



**INSTITUTE FOR
AGRICULTURE AND TRADE POLICY**
PRESS RELEASE

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About IATP

Institute for Agriculture and Trade Policy works locally and globally at the intersection of policy and practice to ensure fair and sustainable food, farm and trade systems. IATP is headquartered in Minneapolis, Minnesota with an office in Washington D.C.

Overdue reforms to food aid a welcome change in new Presidential budget

WASHINGTON, D.C. – The Obama administration’s fiscal year 2014 budget, released today, includes long-overdue changes to the way the U.S. distributes its food aid around the world. These changes will make aid more efficient—up to doubling the bang for each dollar spent—and they will help build local capacity in developing countries, creating markets for local farmers who in turn will help their countries cope with an increasingly volatile international food supply.

For nearly 60 years, U.S. food aid has relied on buying food from American farmers through U.S. corporations to send abroad on U.S.-owned ships. President Obama proposes shifting food aid to programs that also support local and regional procurement of food aid.

“For too long, we’ve been sold the idea that U.S. farmers must feed the world. Instead, to build real food security, we need farmers everywhere, whether in Kansas or Kenya, to be able to feed their own communities and nations. Strengthening that capacity through our food security and trade policies should be the priority,” says Karen Hansen-Kuhn of the Institute for Agriculture and Trade Policy (IATP). “Food aid is the last safety net when all else fails, so it is imperative that funding levels don’t fall, but making it faster, more flexible, more efficient and building a tool to build local markets is a common-sense solution.”

While the U.S. government provides more than half of all food aid throughout the world, it has also been the most stubborn on reform, due in part to the so-called “iron triangle of interests”—U.S. shippers, grain companies and NGOs who have, for decades, lobbied for programs that consequently halved the possible value of food aid to developing countries.

“As IATP and so many others have pointed out, the arguments for shipping American grain around the world are just wrong-headed. If the U.S. needs to subsidize its shipping industry, let it do so directly and not in the name of the world’s hungry,” says IATP’s Sophia Murphy. “We have seen other big food aid donors—for example, the Canadians—successfully move from in-kind aid to cash-based purchases of grain that support local agriculture. It’s so important the U.S. get this right.”

IATP has supported such a shift in food aid for many years, including publishing a 2005 report: *U.S. Food Aid: Time to Get It Right* as well as a 2005 New York Times op-ed by Sophia Murphy, which said “The best food aid is flexible, timely, responsive and

provides a buffer for tragic food shortfalls caused by devastation from disease, war or nature, while strengthening the systems of food production and distribution in the countries and regions it is trying to help.” This shift is an important victory for anti-hunger advocates like CARE and CRS (themselves food aid providers), American Jewish World Service, Oxfam, and many others in the faith, farm and development communities who have pushed for more effective and efficient food aid programs.

For more, read IATP’s latest work on food security:

- *Who’s at the Table? Demanding Answers on Agriculture in the Trans-Pacific Partnership*
- *A year of squandered opportunities to resolve the food crisis*
- *The 2012 drought and food aid*
- *Local Foods, Global: Food Aid and the Farm Bill*
- *Off the rails: Food security and the WTO*

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