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STATEMENT BY THE HONORABLE DEAN RUSK SECRETARY OF STATE AT THE

ANNUAL HIGH LEVEL MEETING OF THE OECD DEVELOPMENT ASSISTANCE COMMITTEE WEDNESDAY, JULY 20, 1966

I. Introduction

Mr. Chairman:

We are very pleased to have the Development Assistance Committee in Washington, and I consider it a privilege to welcome you. In inviting DAC to meet here, President Johnson had in mind the great importance both of DAC and of the looming world food and population crisis.

The Chairman has reported on the work of the Committee and the progress of development aid during the past year. Mr. Bell will outline our views on the whole range of urgent problems raised in Mr. Thorp's report. Let me say merely that its excellence confirms the confidence we have in the DAC approach.

Tomorrow, Mr. Freeman, our Secretary of Agriculture, will tell you about the Food for Freedom program of the United States.

For my part, I want to focus on the world food problem and what it implies for our aid efforts.

II. The Problem

In its essence, we all know what the world food problem is. It resolves itself into four bleak facts:

First, even now substantial numbers of human beings are chronically undernourished—with all that implies for infant mortality, ill-health, and economic stagnation.

Second, world population is growing rapidly.

Third, per capita food production in some of the less developed countries has actually begun to decline. Despite rising foreign food imports, consumption per capita has barely remained stable in some of these

of these nations and has diminished in others. The story is of course uneven: some countries have made remarkable progress in increasing food production--along lines that can be helpful to others.

Fourth, the reserve food production capacity of the developed countries will not indefinitely fill the widening gap between food needs and food production in the less developed countries. For the long haul, it would make neither political nor economic sense for a few countries to try to fill that gap with food aid.

Behind these four ominous facts lies a series of political, economic and scientific problems that concern each of us. Yet they are problems which no one of us, however rich, however strong, however determined, can hope alone to resolve.

The history of our world is punctuated with the interplay of politics and hunger. Hunger has been intensely political from the Biblical famines and the uprisings of Rome to the great European migrations to America of the Nineteenth Century and to the present food crises affecting hundreds of millions of people.

Projected to the scene of the developing nations, these four facts spell deepening misery, political upheaval, economic reversal, impaired world prosperity, accentuated conflict.

The mounting world food and population crisis is a fundamental challenge to modern society. It is second only to maintenance of world peace in our concerns.

"Hunger poisons the mind. It saps the body. It destroys hope. It is the natural enemy of every man on earth."

When President Johnson spoke those words, he defined the meaning of the world food crisis for the United States. And on this conclusion he based his statement to our Congress that "hunger is a world problem. It must be dealt with by the world."

It is because of this conclusion and crisis that we are here today. I urge that we set out jointly and with decision to help our fellow men to win the war against hunger.

I propose that in the next two days and in the months ahead we work out together a better understanding of this problem.

I propose that we develop a consensus about what needs to be done.

I propose that we join in developing a new attack on a critical world problem, which will yield only to our common efforts.

III. The Tasks to be Accomplished

I believe that three steps must be taken to avert a calamitous foodpopulation crisis:

First, food production in the less developed nations must be increased—increased in the context of sound over-all economic development. This requires strong action by the developing countries and increased technical and capital assistance from the developed countries.

Second, assistance in the form of food, shipping, storage and handling facilities, and other resources, must be supplied as an urgent claim on all the advanced countries during the interim until food production in the developing countries has been increased.

Third, there must be increasing opportunities for men and women consciously to decide the size of their families.

I am all too conscious of the enormous difficulties entailed in applying these remedies. Also, our Chairman's Report testifies that all represented here are already engaged in the attack on the world food problem and inadequate economic growth. Some of us are doing more, some of us less.

For its part, the United States plans nearly to double in the coming year its 1964 level of assistance for agriculture. We expect soon to be investing more than \$500 million a year in financing fertilizer imports, transferring modern farming techniques and equipment to the developing

developing countries, constructing fertilizer plants, establishing more extension services, cooperatives, and credit facilities, and financing research for better and more nutritious crops.

In addition, the President has proposed a new Food for Freedom program which will be closely integrated with our economic assistance efforts. The new Food for Freedom legislation will increase food aid shipments while the recipient countries expand their output. Part of the local currency generated under food sales will be reinvested in agricultural development and food processing industries. The food supplied in many cases will be used as wages in rural development programs to promote self-help.

In determining our assistance, whether through food aid or in other forms, we will take particular note of each country's efforts to develop its own food capabilities—through either agricultural development or improved capacity to buy in world markets. And, if required, we are prepared to do still more as less developed countries intensify their efforts to help themselves. We urge each of the Governments represented here to do likewise.

We also would welcome an increase in the contribution of the Soviet Union and the Eastern European states to this task, for example through participation in the FAO and the World Food Program.

How should we organize an increased effort?

In the case of food aid, the problem is <u>relatively</u> simple--not simple, <u>relatively</u> simple. It seems clear that more will be required in the years to come.

Here is how we might provide it, supplementing national programs with collective action:

First, the World Food Program has performed well. It has the capacity to do an increasing share of the job. We note that, for lack of sufficient

of sufficient matching funds, the United States pledge of \$130 million for the years 1966-68 may not be fully used. Pledges received so far from other FAO members are still some \$60 million short. We hope this need will be met. And, beyond that, we would be prepared to increase substantially our contribution to the World Food Program to match pledges by others. Those who cannot provide food could provide funds to purchase food and to meet services and transportation charges.

Second, the United States is prepared to agree with other producer nations on the creation of a World Food Reserve held available for emergency use.

population control and measures to increase agricultural production and productivity are relatively more complex problems. We should proceed with existing lines of national attack and the multilateral efforts of the IBRD, the IDA, the FAO, the UN Development Program, and the numerous regional efforts already under way. But we should also undertake an intensive joint study of how best to broaden the attack.

The recommendation to be put before this meeting would give this Committee and our distinguished Secretary General, Mr. Kristensen, a mandate to mount that study, to develop comprehensive practical plans, and to make recommendations to governments. My government supports this draft recommendation.

The OECD and its Development Assistance Committee are uniquely suited to lead in developing plans for the participation of its members in the war on hunger. Almost two decades of experience, including intimate cooperation with the FAO and the World Bank, recommend the OECD for this great task.

IV. Some Questions to Explore

For five years, our combined aid programs have hovered around \$6 billion annually. I know that each of us has problems within our own countries

countries in getting support for additional foreign aid. Yet it seems to me that over the months ahead we should openly and honestly seek answers to the following kinds of questions.

--Could a substantial expansion of foreign aid to meet the food and population crisis be wisely used?

--If so, what kind of aid would be most effective?

--What would be an equitable basis for providing collectively this additional assistance?

--Should coordinated national programs be stepped up or should we rely more on multilateral institutions?

-- What should be our response to Dr. Sen's idea of an FAO agricultural input scheme?

--How should we go about expanding fertilizer supplies?

Can we, individually or collectively, provide new incentives for private enterprise in this key area?

--How can we encourage additional agricultural research and training institutes in the LDCs?

--Could the educational investment planning and technical assistance concept, successfully applied in the Mediterranean Regional Projects of the OECD, be adapted to help developing countries?

--How can our national technical assistance programs more adequately reinforce those of the UN and FAO?

Without either asking for or giving commitments at this stage, we urge an open-minded examination of these questions and any others suggested by the members of this organization.

Finally, there is the third step: stabilization of population.

We are glad to see that an increasing number of nations are developing plans and facilities to give families freedom of choice. We stand ready to assist countries which ask for our help in these efforts to assure that children brought into the world are wanted.

V. The

V. The Need for Solidarity

It was to confront together a somber prospect and a vital challenge that we invited you here. I have spoken of the gravity of the impending food and population crisis, as we see it.

We are all conscious that there are many people who are not yet aware that the looming world famine will threaten their individual peace and well-being, and that the tragedy of famine must be averted in the interest of peace and humanity.

But I am confident that, when they become familiar with the facts of the problem, the people of my own country will respond affirmatively—as they have done time and again during the last 20 years and more.

When you return to your capitals, I hope that you will bear with you the full measure of the commitment of this Government. And I hope that you will carry a firm resolve that all our nations will work together to wage a war against hunger. As President Johnson has said:
"There can only be victors in this war. Since every nation will share in that victory, every nation should share its costs. I urge all who can help to join us."

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