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The reform of foreign assistance, spearheaded by Ambassador Tobias—who now serves simultaneously as director of U.S. foreign assistance and administrator of USAID—is the most significant reform effort since the Marshall Plan and the origins of USAID. A new framework for foreign assistance is now in place and its programming is being realigned to meet the unprecedented challenges and opportunities of the new era.

I would like to begin my remarks by making two broad points. The first point is the critical importance of foreign assistance to the nation’s foreign policy and the second is the key role agriculture plays with regard to conflict and fragile states.

First, it is now widely accepted that foreign assistance plays a critical role in the shaping of foreign policy. The national security focus of the country has shifted from “strong states” to “fragile” ones as confirmed by the President’s **National Security Strategy (2002 and 2006)** and DoD’s **Quadrennial Defense Review**. One notable trend is the growing recognition of the Department of Defense in the importance of foreign assistance and the establishing of mechanisms to coordinate defense and development. **Defense Department Directive 3000.05** [November 28, 2005], for example, gives the same importance to crisis “stabilization and reconstruction” operations for the U.S. military as for combat operations.

In short, foreign assistance is no longer just about helping poor people; it is an issue of national security.

That said, our foreign assistance effort is now populated by a great variety of actors—DoD; DoJ; HHS; MCC, among others. [More than 20 separate Departments and agencies, by recent reckoning.] The new and still evolving foreign assistance framework is a response to ad-hoc

bureaucratic growth and accretion—since the onset of the Cold War—of foreign aid actors and programming.

This situation clearly presents us with an overriding need for greater coordination if we are to respond effectively to the strategic problems of the day. By creating the foreign assistance framework, Ambassador Tobias is bringing together these actors by providing us with common goals and direction.

The second point I would like to make is regarding the key role agriculture plays in conflict and fragile states.

A sound agricultural base can prevent the downward slide of vulnerable societies. Rising incomes and declining poverty in agrarian countries can help dampen local motivations for violent conflict.

Within fragile societies, improving food security—abundant food supplies at affordable prices—can help forestall conflict. It may avert the migration of disaffected and unemployed youth from rural areas to urban areas where they become ready recruits for rival militias for extremist causes, as was the case in Somalia in the 90's.

And regenerating agricultural systems is an important part of getting a country in conflict back on its feet while promoting stability and reconciliation—reviving market-driven agriculture and private businesses and increasing income and employment opportunities.

In Afghanistan, USAID and its partners—some of you are in this room, [such as Chemonics and Abt Associates, Texas A&M University and Land o'Lakes]—have renovated irrigation systems; provided seeds, fertilizers and crop demonstrations; and repaired hundred of kilometers of farm-to-market roads. We are supporting the privatization of veterinary services in Afghanistan where livestock are so important, revitalizing the dairy industry, and putting into place a livestock early warning system that uses remote sensing and satellite technology to provide forage and weather condition information to herders.

In Iraq, USAID and its partners—[such as such as DAI, CHF, IMC and ACDI/VOCA]—have restored veterinary clinics, introduced improved wheat varieties, repaired farm equipment, rehabilitated the southern marshlands, developed farmer cooperatives, trained farmers and Ministry officials, and helped small-holder farmers expand into high-value agriculture such as production of date palms, tomatoes, fruit tree crops, olives and bee-keeping.

The core theme of Ambassador Tobias' reform message is the following: if we are to meet the goals of Secretary Rice's Transformational Diplomacy and set countries on a trajectory of sustainable development, clearly defined goals and better coordination among all actors and partners is essential.

I believe that Ambassador Tobias' message is also relevant to agricultural development. Sound coordination among both private and public sectors; PVO's, NGO's, contractors, universities, business, and advocacy groups—like the groups gathered here today under the banner of AIARD—is essential to effective programming and meeting the strategic needs of the peoples in agrarian societies and developing countries.

The core objective of Ambassador Tobias' foreign assistance reform is to instill this mindset [more difficult than it sounds, given the long-standing vested interests in play] and to operationalize it through country- specific strategic planning and budgeting.

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I would like to conclude my brief remarks today with one final point which encapsulates what I am talking about today.

This year Congress will consider a U.S. Agriculture Authorization Bill that includes food aid. It may be that a break in over 50 years of emergency food aid programming is called for.

Agriculture is so important to both development and our national security that we are considering, as we have in the past, asking for the authority to buy some of our emergency food aid supplies overseas, closer to the countries in need.

The local or regional purchase and distribution of food aid would let us assist people threatened by a food security crisis more quickly.

Food purchased locally could reach beneficiaries within days or weeks, rather than months when shipped from the United States.

Such speed is sometimes necessary when:

- natural disaster occurs or fighting breaks out with little notice,
- food deliveries are unexpectedly interrupted, or
- a cease-fire allows rapid access to populations in need.

If granted by Congress, we believe this authority will stretch the food aid dollar because locally purchased commodities are often less expensive than those procured and shipped from the United States.

We estimate conservatively that this authority would let USAID feed at least one million more people for six months and could save at least 50,000 lives in acute emergencies. It would also help this country meet some of the awesome responsibilities it faces in the changed world of today.

In closing, these are challenging times—times of great change. The role foreign assistance plays in foreign policy and in national security will continue to grow. And agriculture will continue to play a significant role in foreign assistance.