



September 29, 2020

Mr. John Barsa
Acting Administrator
U.S. Agency for International Development
1300 Pennsylvania Ave., NW
Washington, DC 20523

Dear Acting Administrator Barsa:

I'm pleased to transmit to you the attached report, *How the United States Benefits from Agricultural and Food Security Investments in Developing Countries*, and accompanying briefs, which were launched by the Board for International Food and Agricultural Development (BIFAD) at a public meeting on October 15, 2019.

The report recommends, and BIFAD endorses, that foreign agricultural assistance be sustained to strengthen agricultural and food systems in developing countries.

At the request of USAID, BIFAD commissioned a study that would quantify, in a rigorous manner, the benefits that accrue to the United States from foreign assistance investments in agriculture and food security. The report demonstrates that while the primary objective of U.S. foreign agricultural assistance is to stimulate growth of the world's poorest regions and increase global stability, U.S. foreign agricultural assistance investments also bring substantial economic, health, and security benefits to the United States. American farmers, companies, workers, and consumers benefit through increased exports and jobs, technology spillovers, health and nutrition, and global and U.S. security.

The report outlines the following six major categories of benefit to the United States:

1. **Greater U.S. economic output and employment:** Agricultural exports stimulate business activity in agriculture, manufacturing, transportation, and service sectors, creating jobs for Americans throughout the U.S. economy. Each \$1.00 of agricultural exports stimulates an additional \$1.87 in U.S. business activity, and every \$1 billion in agricultural exports supports over 8,600 American jobs.
2. **Benefits to American consumers:** Aid to developing country agriculture contributes to a safer and more reliable supply of U.S. food imports and helps to prevent the spread of new and emerging crop and animal diseases.
3. **Technology spillovers increase American agricultural productivity and income:** The U.S. agricultural sector benefits financially from technologies that spillover from U.S.-sponsored research in developing countries and from cost savings from disease and pest control.



4. **Increased American agricultural exports:** Agriculture is the source of livelihood for the majority in many developing countries. Helping developing countries grow generates income that drives the export of high-value agricultural products and services from the United States.
5. **Enhanced global stability:** Assistance to developing country agriculture contributes to global stability through conflict reduction, migration reduction, and relationship building.
6. **Expanded capacity for agricultural research and innovation in the United States:** American researchers and labs that address problems of developing-country agriculture produce knowledge and innovations that also solve important challenges faced by U.S. farmers, especially in wheat, rice, sorghum, beans, and peanuts.

Given projected population growth in developing countries, much of the global demand for food will come from these economies. The growth of the global demand for food creates an opportunity for continued expansion of U.S. exports, and for that to happen, evidence confirms that the agricultural sectors and economies of developing nations must continue to grow. Given that agriculture is the greatest driver of economy-wide growth in developing countries, it is vital that American investments in foreign agriculture continue. The win-win nature of American agricultural development investments—with their compelling impacts of reducing global poverty and under-nutrition—underpins the strong support from Congress and American taxpayers for USAID’s leading implementation of the Global Food Security Act.

Sincerely,



Mark Keenum, Chair, Board for International Food and Agricultural Development (BIFAD) and President, Mississippi State University

Attachments:

1. How the United States Benefits from Agricultural and Food Security Investments in Developing Countries
2. Overview: How the United States Benefits from Agricultural and Food Security Investments in Developing Countries
3. Brief: Foreign assistance investments contribute to U.S. Economic Growth and Employment
4. Brief: Innovative Research Benefits Producers and Consumers of Beans
5. Brief: Sorghum Germplasm from Overseas Builds Profits for U.S. Farmers
6. Brief: American Wheat Farmers Benefit from Agricultural and Food Security Investments Abroad