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Food Company and Farmers Union Back Changes to Aid Program

By Ron Nixon

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One of the world's largest food companies offered its support on Wednesday for changes to the way the United States provides food aid to developing countries, adding critical agribusiness backing for President Obama's plans to overhaul the program.

While not explicitly endorsing the proposals advocated by Mr. Obama, which include buying some food from local producers rather than from farmers in the United States, Cargill, based in Minnesota, said that changes needed to be made to the program because conditions have evolved since it was created in 1954. Not the least of those changes is that there are now more than 870 million people worldwide who lack sufficient food.

"Cargill believes it is time we reassess the program to make certain it is efficient and effective in meeting the increasing needs and allow for some flexibility in the delivery of a portion of food aid assistance so that food can get more quickly to people on the brink of starvation," the company said in a statement on Wednesday.

Cargill is a major player in the food aid program, involved in trading, processing and transporting agricultural commodities like grains.

The company's support for overhauling the program came as a major farm group also called for more flexibility.

The National Farmers Union — the second largest farmer organization in the

United States, behind the Farm Bureau — expressed its support for more flexibility in the food aid program in an opinion article published on the agriculture Web site Agri-Pulse.

“Our food system has changed drastically in the past 50 years; naturally, our system of international aid must evolve as well,” wrote Roger Johnson, president of the farmers union. “Ultimately, if we truly want to end global food insecurity, we must consider what is going to best serve local farmers and local economies — especially in areas of the world that suffer from hunger.”

The Obama administration welcomed the calls for reform.

“The recent support from Cargill and the National Farmers Union underscores how the president’s proposal will maintain the vital role of American agriculture in food aid,” said Rajiv Shah, administrator of the Agency for International Development. “We have seen growing momentum behind this proposal and the need to modernize our food assistance programs to address today’s challenges, become more flexible and save more lives with maximum efficiency.”

Supporters of the plan also welcomed the statements from the farm union and the grain company.

“The calls from the National Farmers Union and Cargill for reform to U.S. food aid programs signal strong momentum for reform and shatter the myth that American agricultural interests are unified in their opposition to reform,” said Eric Munoz, senior policy adviser at Oxfam America, an international charity. “Leaders in Congress should seize this momentum and have the courage to push forward efforts to achieve real food aid reform this year.”

The Senate and House Agriculture Committees have made some changes to the food aid program, but have opposed plans by Mr. Obama to rework it fundamentally, saying that doing so would hurt United States farmers.

Last week, the House Foreign Affairs Committee introduced its own bill to overhaul the food aid program. Sponsored by the committee’s chairman, Representative Ed Royce, Republican of California, and Representative Karen Bass,

Democrat of California, the legislation would make changes to the program that generally follow those laid out by the Obama administration.

In addition to buying food locally, the administration is proposing that the food aid program be moved from the Agriculture Department to the foreign aid budget. It also wants to end the controversial practice of food aid “monetization,” in which Washington gives American-grown grains to international charities. The groups then sell the products on the market in poor countries and use the money to finance their antipoverty programs.