



Agriculture: the Missing Piece of the U.S. Development Assistance Puzzle

The Association for International Agriculture and Rural Development (AIARD)* respectfully requests that, in response to growing world food crises, Congress take urgent action to enhance and protect resources for agriculture and rural development. **We support FY09 requests submitted to the House and Senate Foreign Operations Subcommittees to restore USAID agricultural development program funding to a sustained level of \$600 million.**

The 2008 AIARD Capitol Hill Forum (*Agriculture, the Fuel for Sustainable Economic Development*) highlighted agriculture's centrality as the most crucial sector for sustainable economic development and called for global political action, accelerated investment in agricultural productivity, and collaboration to avoid a deep and complex crisis. The World Bank's World Development Report 2008 *Agriculture for Development* and other prestigious reports call for more investment in agriculture in developing countries and a development agenda with agriculture at the center.

Key issues are the following:

- **Agriculture is the foundation on which economic growth rests**
 - Agriculture provides food and livelihoods for **75%** of the population in developing countries and for **85%** of the poor, and yet it receives only **4%** of official development assistance (ODA) resources worldwide.
 - Agriculture is the backbone of employment in rural areas that reduces migration to cities and prevents violence and conflict.
 - Funding for economic growth, agriculture and trade is essential to alleviate hunger and poverty and to achieve the economic capacity to sustainably support social programs.
- **Relative to its importance, agricultural development assistance is woefully underfunded**
 - Examples of devastating cuts to the agriculture sector in FY08 include:
 - elimination of resources available for key USAID-funded agriculture programs and institutions across the United States carrying out those programs;
 - a \$20 million reduction of the United States contribution to research conducted by the CGIAR and reduction of other agricultural research; and,
 - cuts in funding vital to advancing the Initiative to End Hunger in Africa.
 - These cuts come at a time when availability of food aid to some of the world's poorest countries is threatened because of soaring global food prices.
- **Investments in international agriculture return important benefits to the United States by**
 - expanding trade and encouraging business with developing countries
 - ensuring that only safe, high-quality food crosses our borders
 - conducting mutually beneficial research and sharing scientific knowledge
 - solving environmental problems across borders, and
 - developing human capital for international agriculture both in the U.S. and overseas

U.S. resources for broad-based agriculture-led economic growth lag far behind the substantial increases for other purposes. While agricultural budgets have been decimated, resources for programs such as basic education, PEPFAR, microenterprise and child survival have greatly increased and have crowded out funding for agriculture. A more balanced approach would restore funding for agriculture so that economic development and food security can be stimulated in concert with addressing other important development goals. We respectfully request that Congress aggressively support agriculture and rural development in the United States Foreign Assistance portfolio as budgets for FY '09 are considered.

* AIARD is a professional association of members from almost every state in the U.S. and from developing and transitional economies who have dedicated their careers to poverty and hunger alleviation through international agriculture and rural development.