foreign investment, developing governments must give attention to the question of "who benefits, and at what cost?" They must determine whether proposed investments will have positive or negative effects on their poorest and hungriest citizens.

When a government is committed to improving the welfare of its people, corporations may be able to contribute to the fight against hunger by providing appropriate technology — particularly efficient production systems, food-processing techniques, research, and organizational skills — and by assuming some social and community costs. But corporations operating in poor countries must be prepared to allow more time for returns on their investments and include concerns about the social ef-

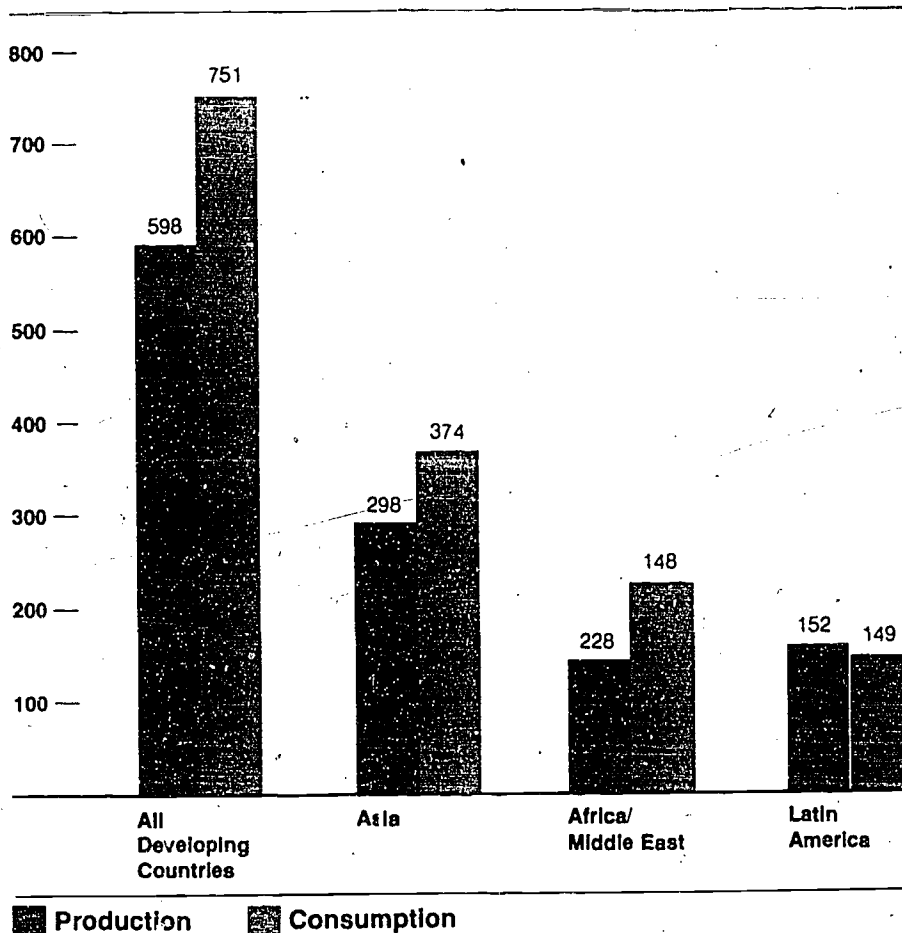
fect of their activities as a part of "doing business" in such countries. (Right now, profits from foreign operations are twice as large as profits on domestic investments.) In the final analysis, corporations are not going to provide a "quick fix" to the world hunger problem. They should be encouraged to help developing countries modernize their food systems. But this is not likely to have direct benefits for the malnourished poor — especially where there is little profit incentive for companies to develop cheap and nutritious foods. It is important that corporations and the developing country governments recognize that they must work together for mutual benefit.

World Food Security

In the United States, the average family spends less than 20 percent of its budget on food and much of this is spent on the more expensive sources of nutrition (dairy products, meats and fruits). When prices rise, U.S. consumers can simply turn to cheaper varieties (for example, ground meat or poultry — or even bread — in lieu of more expensive cuts of meat). They may not be happy about having to change their diets, but most people will not face starvation.

In the developing countries, though, where most people are already consuming inadequate or barely adequate levels of grain, price increases resulting from production shortfalls can be devastating. People are affected by shortfalls which occur in their own countries or in other producing countries from whom they import. True world food security will exist only when the poor have incomes that allow them to sustain themselves during price in-

The Food Needs Of The Developing World In 1990
(million metric tons cereal equivalent)



Source: Based on International Food Policy Research Institute, Research Report 3, Tables 5 and 8

creases due to temporary shortages. Until the long-term process of development brings this about, however, the world must prepare itself for times of hardship by implementing a number of measures: to store food, to improve its food aid, and to protect its agricultural resources. As the world's largest international grain trader, the United States has a major role to play in each of these concerns.

Grain Reserves

The major goal of a grain reserve system should be to reduce the risk of hunger anywhere in the world through a system of international, national, and regional reserves. Such a system would protect farmers from low prices in periods of oversupply and would protect poor consumers from hunger when shortfalls in supply would otherwise put prices out of reach.

The United States is currently involved in three separate efforts at building reserves. The U.S. *farmer-owned grain reserve*, instituted in 1977, was designed to stabilize domestic farm incomes. It also helps developing countries in two ways: by providing a degree of price security in time of scarcity for poor countries and by helping to ensure that farmers in poor countries are not inundated by low-priced grain in periods of U.S. oversupply. According to most estimates, the amount stocked is only a small proportion of the amount required to provide "reasonable" world security.

A second U.S. effort to build grain reserves is found in proposals for an *emergency wheat reserve* to backstop P.L. 480 programs. At present, funds appropriated for the U.S. food aid program (P.L. 480) tend to remain relatively stable from year to year. This means that the amount of food shipped declines when prices are forced up by shortages, just when the poorest countries are in greatest need. Several bills now pending in Congress attempt to address this problem by creating a small wheat reserve — some four million tons — to supplement the regular P.L. 480 program. These stocks would be released only for purposes of emergency assistance to developing countries when supplies are otherwise unavailable.

The third U.S. effort to build a grain reserve is through participation in the negotiations for an *International Wheat Agreement*. The idea is to create internationally coordinated, but nationally controlled, reserves. However, the discussions have stopped on the issues of how much grain to stock, at what prices grain should be bought and sold, and what kinds of special provisions should be made available to the developing countries. Concluding this agreement would be an important step toward a global reserve.

Food aid

The 1974 World Food Conference set an international target of making 10 million tons of food available to the developing world annually. So far that goal has not been achieved, although in 1978, commitments reached nine million tons. This nine million tons of food aid represented about one-fifth of the grain imported by the developing countries. The United States contributed more than half the total and has already promised to make an equivalent amount of food aid available each year.

U.S. farm policy

Because the United States is a major world food supplier, its farm policies can greatly affect production and consumption in the developing world. Sometimes the interests of the United States and the developing world will coincide. When they do not (for the United States also has many domestic considerations that guide its farm policy), the United States should adopt strategies that will prevent domestic policies from adversely affecting poor people in poor countries.

U.S. farm policy can help or hinder the availability of food in the world in a variety of ways. First, the United States can continue to work toward stabilizing prices in its own grain market. Stability in the U.S. market will contribute greatly to price stability in world markets. Second, the United States can remain open to competition from foreign producers who may be able to produce some products more cheaply than U.S. farmers. Third, the United States can implement policies to increase the strength and viability of its farm system. Historically, the small- or medium-sized family-run farm in the United States has been more efficient than larger corporate farms. Domestic policies which support and encourage viable family farm enterprises will do much to maintain high levels of U.S. agricultural productivity.

Finally, the United States can contribute to world food security by protecting its farm system against environmental damage — particularly the loss of its soil and water supply. The United States currently loses about three million acres of rural land each year to homes, factories, roads, and other uses, forcing farmers to cultivate the more marginal lands. In addition, soil erosion claims a considerable amount of land each year, and the country's water supply is being depleted at the rate of 21 billion gallons per day. Only a portion of the water loss is renewable through rain and melting snow. In order to meet food needs now and in the future, the United States must become more committed to good conservation policies.

Development Assistance

Even today when Americans think about U.S. relationships with the developing countries, they generally think about foreign aid. Just what is foreign aid? How does it help the recipient countries? How could it help them to alleviate hunger and malnutrition?

After World War II, when government-to-government assistance programs were first initiated, the United States was by far the largest donor of foreign aid. Today the United States is still the largest donor in absolute amounts, but, measured as a percentage share of wealth or Gross National Product, the United States ranks behind 12 other donors. U.S. development assistance has dropped from 2.7 percent of GNP in 1949 to 0.27 percent in 1979 — one-tenth of what it was 30 years before and less than one-half of one cent of each tax dollar. Currently, the United States spends 20 times as much for defense as for foreign assistance.

For a number of reasons, even the limited funds that are allocated for foreign assistance are not used as effectively as they might be to combat hunger, because our development assistance is neither clearly focused nor appropriately organized to attain that goal. Most U.S. foreign policymakers still view foreign aid as a tool for promoting short-term political objectives. Therefore, the largest share of our development assistance budget goes to countries that are political allies of the United States — regardless of their relative economic need or their commitment to equitable development. But because many

of the poorest countries with the largest numbers of hungry people do not directly threaten U.S. national security, they receive far less U.S. aid than they really need.

Moreover, no single agency within the Government presently has authority over all development-related activities. Decision-making power over these activities is shared among departments and agencies that have quite different — and often conflicting — goals. In October 1979, the International Development Cooperation Agency was established to coordinate U.S. development programs and policies. However, bureaucratic power struggles have prevented the new agency from obtaining sufficient authority over important activities having the greatest development impact.

U.S. assistance programs often are designed to benefit the United States as much as recipient countries. For example, recipient countries are frequently required to purchase goods from the United States rather than from cheaper and more convenient local suppliers. About 75 percent of U.S. assistance has this restriction, which greatly reduces the overseas impact of each foreign aid dollar. Finally, the yearly U.S. budget cycle works against rational long-term planning. Multi-year development assistance funding would improve the planning, implementation and evaluation of individual programs.

FACTS

... ABOUT DEVELOPMENT ASSISTANCE











- *The United States — once the largest foreign assistance donor — now gives less than 12 other countries, when such assistance is measured as a share of Gross National Product.*
- *The United States currently spends more than 20 times as much on defense as on development assistance.*
- *In 1978, the people of the United States lost more money at the gambling tables in Nevada than we gave in our development assistance programs.*

The U.S. development assistance effort already contributes to the war on hunger in three important ways, but there is also room for improvement in each of these areas.

Providing technical assistance or U.S. expertise.

Training government planners, middle-level managers, local research scientists, and extension agents; expanding the agricultural infrastructure; and developing alternative agricultural policies are all examples of U.S. technical assistance. In providing such assistance, however, U.S. officials should keep in mind that the true goal is to improve the lives of people, not simply to transfer U.S. technology to the developing world, nor even to increase food production in general. Rather, the basic objective is to help in all activities that improve self-reliance and lessen dependence on others.

**U.S. Development Assistance Compared To Expenditures For
Selected Items of Personal Consumption—1978
(\$ billion)**

Alcoholic Beverages		30.9
Tobacco Products		17.9
Household Cleaning Supplies		16.4
Toys and Sport Supplies		11.7
Foreign Travel and Tourist Expenditures Abroad		11.6
Jewelry and Watches		9.3
Admission to Spectator Amusements		7.4
Barber Shops and Beauty Parlors		5.9
Official Development Assistance (ODA)		5.7
Brokerage Charges and Investment Counseling		5.5

SOURCE: Department of Commerce

Increasing the earnings opportunities of the poor.

While creation of jobs is largely dependent on policies by individual governments, external assistance can have beneficial effects. U.S. assistance programs can encourage the use of capital-saving, labor-intensive technologies, particularly in the food-supply and rural-development sectors.

Increasing food consumption and nutritional levels among the very poor.

The majority of the world's hungry people are unemployed and have little or no land. Therefore, they will benefit only indirectly from efforts to increase food production. Until enough jobs are created so that people can earn the money to feed themselves and their families, development assistance programs can provide some measure of immediate

relief from hunger and malnutrition. These activities include, for example, programs to feed school children, pregnant and nursing women; nutrition education programs to correct harmful feeding habits; efforts to fortify local foods with necessary vitamins and minerals; and complementary programs to provide primary health care.

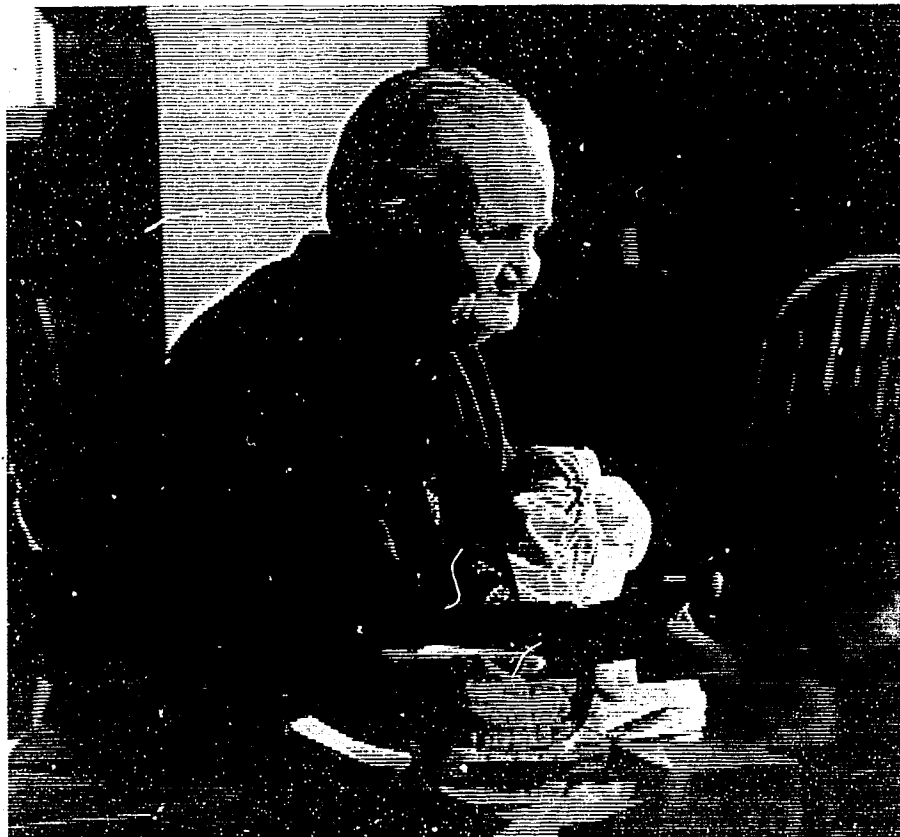
The United States does not provide development assistance only on a bilateral or country-to-country basis. About 30 percent of its assistance is given on a multilateral basis; that is, it is given to various international agencies such as United Nations agencies and development banks that, in turn, have programs in many countries. Many developing countries prefer this type of assistance, because it enables them to avoid feelings of dependency. Donors have also come to recognize that this type of assistance has many advantages. International agencies can work in countries where bilateral programs are not welcome, or on projects (for example, agrarian reform and administrative improvements) where bilateral aid is greeted with suspicion. While multilateral organizations also face technical difficulties in reaching the poor and hungry, they nevertheless are important vehicles for overcoming hunger and poverty. Many of them have proven to be effective in efforts to eliminate hunger and malnutrition and deserve the active support of the United States and other developed countries.

Overcoming Hunger at Home

... despite the abundance of food produced by American farmers, pockets of poor, hungry people can still be found in the United States.

If the United States is to make the elimination of hunger the major focus of its relationships with the developing world, then we must also deal with hunger and malnutrition at home. The U.S. "war on hunger" did much in the last decade to reduce the number of people suffering from hunger and hunger-related problems. Yet there are still hungry people in this country. The problem is particularly severe among migrant and seasonal farmworkers, Native Americans, and the elderly. In the United States, as in the developing countries, it is

In the last ten years, the United States has spent nearly \$50 billion on domestic food assistance programs. Federal funding for such programs has increased from \$1 billion in 1969 to \$10 billion in 1979. The Food Stamp program alone, the largest domestic program aimed at the hungry poor, reaches over 18 million Americans. In 1979, this program cost \$6.9 billion. The other major domestic food programs are the Women, Infants and Children (WIC) program, the Elderly Feeding programs, and the School Lunch program.



These programs have already contributed to the nutritional intake of the poor. Malnutrition and infant mortality rates have declined. Children of mothers in the WIC program have shown improved growth and fewer cases of anemia. Children in the School Lunch program are more attentive and more able to learn. And for many, the Food Stamp program provides just enough extra income to lift them above the poverty line.

In spite of such improvements, the programs are limited. The WIC and the Elderly Feeding programs do not provide service for all who need it, because the funds are insufficient. The Food Stamp program provides a benefit of only 36 cents per person per meal. In all these programs, local officials may try to prevent access rather than to encourage participation, and those who are eligible often do not have adequate information or are embarrassed to apply. Only about 60 percent of those who are eligible actually take part in the Food Stamp program. Significant improvements in nutrition could be achieved simply by expanding participation in programs that already exist.

No single source of information about hunger and nutritional patterns in the United States exists in the U.S. Government, making it very difficult to design an effective anti-hunger campaign. Yet such information, if it existed, could be used to fight hunger among the poor as well as to educate all Americans about the relationship between nutrition and health.

Until recently, even the well-educated and the well-to-do, with ready access to health care, paid very little attention to the relationship between diet and such diseases as heart disease, diabetes, arteriosclerosis, and cancer. Nor, for that matter, did health care professionals. Today, however, we know that too much fat, cholesterol, sodium, or alcohol can lead to illness. Money spent on educating Americans about how nutrition affects health is likely to save future medical costs. Helping the poor to maintain nutritious diets is also likely to be less expensive than the future medical costs of treating diseases resulting from poor diet.

FACTS

... ABOUT HUNGER IN THE UNITED STATES

- In a recent two and a half year period, inflation increased 23 percent, yet the incomes of Food Stamp households increased less than 7 percent.
- Annual income of migrant workers is less than \$4,000. For seasonal farm workers who do not migrate, it is less than \$3,000. Less than 10 percent receive any form of public assistance.

- Life expectancy is 49 years for farm workers, compared with a national average of 72 years. Infant mortality for farm workers is more than three times the national average.

Inflation hurts all Americans, but the hungry poor suffer the most. Erosion of the dollar's purchasing power and rising food prices reduce the amount of food the poor can buy. Just when the poor need additional help from Federal programs, middle-class and wealthy Americans may resent allocating additional funds to feeding programs. Private citizens and groups have critically important roles to play in keeping hunger issues in the public mind and in monitoring local anti-hunger programs.

Federal assistance programs immediately improve the nutritional status of participants but do not help people obtain jobs and adequate incomes to continue to purchase a nutritious diet. A strong, balanced U.S. economy is needed for that. Policymakers need to develop a plan for balanced growth and full employment to use the skills of all Americans.

The Need For Public Education

... few Americans are aware of how much other nations are doing in development assistance or of the extent to which U.S. aid has declined since Marshall Plan days.

Many Americans are not yet aware of the extent or severity of the hunger problem in either the developing countries or the United States. Polls sponsored by the Commission show that the American public is sympathetic to the suffering of the hungry and poor, though uncertain about the measures needed to eliminate the problem.

The need to educate the American public about the complexities of hunger and its relationship to agricultural production and food supply is critical and increased understanding of the entire food system is essential. Risks dealing with weather, costs of production as well as investment requirements are little known or understood by the American public, which is totally dependent upon the U.S. food system for their food supply. In addition, the major role that agricultural production plays in the U.S. economy and its effects on balance of payments and export earnings is barely known by most Americans. Consequently, the Commission believes that a major effort to better educate the American public about the complexities of hunger is extremely important. Once Americans can better understand the causes and effects of world hunger, the United States can take the lead and work towards a final alleviation of the problem.

Why Should The United States Care About World Hunger?

... failure to assure adequate world food supplies will have far more serious global implications for the future than even the current energy crisis.

Most (but not all) of the world's hungry people live outside the borders of the United States. They do not vote in our elections or participate in our economy. Many of us may never have direct contact with poor and hungry people overseas. While it is clear that we, in the United States, have a moral obligation and special capability to work actively and vigorously toward eliminating world hunger wherever it exists, it is also in our own national interest to do so. In view of the combined humanitarian, political and economic interests at stake, the *major recommendation* of the Presidential Commission on World Hunger is that *the United States make the elimination of hunger the primary focus of its relationships with the developing countries, beginning with the decade of the 1980s*. Living up to this commitment, however, will not be easy. It will require action in all of the areas related to the world hunger problem.

Moral Obligation and Responsibility

The right to food is the most basic right of all. If we are truly committed to the cause of human rights, we must exercise initiative and leadership and work to eliminate world hunger. The United States has long been committed in rhetoric — if not always in its actions — to eliminating hunger both in this country and in other places. Following through on past promises will be the strongest possible proof of our renewed dedication to human rights.

Moreover, as the most powerful actor in the world's increasingly interdependent food system, the United States is in a particularly good position to take the lead. More than half the grain that crosses international borders has been harvested in the United States. U.S. grain reserves are the largest in the world, and the United States has high levels of agricultural productivity, advanced technologies, and extraordinary market power — all of which also confer responsibility to act in ways that will have beneficial, rather than detrimental, effects on the world's hungry.

U.S. Economic Self-Interest and National Security

A vigorous attack on the world hunger problem will have a positive effect on both the national security and the continued economic vitality of the United States.

Hunger is only one of a number of global issues which aggravate relationships between the developed and the developing countries. Like widespread hunger, the growing

scarcity of energy and other non-renewable resources, environmental hazards, the pollution of the seas, and international terrorism are all global problems that threaten national security as much as military confrontation. The developed and developing countries have been hostile to and suspicious of one another during various global conferences held in recent years. The developing countries have looked at developed-country proposals for regulation in these areas as simply new attempts to keep the poor countries from improving their economic situations. The United States and the other developed countries, on the other hand, have been afraid that if they "give in" to demands by the developing countries for a greater voice in international decisions they will lose too much.

Unless we begin to find ways of resolving these tensions, we face the likelihood of increasing chaos and belligerence from large segments of the world. Because hunger offers the most powerful point for attacking the many problems related to poverty and underdevelopment — and because the United States is in an excellent position to provide leadership in solving the hunger problem — U.S. action could contribute greatly to solving the current deadlock between the two economically diverse groups of countries. The developing countries are likely to respond positively to the issues of importance to the United States, if we respond quickly and cooperatively on this issue of critical importance to them.

The U.S. economy will also benefit from a concerted attack on worldwide hunger. It is more and more evident that for the international economic system to be healthy and growing, all countries must be able to buy and sell products. In order to buy American products, other countries must be able to earn needed foreign exchange by selling their own products. The more rapidly the agricultural and industrial sectors of the now-poor countries develop, the sooner they will be able to participate fully in international markets.

Some people fear that if the economies of other countries grow, American farmers and industry workers will lose their jobs because consumers in the United States and elsewhere will buy imports rather than equivalent American products. There will be some short-term costs. But over the long term, if other countries can produce particular goods more cheaply than the United States, Americans will benefit. It will dampen inflation by making more low-cost goods available and will ensure that other countries are able to purchase those products in which the United States is more competitive.

American farmers will continue to benefit even when other countries greatly increase their own agricultural productive capacity. The United States depends on world markets to maintain its strong farm economy. American farmers export two-thirds of their wheat, half their rice and soybeans, and a quarter of their corn and other coarse grains. In fact, even though farm products represent only 3 percent of the country's GNP, they represent nearly 25 percent of U.S. exports. Many of these products are purchased by the developing countries. Studies show that these countries will continue to import increasing amounts of food (because of population growth as well as changing food consumption patterns), even as they increase their own agricultural output.

Neither the United States nor the rest of the world can afford another food crisis like that of 1972-74. But if food production is not improved in the world as a whole, and in the poor countries in particular, another food shortage could have serious consequences for all countries and could be more devastating than the current energy crisis. In the developed countries, it could cause prices to skyrocket. In the poor countries, it could push millions more to the brink of starvation.

The Need for Action

Eliminating at least the very worst aspects of hunger by the year 2000 is possible — if the United States and others make it a major policy objective. We have the technical know-how and the resources to do so. What we lack is the political will to act upon this commitment with sufficient vigor.

Eliminating hunger will not be an easy task, however. Nor will it be accomplished just by growing more food on American farms to ship overseas. In the short run, more foreign aid and more food aid are needed to keep the poor from starvation and to make sure that children born today do not suffer lifelong harm from early malnutrition. But these are palliatives to keep the problem from getting worse. They are not genuine, long-lasting solutions.

Over the longer term, hunger can be eliminated only by eliminating its causes — poverty and insecure food supplies. This requires that the poor countries increase agricultural productivity and develop in ways that allow them to distribute the gains from development equitably throughout the population. Achieving such equitable and self-reliant development is to a large extent the task of the poor countries themselves. But they cannot do it alone. The actions of the rich countries — and of the United States in particular — have important effects on whether and how well these countries develop.

How much we export to and import from the developing countries; what kinds of things we export and import; what kinds of investments our large corporations make and how much return they get from those investments; and how much grain we, the "breadbasket of the world," are willing to store for hard times — all of these can have either a positive or a negative effect on the world's hungry. What the U.S. Government and private industry do (or don't do) will greatly affect the lives of millions of people in the poor countries.

Recommendations for U.S. Action

The United States should make the elimination of hunger the major focus of its relationships with the developing world.

This decision—this commitment—will require action in the following areas:

Trade and Debt

In its trade and debt relationships with the developing countries, the United States should:

- 1) enter agreements to stabilize the earnings of countries that produce essential raw materials;
- 2) work with other countries to reduce the restrictions that keep many developing-country manufactured products from entering the market of the United States and other countries;
- 3) pass legislation to make more assistance available to workers and firms negatively affected by imports;
- 4) "wipe out" the debt currently owed by the poorest developing countries in order to let them use the funds for development projects;
- 5) give the poorest developing countries more U.S. assistance in the form of grants and less in the form of loans;
- 6) encourage the International Monetary Fund to require countries receiving loans to do all they can to meet the needs of their poorest people.

Corporate Investment

To ensure that investments made by private U.S. companies do not harm, but aid, in the fight against hunger and poverty, the United States should:

- 1) encourage cooperation between developing countries and U.S. investors, especially small firms;
- 2) support U.N. efforts to set up standards of conduct for multinational companies in developing countries;
- 3) convene a meeting of corporate and agribusiness executives to discuss corporate assistance in the elimination of world hunger;
- 4) take measures to increase the amount of information available about food supply and demand.

World Food Security

To ensure that there are adequate food supplies even during times when production is low, the United States should:

- 1) support the creation of a global food reserve as well as the efforts of individual countries to create their own reserves;
- 2) increase the level of the U.S. farmer-held reserves;
- 3) establish an emergency wheat reserve as a back-up to the Food Aid (P.L. 480) program;
- 4) pursue a strong U.S. agricultural system by encouraging small- and medium-sized farms and by emphasizing conservation of soil and water resources.

Development Assistance

To ensure that development assistance goes to the countries and people who need it most and ensure that it is as effective as possible, the United States should:

- 1) give more authority about development-related decisions to the Director of the International Development Cooperation Agency;
- 2) immediately double the level of U.S. development assistance. The aim should be to give 0.7 percent of GNP (about three times the current level);
- 3) give assistance primarily to countries committed to meeting the basic needs and rights of their people;
- 4) put more emphasis on nutritional goals;
- 5) direct more research toward improving agriculture in the developing countries (whose climate, soils, and environmental conditions are very different from those in most developed countries, for whom most agricultural research currently is done);
- 6) increase U.S. support for multilateral institutions (e.g., the World Bank and specialized U.N. programs) that have proven to be effective and that have the potential for being more effective in efforts to alleviate hunger and poverty;
- 7) improve the U.S. Food Aid program by giving food to countries on the basis of need rather than political ideology and in ways that reinforce self-reliant development.

Domestic Hunger

A commitment to ending world hunger must be accompanied by a commitment to ending hunger in the United States as well. Toward this end, the United States should:

-
- 1) systematically assess the nutritional status of American citizens;
 - 2) put more emphasis on preventive health;
 - 3) increase funding of the Food Stamp program and other domestic feeding programs;
 - 4) take measures to increase participation in these programs;
 - 5) adopt a national economic development policy.

Public Education

To work, the recommendations listed above must have the support of the American people, many of whom are not yet aware of the extent or severity of the hunger problem in either the developing countries or the United States. Polls show that the American public is sympathetic to the suffering of the hungry and poor but uninformed about the kinds of measures needed to eliminate them. Therefore, in order to rally long-term support for U.S. efforts in this area, the United States should establish an organization to educate and inform the American public about hunger and malnutrition.

What You Can Do As A Concerned Citizen

Inform yourself about world hunger because hunger affects the quality of life and security of the United States, your community and your family. Become knowledgeable about the causes of hunger at home and abroad.

Join a community group that is doing something about hunger at home or abroad such as a neighborhood organization, a civic group, a church group, or an advocacy group for a specific program such as School Lunch. *Who's Involved in Hunger* is available for purchase from World Hunger Education Service, 2000 P St., NW, Washington, DC 20036.

Form a group for study or action if none exists in your community. Consult *Who's Involved in Hunger* for groups who can provide information on how to set up a study or action organization.

Find out what resources your library has on world hunger and ideas about how to end it. Find out what resources your school libraries have for different ages. Recommend readditional resources.

Ask your school officials to include programs on world hunger in their own professional meetings and in assemblies for students. Ask that world hunger issues be included in the school curriculum.

Meet with local officials to find out about hunger in your community, what programs are available, what the problems are. Ask what local government is doing to end hunger. Discuss how world hunger affects your community.

Visit local programs to see how they work. Talk with administrators of programs to find out what progress is being made and what the problems are. Some programs you may want to see in action are: Food Stamps; School Lunch and Breakfast; Women, Infants and Children; and Meals on Wheels.

Find out if local businesses have non-profit foundations that could fund educational activities on world hunger, such as public meetings, seminar series, or action projects. Many businesses and corporations have set up such foundations as part of their public relations effort.

Support local food banks or other food distribution programs, by providing personal time, financial assistance or food. Find out who could use the food bank but does not now participate. If no food bank exists, establish one. For assistance contact: Second Harvest, National Food Salvage Network, 1001 North Central, Phoenix, AZ 85004 or (602) 252-1777.

Ask your Senators and Representative what they are doing to end hunger at home and abroad. Ask if they have read the Report of the Presidential Commission on World Hunger and what views they have on the Report's recommendations. Ask for legislation that has been introduced and read it to become informed about the issues. Find out how much money is being spent to end hunger in relation to other items in the Federal Budget both abroad and here at home. Ask for information about U.S. programs and which agencies to contact for more information.

Ask local editors to include world hunger issues in the newspaper, on the radio and on local television. Offer to provide information or to be a guest on a program.

Arrange meetings on world hunger issues to help inform fellow members of groups in which you already participate, such as civic organizations, social clubs, church classes or school organizations.

Donate money to groups involved in ending hunger in your community or overseas. Use *Who's Involved in Hunger* to locate names and addresses of groups working in other countries and in various parts of the United States.

Write to a group working overseas to find out what they are doing to help end hunger -- not just through food aid, but by helping nations grow more of their own food or increase their ability to buy food from others. Find out what their group is doing to improve the diets of the poorest people. *Who's Involved in Hunger* provides names and addresses of many groups working overseas.

MAJOR RECOMMENDATION

The Commission recommends that the United States make the elimination of hunger the primary focus of its relationships with the developing countries, beginning with the decade of the 1980s.

UNITED STATES EFFORTS TO IMPROVE THE INTERNATIONAL ECONOMIC SETTING FOR COMBATTING HUNGER

Trade and Debt

The Commission recommends that:

The United States support continuing international efforts to create price-stabilizing agreements for those commodities of particular interest to the developing nations. In particular, this country should be prepared to accept an equitable share of the costs of maintaining buffer stocks which might be required by the agreements and should adopt an affirmative attitude towards the producers' price concerns;

The United States press for an early reopening of multi-lateral trade negotiations, under the General Agreement on Tariffs and Trade, with a view towards seeking further reductions in tariffs against manufactured goods, especially those labor-intensive products of most interest to the developing nations.

The extension of Generalized System of Preferences privileges be put on a sounder footing by extending such benefits on a fixed-term, multi-year basis; the Commission further recommends that the present list of eligible products be expanded to the maximum extent possible under existing Executive authority;

The United States take an active role in the continuing General Agreement on Tariffs and Trade negotiations aimed at limiting the conditions under which quantitative restrictions may be imposed against another country's exports; the Commission further recommends that this country move, in upcoming negotiations, to ease any such limitations to which it is a party; finally, the Commission recommends that the Congress and Administration act to forestall domestic pressure for such limitations by extending specially targeted trade adjustment assistance programs to industries and localities particularly hard hit by new influxes of imports;

The Senate speedily approve, and the Administration support, H.R. 1543, the Trade Adjustment Assistance Act of 1979, without weakening amendments. The Commission also recommends that the Congress appropriate the funds necessary for full implementation of the Act and urges the Department of Labor and the various state governments to take those steps necessary to assure prompt and efficient delivery of benefits and services provided for under the Act;

The United States Trade Representative press for inclusion of a code of minimum labor standards within the framework of the General Agreement on Tariffs and Trade, which would provide an appropriate forum for discussion and resolution of disputes; the Commission further recommends that the International Labor Organization be designated as the fact-finding agency for disputes coming under terms of the code;

The authority granted the President under existing legislation to allow the least developed countries to place amounts owed this Government into local currency accounts for development purposes be extended to apply to all non-oil developing nations; the Commission further urgently recommends that the Congress appropriate the necessary funds to make implementation of these provisions possible;

The Congress eliminate restrictions which limit the President's authority to provide development assistance to the "relatively least developed" nations on a grant basis; the Commission further recommends that the President use existing legislative authority to increase the proportion of aid provided as grants, consistent with maximizing the development impact of available resources; and,

The Congress, in connection with the bill to increase the U.S. quota in the International Monetary Fund, adopt provisions instructing the U.S. representative to the Fund to use his/her influence and authority to safeguard the basic human needs of the poorest people in the borrowing nations. In particular, the Commission supports the amendment to that effect which has been offered by the Chairman of the House Banking Committee.

Corporate Involvement

The Commission recommends that:

Non-profit foundations, in cooperation with the private sector and representatives of developing countries, establish a non-governmental clearinghouse to encourage mutually-beneficial collaboration between developing countries and U.S. investors, particularly small firms, in the food and agriculture sector;

The United States fully support current United Nations efforts to prescribe standards for investment on the part of international corporations in developing countries, and that U.S. representatives insure that these standards include balanced requirements for both the corporate investor and the developing country. Congress should consider adopting appropriate sections of the proposed U.N. code of conduct as U.S. law;

The President call a meeting of major corporate and agribusiness leaders to personally encourage such industry representatives to provide their own views to the President and the public on international corporate investment in developing countries, with particular emphasis on corporate responsibility and action in the eliminations of world hunger; and,

The U.S. Department of Agriculture and the FAO take additional steps to increase the flow of public information dealing with food supply and demand conditions of both an emergency and commercial nature.

World Food Security

The Commission recommends:

The United States press for an early resolution of issues impeding the establishment of a global system of reserves, and support the efforts of developing countries which might wish to create their own reserves;

The maximum stocking level of the U.S. farmer-owned reserve be increased to 30 million tons of wheat and, that the price at which farmers are allowed to sell their reserve holdings be set at a level to preserve the reserve for major international emergencies and to assure farmers an equitable return on their labor and investment;

The United States establish a Government-held reserve to support P.L. 480 commitments; and,

U.S. farm policy be directed toward enhancing farm structure whereby producers operating small- and medium-size, economically productive farms will be assured an equitable return on their labor and investment comparable to returns to other sectors of the economy, and that the Department of Agriculture put greater emphasis upon the conservation of soil and water resources, particularly during periods when maximum productivity is a goal, for the purpose of assuring a strong agricultural system.

UNITED STATES EFFORTS TO COMBAT HUNGER THROUGH DEVELOPMENT ASSISTANCE

The Commission recommends that:

The International Development Cooperation Agency be significantly strengthened and that its Director be accorded Cabinet-level status, so that the objectives of ending hunger and providing equitable economic development can be more effectively integrated into U.S. foreign policy and planning;

The United States move as rapidly as possible toward the United Nations' goal of 0.7 percent of Gross National Product as this nation's net disbursement of concessional economic assistance. Appropriations for this purpose should be made available on a multi-year basis, independent of Security Supporting Assistance, and "untied" from narrow domestic economic interests;

U.S. development assistance be targeted selectively at poor nations strongly committed to meeting basic human needs and rights, as determined by the application of existing effectiveness criteria;

AID strengthen its own agricultural and managerial competence while simultaneously expanding its reliance on appropriate intermediary organizations for the design and delivery of technical assistance. The Commission further recommends that AID give far more attention to nutrition as an integrating theme for its program activities in agriculture, health care, education and family planning;

Federal, state and university funding be increased for internationally oriented research on food and nutrition, and accompanied by a corresponding commitment to redirect U.S. scientific talent toward the food and development problems of the developing countries through programs designed to help create or strengthen indigenous agriculture and research institutions in those countries;

The United States should support agrarian reforms both directly and indirectly through bilateral and multilateral food and development assistance programs. It should also support a multilateral institution or arrangement that would provide capital and technical assistance to facilitate changes in inequitable land tenure patterns;

The International Development Cooperation Agency and the Agency for International Development should give increased emphasis to integrated policies and programs to improve the employment and income earning opportunities of the poor, starting with, but not limited to, the food supply sector. The Commission further recommends that the Congress, in legislation, and IDCA, through appropriate policy directives, give explicit recognition to the development and dissemination of capital-saving technologies as an important program area;

The United States continue to support changes within World Bank practices that facilitate the meeting of basic needs, encourage sensitivity to structural concerns and increase the U.S. contribution to the Bank's supply of capital for concessional loans to the neediest nations;

The United States give far higher priority within its overall development assistance efforts to implementing requests for help in planning, financing and carrying out nutrition interventions designed to meet the chosen nutritional targets of individual nations;

Congress undertake a complete revision of the P.L. 480 Food for Peace program—to enable the program to accord more closely with the New Directions approach to development assistance; and,

The United States strengthen its professional and financial inputs to selected U.N. programs and agencies with proven effectiveness in efforts to alleviate malnutrition, hunger and poverty.

DOMESTIC HUNGER AND MALNUTRITION: OVERCOMING HUNGER AT HOME

The Commission recommends that:

The United States Government undertake a systematic effort to assess the nutritional status of American citizens, and that the President direct the Secretary of HEW* to immediately establish a National Nutrition Surveillance Program to coordinate nutrition surveillance activities with other Departments and agencies involved in nutrition programs; and that health care legislation provide greater emphasis upon preventive measures like nutrition that would appear to be more cost saving than the current approach to deal with the after-the-fact treatment and recovery;

The Administration and the Congress act to remove the expenditure limit on Federal funding for Food Stamps, to increase resources for all domestic feeding programs which have a demonstrated record of success, and to improve outreach efforts and certification procedures to increase participation among eligible citizens, with special attention to utilizing the resources of local private voluntary organizations; and,

The President and the Congress adopt a national policy of economic development, designed to foster balanced growth and full employment along lines which best utilize the resources and skills of this country, and that implementation of such a policy should include a requirement that the President, in his annual economic message, specify growth, employment, and sectoral investment goals for the following year and the administrative and legislative means proposed to achieve those goals.

THE NEED FOR PUBLIC EDUCATION

The Commission recommends that:

The Congress provide funds to establish an organization to educate and inform the American public about world hunger.

*Now Health and Human Services

Commissioner Brooks

Those of us who have been involved in the problems of world hunger for many years realized from the beginning of our assignment on the Commission on World Hunger that it would be impossible to write a perfect report. The problems of hunger are far too complex and too changing to do that. Even if we could write a perfect report for today, it would not be perfect tomorrow.

This Commission, however, has called to the attention of not only people in this country, but hopefully to peoples of the world, the great danger of hunger to mankind and at least some answers to the problems of hunger. We have pointed out that the problem is not only economic, but it is also political.

We have the technical know-how for the world to feed itself for the immediate future, but we do not yet have the will to do so. If we are to stop wars on this earth, we are going to have to make war on hunger: our number one priority.

Commissioner Denver

The following is my concluding statement which I have asked to be included at the end of the report.

Recently, while considering the Commission and its work, I thought about the group who founded our country and wrote our Constitution. They too were individuals with other jobs and professions who were gathered together to respond to a great challenge. The success they achieved did not come from knowing all the answers or from eliminating their differences and viewpoints, but from producing a document which would respond to the problems at hand rather than try to eliminate them. They knew that the Constitution would need to be amended, that a Congress would have to implement it, a judicial system interpret it, and a President execute it.

I think it would be foolhardy, and even prideful, to think that we could do better than that. The fact that the Report of this Commission is identified as a "Final Report" tends to suggest some things that are not true. It implies that we, as a group, have reached a point of resolution that allows us to speak with certainty and finality, and with a single voice, about the myriad complex issues we have confronted. If we accept that implication, we will be saddled with the burden of defending the Report as something that it is not rather than respecting it for what it is.

The Report is, for me, the vehicle for summarizing and communicating the work we have done. It is appropriate for release, not because it contains all the answers or because all of the issues and disagreements have been resolved, but because it provides a necessary starting point for the next step. It should not so much be taken as a final statement on world hunger as it should be seen as an initiating point for public dialogue.

There is much in the report that is commendable. As a Commission we at times were able to function with clarity and even in some instances with wisdom and courage. Still, there are conclusions and recommendations which I personally consider lacking. I doubt that there is any Commissioner for whom this is not true. It is, nevertheless, a document of which we can all be proud and one which I sign with genuine pleasure.

It has been a privilege and an honor for me to serve on this Commission. I am grateful to the President for having established it and to the Congress for its legislative support. I commend them for their initiative. Many individuals have participated in the work of the Commission—the Commissioners, the staff, the scores of organizations, experts, and concerned individuals who have given generously their insights and advice. In each instance I have been impressed by their commitment and their involvement. Even when I could not agree with their viewpoint, I benefited from their willingness to dialogue. Even where particular contributions are not obviously included in the Report, it is clear that their input has been invaluable in our deliberation.

The ultimate success of this Commission does not rely on how perfect our report is so much as it depends on the process it is able to stimulate within our nation and around the world. The report is an invitation and a plea to all people to become personally and individually involved in the work that we have only just begun. As a Commission, we have witnessed the inevitable temptation to make our disagreements and criticisms of each other's views more important than the job we have to do. If we are to succeed in moving beyond this Report, it will require that everyone continually transcend to that temptation; it will require that each of us remains conscious that our differences conceal the unity reflected through our shared goal.

After all of our discussions, where I think all Commissioners do agree is that hunger can be eliminated, and that it must be. If we can initiate widespread involvement and dialogue which leads all to that conclusion, our work will have become "a shot heard around the world".

Commissioner Dole

Although I agree with the broad objectives of the Commission's work—that of conquering world hunger—many of the findings in the Final Report are an attempt to seek new ways to implement failed concepts.

In the chapter on Trade and Debt, I think the Commission is at least premature in trying to prescribe significant new trade and debt policies without closer study of the complex issues involving important competing national interests. For example, the Commission recommends blanket U.S. support for the international commodity agreements of interest to developing countries, financial support for buffer stocks, and an "affirmative attitude" toward price concerns of developing countries. Although I am willing to examine each agreement that may be negotiated on its own merits, neither the United States nor the world's hungry people benefit from agreements that try to maintain artificially high prices, adding to inflation and wrongly encouraging developing countries to increase reliance on commodity earnings. I also question the suggestion that scarce budget resources be devoted to international buffer stocks, when the distribution of benefits of those buffer stocks may be poorly related to the relative needs of the hungry in different countries.

The other Commission recommendations concerning trade include new multilateral negotiations directed at reducing tariff and non-tariff barriers on manufactured goods, expansion of tariff preferences to developing countries, and establishing minimum international labor standards. While each of these may be worthy long-term objectives, it must be recognized that these are very complex issues not only for the United States, but for most other developed and developing countries.

Part of the problem this Commission addressed dealt with efforts by the United States to improve peace and stability, in addition to living standards in the global community through the use of foreign aid and development assistance. In section IV, we note that "since World War II, the United States has committed substantial resources to international development, and yet the problems of poverty and hunger seem to have grown worse . . ." As a result, the American disillusionment with current U.S. foreign aid programs prompted reappraisal with a goal towards the reassessment of the success of those assistance programs.

The most serious problem now facing the Third World, however, is the steadily increasing pressure on their balance of payments due to rising oil prices and the resulting world-wide economic slowdown. U.S. support and leadership in international development assistance efforts is essential. However, the commitment and involvement of other nations is equally important—as is the need for the recognition of the American role in preserving peace and freedom through the costly maintenance of our vital military and defense forces. Without the stability our forces provide, the United Nations and other multilateral institutions would be forced to operate in an environment that would make development assistance pointless.

The issue of grain reserves as dealt with by the Commission is one more area which I believe causes great concern. The best reserve possible is the promotion of effective grain production around the world and insurance of an effective grain marketing system—not by imposing restrictive reserve standards that have negative effects on those responsible for food production. I feel huge reserves would be counterproductive, because they tend to depress producer prices, destroy production incentives, and disrupt markets.

A free-enterprise system of agriculture is the best mechanism to attain maximum production at the lowest possible price. Government programs that try to manipulate and regulate the market, no matter what their goals purport to be, more times than not end up as "disasters." Every time farm programs are implemented to keep surpluses high and farm product prices low, the American farmer, to whom we have a primary responsibility, ends up being hurt economically. We must encourage maximum food production at a fair price, and we should not support programs that disrupt the market and hurt the will and productivity of the world's most productive food machine—the American farmer.

The economic complexities involved with pursuing the goal of alleviating world hunger cannot be overlooked in light of current economic conditions in the nation today. Although I have grave reservations about the proposed recommendations included in the Final Report of the President's Commission on World Hunger, I feel that this report will serve as a beginning and not an end to the world hunger dialogue.

Commissioners Chaplin, Gilman, Leahy and Nolan

The following statement entitled, "World Hunger: Neglected Crisis, Impending Catastrophe" outlines our views, which diverge from those of the Commission, about the cause of hunger and the importance of self-reliant development in alleviating it. The paragraphs following the statement address specific topics which require elaboration. For a detailed presentation of our views see the footnotes and appendix in the Commission's unabridged final report released in March, 1980.

World Hunger: Neglected Crisis, Impending Catastrophe

The fellowship of the starving and malnourished, now 800 million people around the globe, is one of the most melancholy, misunderstood and potentially dangerous phenomenon of our times. Some experts believe that its threat to world peace and stability is already equal to that of a nuclear war.

Curiously, in view of the acknowledged threat this ill-starred and massive legion poses for them, more fortunate humans have never succeeded in abolishing the hungry and malnourished by humane or inhumane means. At various times and places, both approaches have been tried. A favorite modern response to the tragedy is money—loans and grants—and continual studies by a myriad of special commissions, academic experts and "development" agencies, all seeking new solutions.

What Is "world hunger"?

It is not the kind of hunger you feel when you miss lunch. Many—perhaps most—of the nearly quarter of the human race suffering from malnutrition (up to and including outright starvation) feel no pangs of hunger at all. They are often physically and mentally too far gone.

But, even among the poorest of the poor, there remains a fraction with the energy and leadership needed to protest their situation in the political arena (where permitted) or with violence. Whether the hungry ones are passive or aggressive, whatever their race or location, they share a life condition which has been defined by the World Bank as "so characterized by malnutrition, illiteracy, disease, squalor, high infant mortality and low life expectancy as to be beneath any reasonable definition of human decency," in a world where the U.S. National Academy of Sciences says sufficient food supplies now exist to feed everyone *if the supplies were equitably distributed*. In the absence of draconian efforts, even this ray of hope will vanish by the year 2000, smothered by population growth, resource depletion and environmental decay.

Other current indicators of world hunger are equally discouraging. In some poor countries, 40 per cent of the children die before they are five; the survivors' average life expectancy is 48 years. Meanwhile, the richer nations consume 50 percent of the world's food, although they account for only 30 per cent of the population. The average person in the poorest countries produces \$150 worth of wealth in a year, the richest 20 per cent typically control half of the national income.

Why are people hungry?

A 1978 White House study concluded flatly that "people are hungry because they are poor," that they cannot earn the money to buy enough food or lack access to land to grow their food.

Why not? An answer fashionable among international development practitioners is that the "political will" to feed the hungry is lacking—bureaucratic jargon for a more stark explanation. There are not enough people in a position to help who care.

Deep to this depressing conclusion, most national governments—even the worst—do make some effort to feed their poor. Private charities have traditionally contributed generously to the task and few people are allowed deliberately to starve to death. There is also evidence that governments and prosperous citizens of poor countries truly fear their poor, a fear leading to suppression, cruelty or neglect. The Overseas Development Council reports: "The perceived self-interest of elites is often at odds with policies designed to help the poor."

These attitudes are understandable in terms of human nature and government structures, including those of the "market economies." Efforts to improve the condition of the poor raise sensitive questions of food pricing, commodity prices, wage rates, land ownership, tenant relationships, social prerogatives, etc. In Latin America, for instance, U.N. statistics show that up to 94 per cent of the land is owned by seven per cent of the people.

World hunger, like the armaments industry, has important constituencies helping sustain it. Discussing possible broadening of wealth distribution in the United States, *Washington Post* political columnist William Greider concluded that "the major power centers of American politics feel threatened by the idea of actually distributing capital ownership to everyone." In the poorest countries this threat is strong because there the ownership-governing caste is often much smaller and resources more scarce, making the wealthy feel more vulnerable and more selfish. As demonstrated recently in Iran and Nicaragua, possessing modern military establishments can no longer be considered a guarantee of stability or the protection of privilege. To paraphrase John F. Kennedy, the world may have reached the point where it must help the poor in order to save the rich.

Maldistribution of both physical resources and the power to make decisions governing their use emerges as the major cause of poverty. Politically controversial, the causes of poverty are sometimes accorded less enthusiastic attention than two other important but less explosive considerations: increasing food production and controlling population growth.

Much like blind men touching an elephant, world hunger specialists describe their subject in terms of the part they handle. One resulting error is the assumption that the more food produced, the more will end up on the tables of the hungry. In reality, it depends on what food is produced, where, at what prices and for whose benefit. And, there is a human tendency to confuse one's own interests with the interests of those being helped. Some examples:

- U.S. grain and other foodstuffs, given away or sold at low prices, are extremely popular with American agricultural interests. However, this approach prevents the poor from becoming more self-reliant. More than half the Third World's neediest are subsistence farmers and some have been driven out of business by just such charity.
- Large, often U.S.-based agribusiness or industrial firms set up operations in poor countries where they can benefit from low labor costs or raise crops and make products for exports to well-to-do customers, abroad, not for local consumption.
- "Foreign aid," particularly U.S. "security supporting assistance," often serves only the political interests of industrial nations.

• Aid from both "market economy" and socialist countries has buttressed military intervention in the Third World. U.S. economic aid used to backstop its military campaign in Indochina and Soviet and Cuban tactics to strengthen socialist influence in Angola and Ethiopia are examples. The world as a whole now spends about \$400 billion annually on armaments while a billion human beings live on \$150 per year. According to the Agency for International Development, the United States alone spent \$115 billion for military defense in 1978 and less than \$2 billion for foreign economic development programs. And the effectiveness of the \$2 billion has been seriously questioned.

The Population Explosion

The steady increase in world population, expected to nearly double by the year 2000, complicates the problems of food production and distribution, the encouragement of self-reliance. The time to act, therefore, is now.

What is to be done?

The time may have arrived when government development agencies, scientists, agronomists, construction engineers and—yes—bankers need to borrow the environmentalists' slogan: "Small is beautiful." This means a toning down of past and present emphasis on grandiose "development" projects—vast irrigation schemes, power dams, new industrial establishments and huge loans for "economic growth" or food imports by the poorest nations. Instead, there would be a turn to simpler but probably politically less popular approaches to world hunger and more emphasis on helping the hungry help themselves. World Bank economist Mahbub ul Haq says, bluntly, "The only convincing solution to the problem of world hunger is for the developing countries to grow their own food. What the poor and hungry need are permanent incomes, not temporary handouts."

It remains to be seen whether donor countries will willingly forego continuation of the massive but mixed blessings bestowed ostensibly for the poor in the past, but with so little helpful impact. A new approach could include a decision by the United States to curtail its present gifts and subsidized exports of "surplus" foodstuffs except in natural disasters or famine, a politically difficult move. It will be equally difficult to persuade private and public financial institutions to restrain their eagerness to extend credit (mostly guaranteed by U.S. taxpayers) to poor nations, many already in debt. A considerable percentage of these loan dollars eventually purchase industrial world products for middle or upper income customers abroad, doing little to assuage hunger. The same is often true of the Third World branches of plants of wealthy multinational corporations whose products are exported or sold to the affluent. When they pay bare subsistence wages or worse, luring the poor off the land and into city slums in search of non-existent jobs they aggravate an already bad situation. Simple technology, agricultural extension services or implements, with the requirement that they reach the poor, could be much more helpful. Underdeveloped societies must work out for themselves other urgent reforms—more equitable distribution of land and access to water, effective control of corrupt marketing practices and an end to the exploitation of labor.

Finally, and perhaps most difficult, means must be found to make it contrary to anyone's interest to keep others poor. It is often difficult for more fortunate people to comprehend this fact, for both poverty and resulting hunger are creeping catastrophes, burning on slow fuses. These remedies require medicines politically unpalatable to most current governments, their commissions and study groups. Gentle tinkering with existing world poverty programs and development policies has been largely ineffective, while the need for basic changes in human values and motivation is increasingly apparent. Serious, effective reforms require the patient education of the public and the world's political-economic leadership to ultimately create a more cooperative and less viciously competitive human species.

Movement in this direction may well accelerate as the earth's resources become more scarce, population pressures increase, and the starving become more desperate and articulate. As the noose tightens, even the most unregenerate individualists may find it reassuring to contemplate living in a world where it is in the landlord's interest to protect, not exploit, the tenant farmer, in the interest of increasingly interdependent governments to serve the poor, as they now do the rich, in everyone's interest to abolish world hunger.

The Causes of Hunger

Hunger is caused by poverty, not by food insecurity. Food insecurity is a symptom of poverty, related to structural, economic and political conditions which prevent the poor from growing and storing their own food or having the income to buy it. Although poverty is the cause of hunger, poverty itself results from inadequate and inequitable access to income-producing assets and lack of power to decide how the assets are used and distributed. While land ownership for all is not feasible everywhere, the issue of who controls the land, and for whose benefit, is a key element in agrarian reform. The low productivity of the poor is also caused by lack of access to resources and technology, not by a lack of desire or inability to learn how to increase productivity. Appropriate technology exists to improve productivity and the poor have the capacity to use it. The problem, however, is a political one that keeps the technology out of the hands of the poor.

The Short Term And The Long Term

Alleviating hunger in the long run will be undermined by short-run "solutions" which, despite the best of intentions, cannot be effective unless accompanied by structural reforms. Short-run strategies which ignore the need for structural reform are not solutions because they often worsen hunger and, by nevertheless serving as a palliative, delay the implementation of economic and political reforms necessary to encourage self-reliant development. Evidence indicates, for example, that many feeding programs are not even working in the short run because they have reduced reliance on the local production of food and nutritional levels have dropped as a result. In and of themselves, short-run strategies may assuage the conscience of the donor but they do not alleviate hunger. The technical and welfare remedies suggested in short-run strategies simply are impossible to implement effectively under existing social, economic and political conditions which perpetuate poverty and dependence.

Trade and Debt

"Fair trade," not "free trade," would be a more appropriate means of encouraging self-reliant development, and is in keeping with the Commission's analysis which urges policy-makers to "ask whether hungry people and poor nations will share equitably in the expected gains from new policy choices." A policy of trade expansion, however, overlooks the fact that existing trade patterns have contributed to the inequitable distribution of income and the concentrated ownership of resources in developing nations. Expanding trade on such terms will perpetuate poverty, postpone the elimination of hunger, and frustrate self-reliant development. Unless qualified by self-reliant development criteria, simply calling for trade expansion may be construed as advocating: (1) an expansion of export cropping which often reduces the amount of food produced for local consumption while channeling the foreign exchange earnings into the hands of a few; (2) maintaining the economic dependency of developing nations by failing to encourage them to develop their own domestic markets by creating more jobs and better incomes to generate indigenous demand, and (3) locking in poverty by recommending that commodity prices only be stabilized instead of also being increased to levels which reflect true costs of production and reasonable profit to producers.

Both commercial and official debt burdens aggravate the trade deficits of developing nations and reduce the availability of resources for indigenous development efforts. These burdens should be relieved by pursuing debt forgiveness policies and by providing future financial assistance through grants rather than loan programs, the eligibility for which should be based upon the application of basic human needs criteria.

Grain Reserves

The establishment of a system of grain reserves at the national, regional, and international level is a necessary, but not sufficient step toward increased world food security. Reserves in and of themselves do not assure that poor people will be fed. Nor do they have the alleviation of hunger as their only goal. The primary goal of the U.S. farmer-held grain reserve and of the proposed International Wheat Agreement is to help stabilize commodity prices and thus help promote consumer price stability and farm income stability. They can, however, serve the important function of carrying over stocks from plentiful years to lean years and thus increase the availability of supplies (as the emergency wheat reserve backstopping PL-480 is designed to do). To be fully effective, a global grain reserve system must be carefully managed and must be coordinated in such a way as to reduce the risk of severe shortages anywhere in the world. If distributed in a manner which does not undercut local production and which reaches the hungry people, grain released from the reserve will reduce hunger.

U.S. Farm Policy

The U.S. must undertake the same kinds of structural reforms which the Commission is recommending for developing nations in order to promote more equitable development. For example, the Commission has recommended that developing nations increase their production of grains and foodstuffs as part of a program of self-reliant development, but attaining the goal will be difficult as long as the low prices of U.S. grain exports continue to undermine price incentives for farmers in developing nations to increase their production. In the U.S., low commodity prices are undermining the ability of many farmers to continue producing. Low commodity prices and other public policies have fueled the trend toward fewer and larger farms in the U.S., thereby concentrating land ownership in fewer hands, converting agriculture to production patterns which undermine sound soil and water conservation practices, and undermining the economic and social fabric of the rural United States. Far-reaching changes in current policies will be required if U.S. agriculture is to be restructured on a more self-reliant basis and in a manner which will no longer discourage production in developing nations.

Food Aid

Many development specialists consider food aid to be an obstacle to self-reliant development and ineffective as a means to feed the poor. In Bangladesh, for example, about 90% of the food received under the PL-480 program benefited the middle class rather than the poor for whom it was intended. Food aid is not a neutral or apolitical form of intervention because when it is readily available the leaders of a developing nation have no incentive to invest in developing their own agricultural system and a permanent dependence is created. The poor therefore lose in two ways. They do not receive the food intended for them and they cannot get assistance to increase the self-reliant production of food. If the criticisms of food aid as a development tool are valid, then the primary justification and usefulness of food aid would be in the event of natural disasters (drought, earthquakes, etc.) or in such cases as Kampuchea. A thorough investigation is needed of the contradictions between self-reliant development and food aid programs which create dependencies on imports and disincentives to local production.

Development Assistance

Development assistance funds should be tied to commitments made by developing nations to pursue a program of self-reliant development which recognizes basic human needs. Since political factors determine the effectiveness of development assistance, a commitment to basic human needs on the part of the recipient country must be made the decisive factor in granting aid. At present, such a commitment is only one of several parts of a formula which allows aid to be granted on the basis of need and political expediency without assuring that the poor actually will receive the assistance.

Aid should be conditional upon reaching a Basic Human Needs Agreement (BHNA) under which the U.S. and the recipient country agree to work together toward specific and measurable development goals. The BHNA would function as a contract in which the aid recipient agrees to pursue a self-reliant development strategy aimed at overcoming poverty and hunger in return for continued assistance. From the U.S. side, the BHNA would provide a method of accountability that would increase public confidence in the effectiveness of aid programs, thus assuring their continuity.

Participatory Development

Development itself must take place in an atmosphere of mutual respect and understanding. The beneficiaries of aid should no longer be considered the "subjects" to be developed or the "targets" of someone else's good ideas. Rather, the development process should be mutually determined by donors and beneficiaries alike. This can be achieved by encouraging participation in diagnosing problems and in planning, designing and implementing development programs. Local participants will offer their special insights and cultural perspective which will ensure the appropriateness of development assistance. Since women form a very large part of the rural working economy, participatory development means that women also must be included in all phases of the development process. Before granting any assistance, development agencies should require recipient countries to demonstrate a commitment to popular participation.

Public Education and New Policy Directions

The magnitude and persistence of hunger demand that an intensified program of action be undertaken now, not tomorrow or five years from now. The need for action now is underscored not only by our commitment to lives that could be saved but also by the diminishing adequacy of global resources to meet the escalating problem of hunger. U.S. citizens therefore must demand that their government make a commitment to alleviate hunger through the pursuit of self-reliant development strategies at home and abroad.



Presidential Commission on World Hunger

