### 2006 Norman E. Borlaug/World Food Prize International Symposium

The Green Revolution Redux:

Can We Replicate the Single Greatest Period of Food Production in All Human History?

October 19-20, 2006 - Des Moines, Iowa

# **SESSION TWO: Agriculture and International Development**

October 19, 2006 - 10:30 a.m. – 12:15 p.m.

Hon. Peter McPherson

## Introduction

## **Amb. Kenneth Quinn**

President, the World Food Prize Foundation

I want to invite Peter McPherson and our next panel group to come up. Ambassador Diop and other ambassadors, please come up and join us. The World Food Prize likes to take everybody on a journey, so we're going to go from Osage, Iowa, which everyone now knows is near Stacyville, to Africa. Can't have a program inspired by Dr. Borlaug that isn't focusing on the Green Revolution and on bringing the Green Revolution to Africa. We're so pleased to have our Council of Advisors member, Peter McPherson, who will be speaking and moderating this section of the program, kind of the handoff from Gordon Conway, also on our Council of Advisors.

Peter McPherson and I first met in the mid-1980s when he was Director of AID, and I was working on the staff of Secretary George Schultz. And I have come to know him since then as an expert on so many things but as the founding co-chair of The Partnership to Cut Poverty and Hunger in Africa, as the president of Michigan State University, now as the head of the Association of State Universities and Land-Grant Colleges in America. From his work on Iraq, Peter always seems to have several jobs, so I thought one more as a member of our council wouldn't hurt. But not being from economics and agriculture myself, I want to surround myself with the very best on our council, and Peter is certainly in that number. Peter McPherson.

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# Panel on Development and the Green Revolution in Africa

#### Hon. Peter McPherson

President, National Association of State Universities and Land-Grant Colleges Founding Co-Chair, The Partnership to Cut Hunger and Poverty in Africa

Well, nice to see everybody this morning. I thought it was very special that this young, successful Secretary of Agriculture immediately wanted to have his book signed by Norm Borlaug. Wasn't that a certain perspective on life, I thought, for the Secretary.

Well, it's good to see all of you. And in keeping with this being a meeting of conversations, I thought I would have my little list of more significant activities or actions of this last 12 months, since we've last been here, affecting development in Africa. This is not an exclusive list; you could add or subtract to it. And I can't quite, they're not all neatly fitting into 12 months; some of them are big leaps and old matters. But let me give you this list just to think about. Significant actions impacting African development, agriculture perhaps particularly.

One, the Gates Foundation's commitment to agriculture for Africa. It's important because it is a huge commitment to long-term development. Their horizon is stated to be 15 years, and so much of what we have been doing in Africa is more short-term disaster relief, immediate impact. This is a big development. The Gates-Rockefeller effort, for example, in the Green Revolution is obviously a big commitment. I have felt that a big, new contributor to this area would help us bring priorities and focus to something we've talked about for a long time. Now, I do think some focus has come into light here, but I'm confident that this commitment will surely help.

Now, our next development. I believe these big foundation commitments are going to shape bilateral programs, some more than others; but I think there'll be an impact. When you look back over the decades, USAID with its money and its relative stature in some ways had an impact upon bilateral programs all over the world. That isn't so much true today, and I believe that this big foundation... There's a new important elephant in the room with the foundations, and I believe this is going to be a positive impact.

Next development. And this is over a period of years, but you can clearly see it in recent times. Africans are beginning to take charge of their own destiny. Some countries it's absolutely clear – Mali and Mozambique or Ghana, a number of other countries – I don't want to exclude countries. But I also think the NEPAD African Union process, with all its problems, is a statement of where Africa wants to go. And I think that we need to continue to support that process. I believe the history is quite clear over the decades that countries that take charge of themselves and have their own vision – as only of course it's a vision that really includes the welfare of all the people and for the betterment of those people – those are the countries that have made the most progress. Indeed, it's been hard to be successful, whatever the donors did without that. So I believe Africans taking charge of their own is another important development in recent times.

Next development, not so positive, just mentioned by the Secretary, was a suspension, and some would argue, the death of the Doha Round. I hope that doesn't occur, but it is a factor

- where are we going with Doha? Incidentally, I believe that there are enormous benefits to opening up non-Africa markets for Africans, as the Secretary was suggesting. But I hope when we get back into Doha, if that does occur, I hope we spend more time thinking about regional trade. There may be as much or more opportunity for economic progress through trade by way of regional trade, and the Doha Round had almost no focus on that.

Next development – the explosion of involvement of China in Africa. Now, some of that is controversial, but clearly some of it can have a very big impact and will have an impact. There's some ways that the countries themselves are going to have to think about how what they do complements what China does and other donors perhaps. For example, when major infrastructure is built, are there engineers and others to make those projects sustainable?

Next development – and this has been growing, but you can really see it – and that's the involvement of private sector. This meeting, including myself with my government background, often is focused a great deal on the role of governments or quasi-governments, the universities know this. But take a look at what's happening, as I know many of you have, in the private sector. Cell phones are expanding by probably millions a year in Africa. That's not just a convenience, that's a change in the economic structure.

Supermarkets. Now, not all supermarkets, certainly not all of them, buy from poor farmers, but you're finding a number of countries where the majority of food that's not consumed by the farmer is in fact purchased through supermarkets. In this country, we had the supermarket revolution, if you will, in the thirties and the forties and into the fifties. But you just see an explosion of this. Supermarkets invigorate an economy, may, and often do, force producers to produce more uniform quality. It's a major economic factor in many countries today.

Let's look at banks and financial services. What's coming out of South Africa, not only in South Africa but in many adjacent and not-so-adjacent countries is significant. And many of those banks aren't just looking at, as the old saw goes — Bankers loan money to people that don't need the money. Some of that banking goes back into much deeper into society. It's a wonderful complement, and more than that, to some of the microcredit that's happening, indeed. So I would say a major leap of further involvement is the private sector in Africa.

Let me give you another problem where I see lots of development, so you can't measure it too easily – but I think it's expanding. And that is the set of problems between health, between humans and animals, and plants fit in there, too. Of course, we all know about AIDS, and that in itself of course is a huge factor. But also an avian flu and so forth. The world is so tied together with transportation and other linkages that we're going to see more and more issues here. We see it in our society the last few weeks where we've had the spinach and *E. coli* issue.

Indeed, and I think the world, including in the Africa context, but the world hasn't devoted the research and the effort to that area between health and food. You look in the U.S. government and we have the USDA doing its traditional agricultural research, and we have the NIH doing health, but we don't have the connection between. When you look across the federal government research agenda, it's an area that clearly needs attention and in fact isn't getting enough.

The deans of agriculture at the land-grant universities have been working together in recent months with former Chancellor Danforth of Washington University in Missouri about a plan for an NIH kind of institution under USDA that would have as part of it a major competitive grants program for exactly the issue I'm talking about. I talk about that in the context of the United States, but remember this is really a global issue. And I see that problem being greater year by year and hence I mention it in this 12 months context.

Potentially the Fertilizer Summit in Nigeria a few months ago in itself isn't that important today but I think has a potential for very big impact. It was chaired by, as I say, the president of Nigeria, sponsored by the Rockefeller Foundation, IFDC and some others. It highlighted a major issue we have for food production in Africa – it's transportation costs, it's technology, it's how we mobilize, how we utilize market forces to deliver. And I know some resources are going to come into this whole area that in recent times have begun to gel.

Next development – Sudan. Now, we all have heard and read about Sudan and are worried about it. It is true, as Dr. Conway said a few moments ago, in the last ten years or so you can track at least some reduction of these kinds of horrible conflicts in Africa. But they're still there, and they do, along with bad economic policies, exploitation of people and so forth, detract.

Now, I want to end on a positive note of this list, and that is: For a couple years now we've had pretty good growth in Africa – not the 10% that China had for 25 years, a phenomenal story, but we've had 6% or so growth. And then you break that down and you look at individual countries. A number of countries have had that 5-6% growth over a number of years.

Overall, as I look at this list and I look at the problems and the pluses, I do believe that there is reason to be cautiously optimistic, that the world can work at these issues. I would point to the fact that in 1960 Africa had twice the per capita income of Asia. Now Africa's per capita income hasn't moved much. Asia's has exploded. It's a long story in itself as to why; certainly the Green Revolution was one of those factors. You can say, well, Africa didn't work, but you can also say when you look at Asia in 1960, a lot of Asia looked pretty bad, pretty hopeless in some parts of it. And I would say that we can look at Africa today and we can see a number of very positive things that we can build on, and we should continue to work at them and be cautiously optimistic, as I say.

Let me change topics briefly, and then I'm going to introduce the ambassador from Mali. Yesterday we had our BIFAD meeting, the BIFAD that I chair that the Secretary just mentioned. We are an advisory board to AID. And the thrust of that meeting was that, looking through a lot of data over a number of decades, that AID more and more has become a short-term and disaster relief organization and less of a development agency. More and more into giving fish and less and less into teaching how to fish, to use the old saw – and less and less, really, in agriculture.

Rockefeller Foundation funded a study done by the organization I chair, with a study done by us and some others, that looked at what's happened to AID money in Africa as to agriculture over the last several years. Basically, in the last five years agriculture was flat, everything else, not everything else, but health, for example, exploded. We know that in this fiscal year agriculture is going down again.

And I look at things like going back to the eighties when I was running AID. We had \$40 million or so 1980 dollars going into the international agriculture research system. Today, the current year is \$26 million in 2006 dollars. In the mid-eighties and later, there was a high of 15,000 people in the United States for long-term training. Even a dozen years ago it was 10,000. Today it's about a thousand. We basically have backed away from agriculture and from a lack of the long-term investment. It's why I'm so pleased that Gates, for example, is getting into it – and I hope they can have an impact.

This is not because anybody decided sort of one day, we're going to cut agriculture and we're going to go short term. It was because the congressional earmark process, the body politic, in some ways, has pushed toward the short-term investments.

I would conclude by a set of comments. By an educator, you won't be surprised that I have some comments about education in Africa.

I believe that the continent cannot be built alone on 12<sup>th</sup> grade education, as important as the K-12 systems are in Africa. And incidentally, AID is putting more money into that area, which is very positive, I think. As important as that is, we've got to have university-trained people. And how do we get there?

Well, I think we can do that long-term training that I was speaking of cheaper than we used to. Part of it can be done in third countries like India and some other countries, and part of it can be done in the United States. The Web has showed us a whole different way to educate and to expand – it's simply easier.

I think we need to build and strengthen current universities. I'm so pleased to see what a set of major foundations are doing with a half a dozen key universities in Africa – and that's important, but it needs to be beyond that. Again, tools that we have available can help us.

We're not that far from having a digital library really available. The copyright issues – you all know about Google and MIT and some others. That concept, that'll be in English but not totally. Of course, we need the Web infrastructure to make full utilization of that.

In this country we've seen in a different education model in people like Phoenix and Kaplan and so forth. I think we're going to see the possibilities of Web education, particularly what the university community calls "hybrid education" where you both get people together and also use Web.

This should not be viewed – all these changes that are occurring in the U.S. and European educational system – shouldn't be viewed as something that doesn't work in Africa, because I think it's there and possible. I also believe there's this big need for engineers, and I was pleased to see Dr. Juma have his paper and his discussion on the need for engineers.

I think in U.S. and European universities there are a lot of 60-year-old scientists who feel that they're not doing the research they once were. The universities in some cases might even wish to have higher research active faculty step into their shoes. I think we need to think about

how we can organize that community – it's really thousands of people – to help with African universities.

Well, I will conclude by saying this has been an eventful year, eventful set of actions. It is my fervent hope that AID and Congress will focus more long term and more on agriculture. And I think that education, higher education has a major role in Africa.

Now, let me now go on to introduce our next speaker, and the format here. The ambassador I will now introduce will speak for a bit, and then we have several ambassadors that I'm going to ask a bunch of questions to for a bit, and then we'll have some questions from the audience. These ambassadors, all from countries that are deeply committed to development and who are personally so committed, reflect, I think, this new engagement that we have with the donor community and with Africans.