AUSTRALIAN AGRICULTURE BENEFITS FROM THIRD WORLD DEVELOPMENT, POLICY EXPERT SAYS

Canberra -- There is great opportunity in the next 20 years for Australia and other food exporting countries "to do well while doing good," according to John W. Mellor, director of the International Food Policy Research Institute, Washington, D.C. It is in the interests of both the farmers in the high-producing areas and the hungry poor in the developing world to capitalize on the great potential that now exists to eliminate hunger and simultaneously build commercial markets, Mellor says.

Mellor will be speaking at a symposium, "Agricultural Prospects and Challenges in Developing Countries," being held in conjunction with the 1989 mid-term meeting of the Consultative Group on International Agricultural Research, in Canberra. The symposium will be held on Friday June 2 starting at 2 PM in the Canberra Room of the Hyatt Hotel.

The mass of people in developing countries live in rural areas, Mellor says, and if agricultural growth can be accelerated in these areas, it will have very strong multiplier effects on both employment and income growth. As incomes increase, demand for food will increase very rapidly and will continue to do so for many decades. Noting that nearly one-third of the 750 million hungry poor are located in rural areas with high potential for agricultural growth, Mellor proposes a program of technological innovations to increase food productivity and a massive, 20-year effort to bring roads, electricity, and other infrastructural developments to rural areas.
We know through careful studies of infrastructure impact that rural areas that do not have access to all-weather roads and the institutional structures that go along with them are left out of the development process," he says.

Mellor estimates that his proposal would cost around US$ 350 billion for the 20-year period, to be shared by developing and developed countries alike. He suggests that 15 to 40 percent of the cost of building would be food consumed by the builders, coming from food surpluses.

He describes his proposal as a 20-20-20 program, US$ 20 billion a year to pay for infrastructure, 20 million tons of food aid a year to provide the food for that labor force, and a 20-year period. If developed countries are serious about eliminating hunger through processes that will create commercial markets in the long run, Mellor says, three criteria need to be met.

First, there has to be a substantial increase in foreign assistance with the focus on the poorest countries, where the bulk of the poorest people are located. Second, foreign assistance must have a major food aid component. Third, developing countries have to give greater emphasis to agriculture and the rural sector generally, and to employment that results in greater food consumption.

There is only one growth market left in the world for commercial food exports, Mellor says, and it lies in the developing world. While exporting nations may "win some and lose some," as these countries produce some exports of their own, "if we concentrate on eliminating exports, we may lose the growth processes that bring about the import potentials," he says.

The CGIAR is an association of over 40 countries and donor organizations that annually contribute over US$ 200 million for the benefit of food production technology in developing countries. The International Food Policy Research Institute is one of 13 international agricultural research centers supported by CGIAR.