

**President William J. Clinton, Founder of the William J. Clinton Foundation and 42nd
President of the United States of America**

Ladies and Gentlemen,

I would like to be brief. I have some prepared remarks but I may or may not refer to them because I know exactly what I want to say here.

In all the years I was President, almost every time there was an international discussion about food it was about one of two things.

One is that wealthy countries needed to dismantle their agricultural subsidies so that poor countries could sell some products in greater quantities for more money and increase their incomes in international markets. And the other was: if there is another place where people don't have any food, let's get up and do an appeal so that the World Food Programme can feed them. This was quite often in the aftermath of either a drought or a disaster.

Then, towards the end of my service as President, we put together a program that we operated in conjunction with the World Food Programme to provide, at a very modest cost of about 300 million dollars a year, a nutritious meal for children if they would come to school to get it. This program led, in its first year, to more than 6 million more children enrolling in school. That was the whole scope. There was almost no discussion about increasing the capacity of people to grow their own food near home, to store it, to market it, to think through what this would mean.

I fell into this work first because my AIDS project operates all over the world and, as all of you who deal with severe health problems know, unless people have a certain level of nutrition, particularly younger people, the medical treatments are dramatically reduced in their effectiveness.

Secondly, I tried to work on sustainable development around the world. I realized that there was place after place after place where we had not destroyed the top soil by cutting all the trees down or overgrazing it. However, people were literally not organized to minimize the cost of farming inputs and maximize yields, store the food, market it cooperatively and use it to increase the incomes of ordinary people. There were simply severe organizational and investment shortfalls.

Then, a few months ago, Mr. Zoellick said that he felt that the World Bank had made an error, starting in the early 80s, by stopping the financing of agricultural productivity investments. There was an assumption, which drove World Bank policy, that we needed to have food grown in large quantities in a few places that were most productive and send it all around the world by tearing down barriers. This was thought to be the best thing because a lot of poor countries would simply skip a stage of economic development. Mr. Zoellick said that he had concluded – and so did his people – that they were wrong.

I was so excited about his announcement that I called him on the phone and thanked him and offered to do whatever I could to help the World Bank change these priorities and policies. And we have been in regular contact with him.

I also see the UNICEF leader here, Ms. Ann Veneman, who used to be the Secretary of Agriculture, so I know that she agrees with this. We worked together in the Tsunami affected areas, particularly in Aceh (Indonesia territory), trying to get food and learning materials to children.

That's the background for what I want to say today.

This year we have seen a combination of rising costs; the rising cost of agricultural inputs, particularly fertilizer, driven by the price of oil; the rising cost of food itself; and, the direct cost of oil, which has basically obliterated the impact of international assistance in poor country after poor country. There are 53 developing nations which import 70 percent or more of their oil or other energy sources.

Then let's look at another aspect of this which I deal with a lot in America. You have this utterly bizarre development in rapidly growing countries where there are a lot of newly wealthy people, a lot of people in the middle-class, and still a lot of poor people. India is the best example, where on the one hand people are hungry, on the other they are suffering from those diseases, commonly seen in rich countries, which are specifically associated with overeating and bad nutritional habits. So you have diabetes growing rapidly in India; and, they almost need a child obesity project there specifically geared for middle-class and wealthier kids, just the way we have in the US – the one I had – and in the UK, Ireland and probably in some other wealthy countries that I don't know about. And, you have eating-related disorders rising in countries where there are still huge numbers of hungry people because they are eating the wrong kind of food produced a long way from where they are.

Now I believe the rising cost of energy, the looming threat of climate change, all the questions surrounding what happens to our water supply, and the rising transportation costs will all mean that whatever we do and don't do at this meeting today, 20 years from now people – whether they are in rich countries, poor countries or countries in-between – will be consuming more of their food from stocks grown within a 100 miles of where they live.

Today, when the average American sits down for dinner, he or she consumes a meal that has traveled on average more than 1000 miles from the product in the ground or the hoof of an animal to the table.

So, first you have to accept whether you essentially agree with the outline that I have stated here. Secondly, if that is true, then there is income to be earned and stable economy to be developed by empowering every single place on earth to be as energy efficient and as self-sufficient in the production of food as possible.

Now, I do believe that 20 years from now soybeans will be grown in places with the largest amount of top soil where they can get the highest yields, and I would expect them to be shipped all over the world. I think in Asian countries, which tend to be lactose intolerant, there will still be a lot of soybean milk and the soybeans will be grown somewhere else. I still think wheat will be grown and shipped over significant distances. I think in some cases, particularly in the

Middle-East, this will be the case with rice because it will be impractical to spend as much water as it would cost to bring in rice crops in countries that can't grow the rice but have big rice based diets.

So there will be some of this. But basically, we should shift our thinking to assume that, other things being equal, we should look for agricultural self-sufficiency. We should look for the empowerment of family farms. We should look for villages to build from agriculture to food processing to farm markets through cooperative ways. And, agriculture also lends itself naturally to be an antidote to the concentrated wealth and increasing inequality that every country on earth is struggling with now.

Now I readily confess that when I was a young man I lived on a small farm and was nearly killed in a fight I had with a ram, which I lost. My whole life has been oriented towards this. Before I was President, I was Governor of one of America's more productive agriculture states. But even then I was trying to have more sustainable agriculture for small farmers, and diversify crop production. I think the time for that has finally come.

At my global initiative, across town, we will be discussing a lot of these things. But in our little gift bag for the attendees, there is a can of coffee, which does not have a lot of caloric content, but it makes the point I want to make. The coffee is grown by Rwandan farmers. We worked hard to help them do two things.

Number one, get good coffee beans and lower the cost of inputs. So we bought vastly increased volumes of fertilizer with a much more efficient distribution system so that we got a big cut in the price to farmers for fertilizer.

(My long term goal is to produce more of it locally with organic material that reduces greenhouse gas emissions by trapping the methane, and converting the organic material into organic fertilizer.)

But anyway we did this, and we improved the supply-chain and we improved the marketing. Then we wound up with a project that we are now doing with a Scottish philanthropist named Tom Hunter, in which we are contacting 800 European retail outlets which would agree to place this coffee under the simple brand name Rwandan Farmers. This means that these farmers are now earning not only more than other coffee farmers – the first threshold was that they had to earn a fair trade price, and those of you familiar with coffee farming know all about that – they earned twice the profit margin of fair trade coffee farmers around the world because they get to market direct. In turn, this is putting more cash back into these villages which we can then use to farm cassava on marginal land that would otherwise be recoverable for anything, which is not particularly nutritious, but it is a very good food supplement for hungry people.

The point I am making here is that we are diversifying the economy. And we are bringing investments and jobs to rural areas that would otherwise not have them, and therefore help to slow the inexorable rush of populations to the cities when the urban population in Africa and Asia and other places seems to be exploding because nobody can make a living in the rural areas anymore. That, too, helps support sustainable development and helps us in the fight against

climate change since 77 percent of greenhouse gas emissions are generated directly or indirectly through energy use by urban areas.

And, I am doing this in a very small way. But I can tell you that our farmers in Rwanda and Malawi are doing very well. In the Millennium Development Villages you have similar results. We are not doing this, as we should, in a comprehensive way country by country. We have to have a mechanism which involves the interest of the business community, the international financial institutions. And I think the idea that the whole UN is interested in this, and that Secretary-General Ban Ki-moon is committed to this, is very important.

What I would like to see out of this meeting is to have everyone interested and participating in this sort of move towards sustainable and self-sufficient agriculture to the extent that it is possible, to essentially set up a system where the UN or somebody will have one person in every country responsible for doing an analysis of what can and cannot be done. We don't want to defy the laws of the soil, the laws of the cycle; we don't want to do that. We need to figure out how we can do what our Foundation is doing in Rwanda with different kinds of products in other parts of the world.

We also need much more attention to storage and marketing.

I have a big AIDS/healthcare project in Ethiopia. All of you have been reading about how there is a shortage of food again in the Horn of Africa. One of the things the Ethiopians are trying to do now is to move from being one of the most poorly served rural populations anywhere in the world. When we started there, there were only 700 clinics in rural areas in a country that has almost 80 million people. So once you got outside of the urban areas you were looking at medical units covering 250 000 people with enough personnel for 20 000. So we are trying to go from 700 clinics to 3500 clinics. And, our Foundation is helping the Ethiopians to build up.

So it was very happy circumstance for me because I got to see a lot of the country that I had never been able to see on my previous trips. Everywhere I went, the fields were full. The farmers had done a good job and were bringing in a big profit; their productivity was enormous.

I was too busy about worrying about my health business, but I talked to my Ethiopian colleagues and said look, maybe there are too many people that live in places that can't grow any food. But, you obviously have a storage and distribution problem and someone needs to invest money here to help you do this. So now the stories no longer read, "how bad is the problem and is the government in denial", the stories are "we got a system that works here, can you give us a little bit more money because the production is off a little this year" – the sort of thing that happens in every country, all the time.

I would just tell you that based on my experience here in this area, and so many others, there are really smart farmers out there. They are not predisposed to deplete the soil. But, they can only deal with the options they have and the structures that exist. And, basically, agriculture in developing country after developing country has been subject to 25 to 27 years of system neglect. They are doing the best they can with food they can grow and consume, but they cannot

sell very far away from where it's grown. They have very limited ability to store and nobody is helping them to figure out a credit system that will ride through good and bad years.

The fact that the World Bank has reached this conclusion, the fact that the Secretary-General has asked all of you to come here, the fact that there is a recognition that we need increased investment per acre to maximize production; while the money here is not going to be massive, the payoff is going to be great.

But do I want us all to kick in the money to help a few hundred people this year? Yes, I do. But the best thing would be if there are fewer hundred people every year.

The fact is that we basically realized that we had a flawed model that both kept more people in poverty and kept more people hungry. We decided to change the model. We have to analyze what kind of things we can all do to change that model.

But the energy crisis and supply reality alone, and the inevitable necessity to get the developed world and the developing world involved in the fight against climate change; all of these things are going to drive us towards more agricultural self-sufficiency.

The question is how fast are we going to do it? How well are we going to do it?

The potential is staggering based on my limited, but I think reasonably well-informed experience.

My Foundation will do whatever we can to support you in this effort.

Thank you very much.