How the United States Benefits from Agricultural and Food Security Investments in Developing Countries

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Dual benefits accrue both to developing countries and to American farmers, companies, workers, and consumers.
How Aid-Recipient Countries Benefit (1)

- New farming technologies and practices raise the productivity of land, labor, and capital and raise farm incomes.

- Agri-food systems improve and expand when transformation at the farm and agribusiness level is supported by research and transformation at the institutional level.
How Aid-Recipient Countries Benefit (2)

- Improved agricultural productivity raises household income, which also increases spending on food, healthcare, and education.
- More efficient and effective food systems, higher household incomes, and better human health contribute to sustainable growth of national and regional economies.
How U.S. Producers and Consumers Benefit

• **Growth of U.S. exports and jobs**
  - Every dollar of agricultural exports stimulates **$1.87 in business activity in the U.S.**
  - Every $1 billion in U.S. agricultural export supports **8,619 full-time jobs** in U.S. economy

• **Spillovers of technology**
  - U.S. farmers received **benefits estimated at $3.4–$15.6 billion** between 1960-1993 from new varieties developed by CGIAR centers

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Over the past 20 years, total U.S. agricultural exports grew by 63% in real terms. Most of the growth was in exports to developing countries.

- **+103%** Growth in exports to developing countries
- **+19%** Growth in exports to developed countries

1,203,000

U.S. jobs supported by agricultural exports in 2018.
Benefits for health and nutrition
- U.S. consumers benefit from foreign aid supporting the search for solutions for soil- and plant-borne toxins
- Estimated up to $2.3 billion in annual losses from aflatoxin in corn, wheat, and peanuts in the U.S.

Greater global and U.S. security
- Foreign assistance helps reduce poverty, stimulate economic growth, and reduce international migration in aid-recipient countries
Looking Ahead

• Between 2015-2050, **98% of global population growth** is projected to occur in developing countries

• Global food demand is expected to increase by **50% by 2050**
  • BUT productivity lags in many of the poorest regions

• To sustainably feed a growing population, a **food systems transformation is essential**

• Continued American investment in foreign agriculture will be vital to help **secure a better future for all**