

3. From Tragedy Comes a Revolution in Food Safety

*"I carry with me today a very simple message from President Clinton:
America will never forget."*

Agriculture Secretary Dan Glickman
5th Anniversary of the Pacific Northwest *E. coli*
outbreak
January 18, 1998

President Clinton and Vice President Gore took office in the wake of a severe *E. coli* O157:H7 outbreak in the Pacific Northwest. More than 700 were sickened and 4 children died as a result of eating undercooked hamburger at a fast food restaurant. The Nation was horrified, and issues of food safety and inspections rocketed to the top of the national priority list. Consumers organized and founded Safe Tables Our Priority (STOP), a nonprofit organization devoted to improving the safety of the Nation's food supply and the meat and poultry industry entered a period of self-examination. President Clinton and Secretary Mike Espy vowed to revolutionize food safety in America to help ensure that such a tragedy would not be repeated.

Food safety reforms were long overdue. The United States created its Federal food safety system in the early 1900s. These early food safety laws, in fact, were the Nation's first consumer protection laws. The impetus for the legislation was Upton Sinclair's book *The Jungle*, which exposed the horrifying conditions in most meat plants at the time. These early laws, covering the meat, poultry, and egg industries, provided for regular inspection of slaughtering facilities and processing plants.

Nearing the turn of a new century, American agriculture reflected the substantial changes and progress of our Nation over nearly 100 years. Large, more mechanized, and productive farms increasingly replaced the small family farm. Technology and scientific innovations led to mass production methods and the common practice of successfully transporting perishable foods over long distances. A more global economy brought food from around the world to America's dinner tables. And finally, the expectations and behavior patterns of consumers changed significantly. Modern consumers eat an ever-growing percentage of their food away from home, and they purchase more prepared and ready-to-eat products.

But while the Nation and U.S. agriculture changed immensely, America's meat and poultry inspection system evolved very little. Efforts to modernize the system failed, and recommendations to enhance inspections through science went unanswered. For example, in 1985, the National Academy of Sciences issued a report¹ highlighting serious gaps in the

¹*"Meat and Poultry Inspection, the Scientific Basis of the Nation's Program."*

Nation's food safety inspection system. But its recommendations were never acted upon; consumers and Government officials generally seemed happy with the status quo. So the U.S. meat and poultry inspection system that President Clinton and Vice President Gore inherited remained much as it was under President Theodore Roosevelt in 1906.

First Attempts At Reform

The Pacific Northwest tragedy changed the political landscape for food safety reform. Those who resisted modernization could not ignore the powerful public mandate for change--a mandate President Clinton's USDA seized. Secretary Espy and USDA's Food Safety and Inspection Service (FSIS) began developing a strategic plan that would improve food safety from the farm to the table. This plan covered everything from safe-preparation labels on the meat and poultry that consumers buy at the grocery store to a significant overhaul of the Nation's meat and poultry inspections. Under the plan, microbiological testing would be integrated into the inspection program. Most notably, the plan called for the use of the Pathogen Reduction/Hazard Analysis and Critical Control Point (PR/HACCP) approach to food safety.

Developed in the 1960s by NASA to ensure the safety of food eaten by astronauts, HACCP is a "process control" approach for ensuring safe food by identifying all steps in the process, determining what might go wrong at each step, and implementing measures to prevent those potential problems.

Recognizing that even the best systems could not deliver a "silver bullet" that ensures meat and poultry is completely free of pathogens, USDA also made consumer information and education a top priority. In late 1993, safe cooking and handling labels were mandated on all raw meat and poultry products. Four industry groups filed a lawsuit alleging that USDA did not have good cause to dispense with notice and comment rulemaking, which is required by law (unless those procedures are "impracticable, unnecessary, or contrary to the public interest"). USDA argued that the emergence of a new and deadly pathogen, *E.coli* O157:H7, justified mandating safe-handling labels on an interim basis. The court sided with the industry groups. Rather than appeal the decision, which would have taken months, USDA published a proposed rule with a 30-day comment period and then issued a final rule.

In September of 1994, Secretary Espy sent a bill to Congress to establish pathogen standards for meat and poultry. The Pathogen Reduction Act of 1994 directed USDA to establish regulations to limit the presence of human pathogens in poultry at slaughter and ensure that appropriate means are taken to control the presence and growth of human pathogens on poultry prepared in an official establishment. The bill proposed increased authority for the Secretary in order to protect the public health in the event that unsafe food entered the marketplace. This authority would have empowered USDA to: recall potentially unsafe food, trace adulterated product back to the source, and levy civil penalties against establishments that put the public health at risk. The legislation was introduced by Senator Tom Daschle (D-SD) and Congressman Charles Stenholm (D-TX), but it failed to pass either Houses following industry opposition.

Despite this setback, President Clinton's USDA continued to modernize the meat and poultry inspection system and further ensure food safety. On October 13, 1994, President Clinton endorsed and signed legislation that USDA had advocated to reorganize the Department. This legislation included a provision that separated USDA's food safety responsibilities from its agricultural marketing work. The reorganization also placed USDA's public health oversight responsibilities under a newly created mission area, the Office of the Under Secretary for Food Safety. As a result, USDA now had the highest-ranking food safety official in the U.S. Government. To ensure that public health was the top priority, the reorganization legislation expressly stated that this position could go only to someone with "specialized training or significant experience in food safety or public health programs." Then-FSIS Administrator Mike Taylor was named Acting Under Secretary shortly after joining the agency in August of 1994. Catherine Woteki, Ph.D., R.D., became the first confirmed Under Secretary on July 31, 1997.

Further underscoring the Department's commitment to a science-based food safety system, Administrator Taylor, within weeks of joining FSIS, flatly declared *E. coli* O157:H7 an adulterant in ground beef. This move made clear that meat contaminated with the pathogen should be taken off the market. "This was a critical event in the history of food safety," said Taylor. "Within its first few weeks, the Administration was confronted with a public health issue that shed light on a significant gap in the country's food safety system. That event triggered and elevated the Administration's focus on food safety." In October 1994, the agency announced it would begin sampling and testing raw ground beef for the pathogen. This represented a major shift in policy as the agency, before its independence, had considered the presence of such pathogens "natural." In an attempt to stop the testing, a group of industry organizations and supermarkets filed suit claiming that the Administrative Procedure Act required USDA to go through notice and comment rulemaking. The court found that the policy was actually an "interpretative rule," and that notice and comment rulemaking was not required. The testing began.

A Science-Based Revolution in Food Safety

As early as 1994, USDA began asking for stakeholder input as FSIS began the awesome task of drafting the landmark PR/HACCP rule. In March of 1994, a roundtable meeting was held to discuss this major overhaul of the Nation's meat and poultry inspection systems with representatives from consumer groups, Government, industry, scientific organizations, and farmer/producer groups. The proposed rule called for an end to a command-and-control approach to inspection, which dictated the exact steps that were required to meet a specific food safety regulation. In contrast to this "cookie-cutter" approach, the new HACCP rule would focus on preventing the problems that cause contamination in the first place. Under the new system, plants target the most significant hazards and build in controls to prevent them. USDA inspectors still retain their presence, but their focus shifts from dependence on sight, touch and smell examination to making sure the plant's HACCP plan is working and that microbiological tests are being conducted to confirm the safety of their product.

The Clinton Administration recognized the revolutionary nature of the proposal and made clear its intention to overhaul a system that had evolved very little for more than 8 decades. This naturally caused angst and raised questions among even those most supportive of the shift. For this reason, the Department committed to an open rulemaking process in which all stakeholders could ask questions, voice concerns, and make suggestions. Public meetings were held in various settings. There were seven informational sessions, a two-day hearing, three scientific and technical briefings, a town-hall meeting for FSIS employees, and a food safety summit hosted by Secretary Glickman. The comment period for the proposed rule was extended twice, and FSIS ultimately received approximately 7,500 written comments.

The PR/HACCP final rule was published on July 25, 1996.

The agency continued to work with the industry and more than 7,500 FSIS inspectors and veterinarians to ensure that everyone would be comfortable with, and up to speed on, the new system. All plants first were required to put in place sanitation standard operating procedures (SSOPs), which were tailored to their specific operations. SSOPs are plans developed by each plant to plot how they will meet basic sanitation requirements, such as ensuring clean facilities and equipment. In addition, all slaughter plants were required to conduct microbial testing for generic *E. coli* to verify that their systems to prevent fecal contamination were working. To further verify that the HACCP system was working, FSIS set a pathogen reduction performance standard for *Salmonella*. *Salmonella* was chosen because it is an indicator of other pathogens and the U.S. Centers for Disease Control had good historical data about illness caused by the pathogen.

With a fundamental shift underway in its inspection system, FSIS conducted a top-to-bottom review of its regulatory roles, resource allocation, and organizational structure in the new HACCP environment. The day after the final rule was published, Secretary Glickman announced that FSIS would reorganize itself to maximize the agency's inspection and enforcement capabilities. The plan reduced the number of non-front-line employees by 20 percent. The reorganization also created the Office of Public Health and Science, which included several new divisions that reflected the science-based, public health focus of the new FSIS: Epidemiology, Risk Assessment, and Emerging Pathogens and Zoonotic Diseases.

Once HACCP was in place, USDA recognized that it still had food safety regulations on the books that reflected the old "command-and-control" format. Because this was inconsistent with HACCP's tailored, preventive approach, more than a dozen rules were either revoked or changed to: improve food safety, reflect the HACCP approach, and/or make the regulations less burdensome and easier to use. FSIS did such a good job with its regulatory reform efforts that it was designated a Government "Reinvention Center" by Vice President Gore's National Performance Review.

An increased emphasis on science was a centerpiece of the inspection modernization effort. Equally important was the recognition that in order to truly improve the food safety system,

USDA would have to reach beyond the walls of slaughtering and processing plants. This led to a new emphasis on the "farm-to-table" continuum. To this end, FSIS teamed up with the Food and Drug Administration to identify hazards associated with transportation and storage. FSIS also partnered with the Environmental Protection Agency to measure human health risks associated with the presence of carcinogenic dioxin residues in cattle, swine, and poultry. And FSIS worked with the Centers for Disease Control and Prevention to gather baseline data on the incidence of foodborne illness due to meat, poultry, and egg products. These partnerships were natural next steps as the Clinton Administration began to look at food safety issues more broadly.

Hudson Recall Event

When National Public Radio identified the top three stories of 1997, topping the list was the tragic death of Princess Diana. The second biggest story was U.N. inspectors searching for chemical weapons in Iraq. The third biggest story was the record recall of more than 25 million pounds of hamburger from the Hudson Foods Company, believed to be the largest food recall in U.S. history. The event undoubtedly also influenced the outcome of a subsequent *USA Today* poll. Surveying consumers, the newspaper ranked the fear of getting sick from eating contaminated meat or poultry fifth highest among Americans' greatest concerns, close behind being diagnosed with cancer and becoming the victim of a violent crime.

The event began in August of 1997 with Hudson's recall of 20,000 pounds of frozen beef patties for possible contamination of *E. coli* O157:H7. Because of poor recordkeeping, the "reworking" of meat from one day to another, and shoddy cleanup practices by the company, within several days the recall engulfed 25 million pounds of potentially contaminated product. A Colorado outbreak earlier in the month triggered the recall when more than 20 people became violently ill. Most had grilled and eaten hamburgers processed by the Hudson plant.

The high profile nature of the event prompted the Clinton Administration to once again seek legislation that would give USDA critical food safety enforcement tools: the ability to fine companies that fell short of their food safety responsibilities and the ability to order a mandatory recall of potentially unsafe food. Although introduced in Congress more than once by the Clinton Administration, the legislation was never enacted, largely because Congress generally supported industry's argument that an expansion of USDA authority was unnecessary. In a radio address of May 2000, President Clinton made clear his disappointment. "The Department has the right to penalize a circus to protect animals from harm," he said. "It's about time we gave them the tool they need to protect human beings from harm, too."

HACCP Launch

Once the Clinton-Gore Administration had successfully launched the HACCP revolution, the first real test would be getting the new system up and running in plants across the country. In the end, HACCP's implementation went smoothly, thanks to extensive USDA preparation of its inspectors and plant employees. Hard scientific data reflected its success almost immediately. Also, despite loud cries from HACCP opponents that many plants, particularly small ones, could

not survive under the rigors of the new system, the number of operations suffering business setbacks was minimal.

These facts represented a monumental achievement when one considers that the transition to HACCP meant that meat and poultry plants had to: (1) develop and implement written sanitary operating plans; (2) begin operating under a system of preventive controls, which they had to design and maintain; (3) in the case of slaughter plants, had to conduct microbial testing for generic *E. coli* to verify the adequacy of their process controls for preventing fecal contamination; and (4) in the case of plants producing raw ground products, had to meet pathogen reduction performance standards for *Salmonella*.

Recognizing that this transition would be more of a challenge for smaller plants and that it would take time to train all of their inspectors, USDA opted for a phase-in of the new rule. The Nation's 300 largest plants (500+ employees) were required to come under the new system first, followed by plants with 10-499 employees, and ultimately working down to even smaller, often family-owned, operations.

Under the new HACCP system, Government and industry food safety responsibilities were crystal clear. Industry was accountable for producing safe food. Government was responsible for setting appropriate food safety standards, maintaining oversight, and operating a strong enforcement program to deal with plants that did not meet regulatory standards.

To ensure that USDA inspectors, plant operators, and employees were intimately familiar with their roles and duties under the new system, USDA launched a massive education campaign. For example, FSIS conducted almost 200 HACCP workshops, attracting some 4,000 plant employees. Thousands of HACCP videotapes, software, workbooks, process control information, and other materials were distributed in multiple languages. FSIS's Technical Service Center in Omaha set up a HACCP hotline to answer regulatory questions. Five land-grant universities across the country worked with USDA to set up model HACCP plants, which were opened to industry and used to demonstrate the new approach.

After large plants successfully implemented HACCP, FSIS linked some of those plants as mentors for smaller plants. In June 1998, the agency established the Office of the HACCP National Coordinator to build and maintain an infrastructure for providing information, technical guidance, and assistance to plants. It also set up a network of coordinators across the country to respond to requests for additional training and assistance.

HACCP Success

The end result was success. After the last phase of implementation, a study revealed that more than 92 percent of plants were up and running under the new system on time. FSIS worked closely with those who struggled to meet the higher standard. Of the more than 8,000 plants under HACCP, only a handful decided to close rather than take the actions necessary to meet the higher bar for safety.

Another indication of HACCP's success was the significant decrease in the prevalence of *Salmonella* in raw meat and poultry products. *Salmonella* was chosen as a performance standard

for HACCP because it is a strong indicator of other pathogens and because an inability to control *Salmonella* levels is unsanitary. Baseline data on the prevalence of *Salmonella* was collected pre-HACCP, and a performance standard was established for where the plants should be post-HACCP.

In the fall of 2000—just 9 months after the last plants joined the program—Secretary Glickman released data showing significant reductions in the prevalence of *Salmonella* for the year ending June 30, 2000. *Salmonella* prevalence in broilers declined more than 50 percent, from 20 percent to 9.9 percent. Prevalence in hogs dropped from 8.7 percent to 7.7 percent. In cows and bulls, prevalence fell from 2.7 percent to 1.6 percent, and in steers and heifers, from 1.0 percent to 0.2 percent. In ground beef, the decrease was from 7.5 percent to 5.0 percent, and in ground turkey, from 49.9 percent to 30 percent. During that same period, the data showed that the percentage of plants meeting the HACCP performance standard was high: 92 percent for broilers, 82 percent for hogs and ground turkey, 84 percent for cows and bulls, 87 percent for ground beef, and 100 percent for steers and heifers. In total, 88 percent of large and small plants met the standard.

The Centers for Disease Control and Prevention (CDC) also provided evidence of HACCP's immediate success. Its data released on March 11, 1999, showed a marked decline in *Salmonella* and *Campylobacter* infections, two of the most common causes of foodborne illness in the United States. The findings showed a 13 percent decline in *Salmonella* infections over the previous 2-year period, a 44 percent drop in the incidence of *Salmonella* enteritidis (associated with egg contamination), and a 15 percent reduction in the number of illnesses caused by *Campylobacter*, the most common bacterial foodborne pathogen in the U.S. CDC officials credited HACCP as a significant contributor to the reductions.

Thanks to the Clinton Administration's commitment to food safety reforms, the United States overcame nearly a century of inaction in modernizing the way the Federal Government ensures the safety of meat and poultry. In bringing meat and poultry inspections into the 21st century, USDA also proved HACCP's detractors wrong: a modern, science and prevention-based system was needed to address emerging problems like *E. coli* 0157:H7; industry could survive the transition—and indeed could prosper with renewed consumer confidence in the safety of U.S. meat and poultry products. Most important, the Administration ensured one of its most enduring legacies would be a lasting and meaningful contribution to the Nation's public health.

Science, Risk Assessment, Surveillance and Testing

Inherent in the HACCP approach is the explicit understanding that science should guide modern food safety systems. Basing food safety decisions on science provides greater consumer confidence in food safety, separates fact from rhetoric (particularly in trade disputes), and—most importantly—best protects public health. Some areas in which science plays an important role in the U.S. system are risk assessment, surveillance, and testing. For HACCP to work at a high level, scientific information is needed to understand the nature and level of foodborne pathogen risks, to be able to identify and connect related foodborne illnesses, and to test for pathogens undetectable by human senses.

Taking risk assessment as an example, the President's Food Safety Initiative provided for creation of the Interagency Risk Assessment Consortium, which advises all Federal agencies with risk management responsibilities for food safety on advancing the science of microbial risk assessment. Through the Consortium, scientific risk assessments have been undertaken for a range of dangerous pathogens to help determine where and how Federal resources should be directed.

Another great example of using technology to improve food safety and protect the public health is FoodNet. Created by the Clinton Administration, FoodNet provides active surveillance for diseases caused by foodborne pathogens. This surveillance offers public health officials across the country prompt access to information that can help them identify causes of foodborne illnesses and link illnesses to each other and to potential sources. Quickly identifying an outbreak and its sources is critical to preventing the spread of food poisoning. FoodNet's baseline data in subsequent years will be used to document the effectiveness of USDA's PR/HACCP efforts in reducing foodborne disease.

The Costs of Foodborne Illness

When people think of vital food safety research, typically they think first about the significant breakthroughs that directly improve public health. While this was a key priority for the Clinton Administration, another key research project proved just how valuable good, solid economics can be to overcoming the hurdles of food safety politics. As the Clinton Administration pressed for a fundamental overhaul of the Nation's meat and poultry inspections, opponents argued that the reforms would be economically devastating. USDA economists found otherwise. They estimated the annual costs of foodborne diseases to be between \$5.6 to 9.4 billion. These estimates also revealed that the true economic burden was \$76 million to \$89 million per year to implement over the first 4 years and \$100 million to \$120 million per year to maintain HACCP systems, or slightly more than one-tenth of a cent per pound. USDA economists also provided estimates of the expected benefits of HACCP, finding the savings in medical costs and productivity losses of \$1 to \$3.7 billion per year or over 20 years to be as much as \$172 billion--far in excess of the costs to carry out the reforms. Besides fueling support for HACCP, the USDA analysis also was critical to securing millions of dollars in new funding for food safety research, education, and enforcement activities. By demonstrating that improving the safety of the Nation's food supply would save billions of dollars annually in medical costs, lost productivity and saved lives, USDA economists demonstrated once again that the Clinton Administration's strong support of USDA research offers a tremendously high return on investment to the American taxpayer.

The Clinton Administration also created PulseNet, a multi-agency, national computer system of public health laboratories that helps to identify and stop episodes of foodborne illness. The PulseNet laboratories perform DNA fingerprinting on bacteria to permit rapid comparisons of the patterns through an electronic database at the Center for Disease Control and Prevention.

PulseNet is an early warning system that links seemingly sporadic human illnesses so that more outbreaks can be recognized. PulseNet is especially effective given the nature of modern food production systems that are capable of producing millions of pounds of product and shipping it within a matter of days across the country. Without PulseNet, identifying an outbreak across a wide geographic area would be far more difficult and time-consuming. In fact, PulseNet proved integral in linking the many illnesses and deaths that occurred in 1998-1999 due to a *Listeria* outbreak across the country. Thanks to the database, investigators were able to trace the products back to a Sara Lee plant (Bil-Mar) in Michigan.

As part of the Clinton Administration's commitment to address a variety of pathogens linked to foodborne illness, USDA intensified its efforts to identify and measure certain bacterial risks to human health. For example, in 1999, *Campylobacter* testing of raw chicken carcasses began. The data will be used to assess the need for an industry performance standard for *Campylobacter*. In 2000, FSIS continued monitoring for the presence of *Listeria* and *Salmonella* in cooked,

ready-to-eat meat and poultry products and for *E. coli* 0157:H7 in cooked meat patties. Armed with scientific information, future policy makers will be able to carry on the vital work of improving the Nation's food safety.

Expanding the Concept of HACCP

The success of USDA efforts to modernize meat and poultry inspections led FSIS in October of 1999 to launch a project designed to explore whether HACCP could be extended to further improve food safety. Under this banner, the agency designed a HACCP inspection model for slaughter plants, in an effort to extend the principles of science-based prevention of contamination beyond the processing stage, so it could benefit the prior link in the farm-to-table chain. The effort was called the HACCP-based Inspection Models Project (HIMP), and some 30 plants that slaughter healthy, uniform, young chickens, turkeys, and swine volunteered to participate. The initial data collection, released in July 2000 by Research Triangle Institute, an independent consulting firm, showed a *Salmonella* prevalence reduction from 6.1 percent pre-HIMP to 5.5 percent, post-HIMP. The national *Salmonella* performance standard was 20 percent. The data collection also showed reductions of from 9 percent to 100 percent in carcass defects.

Threats to HACCP and HIMP

The American Federation of Government Employees threatened HIMP's future in April of 1998 when it filed suit in the U.S. District Court for the District of Columbia on behalf of the group's more than 5,000 member-inspectors. The suit challenged the pilot program's test of new inspection methods, claiming the changes compromised food safety. Under the pilot program, establishment employees would sort acceptable from unacceptable products under Federal inspector oversight.

The plaintiffs alleged that the pilot violated the Federal Meat Inspection and Poultry Products Acts because Federal inspectors were not conducting a post-mortem inspection of the carcasses of all livestock and birds processed for human consumption. The District Court granted summary judgment for the Government, but the union appealed. In a unanimous June 30, 2000 opinion, the Court of Appeals reversed the lower court's decision, holding that the pilot program violated Federal laws because Federal inspectors were not making the critical determination whether each carcass was adulterated or not.

In September 2000, FSIS substantially modified the pilot program to place a Federal inspector at a fixed position on the production line to determine whether each carcass is adulterated or not. AFGE challenged the modification, claiming that the agency continued to violate Federal laws. A court decision was still pending in late 2000.

During this legal dispute, two "public interest" organizations—the Government Accountability Project and Public Citizen—bought into the union's allegation that HACCP and HIMP compromised food safety. They attacked USDA by publicizing general in-plant observations they had collected from a small number of union inspectors. Many in the media concluded that the union was using the two organizations to advance its labor objectives and that the organizations' own motivation was support for a minor political party which had a candidate in the 2000 presidential election. Most consumer groups and industry indicated support for HACCP and HIMP during this episode.

Few individual regulated companies challenged the movement toward a HACCP system. One major exception was Supreme Beef Processors, a Texas-based company with a meat-grinding plant in Dallas, which on November 30, 1999 filed a lawsuit in U.S. District Court for the Northern District of Texas.

The suit sought to enjoin USDA from suspending inspection services after Supreme failed the *Salmonella* performance standard for the third consecutive time. Under the PR/HACCP rule, three consecutive failures result in the suspension of inspection services (which effectively shuts down a plant's operations). Following issuance of a temporary restraining order and a preliminary injunction prohibiting USDA from taking action, the court on May 25, 2000 held that USDA exceeded its statutory authority in issuing and seeking to enforce the *Salmonella* standard. The court found that meat is adulterated only when USDA finds that the conditions of the establishment are unsanitary, but that it cannot use the identification of *Salmonella* on the end product as sole evidence of unsanitary conditions. USDA appealed the decision on September 9, 2000 to the U.S. Court of Appeals for the Fifth District.

Changes to the Workforce

HACCP and other factors, including a seemingly more violent society, dramatically impacted the FSIS workforce in the late 1990s. A tragic incident occurred in June 2000 when the owner of a small sausage-manufacturing operation in California allegedly shot and killed two FSIS compliance officers and a State of California inspector when they visited the business to determine if it was in compliance with Federal and State laws. USDA held memorial services in

both the Oakland area and at USDA headquarters in Washington, where an American Linden tree and plaque bearing the names of Jean Hillery and Tom Quadros, the slain USDA employees, were dedicated at the corner of 14th Street and Jefferson Drive.

The murders of the two compliance officers led FSIS to focus on workplace violence to a greater degree. The agency had already developed materials and a strategy to neutralize problems associated with troubled employees and conflicts between employees. But, following the killings, FSIS also set up a Workplace Violence Prevention Task Force to develop a set of recommendations. To complement that effort, the Office of the Under Secretary for Food Safety entered into a cooperative agreement with the Milbank Memorial Fund under which workplace violence experts will begin a dialogue with labor and employee groups, industry and consumer organizations, and agency leaders to find ways to improve the quality of the workplace environment.

The arrival of HACCP in the late 1990s positioned FSIS to begin reshaping its workforce to meet future demands. In reducing its reliance on sensory inspection and shifting to a prevention-oriented inspection system, FSIS knew that it would need to introduce more frontline personnel with scientific and technical expertise, and it foresaw the necessity of greater flexibility in the deployment of personnel in a HACCP environment. In 1999, FSIS began developing in-distribution inspection models under which it would redeploy some inspectors who were assigned in-plant to begin verifying the safety and wholesomeness of meat and poultry products after they leave the plant. The concept of introducing "consumer safety officers" into the workforce to handle technical and professional duties was introduced in the late 1990s, as was a redefining of future roles of agency veterinary medical officers.

No plans were introduced to alter the size of the workforce. In fact, inspector shortages in some areas of the country in 1999 prompted the agency to intensify recruitment efforts. The drive's goal was realized in June of 1999 when FSIS reached its inspector ceiling of more than 7,600 – enough to staff all of the Nation's plants, including some in extremely rural areas. In 1999, FSIS also created a Workforce of the Future Steering Committee to address many of the issues anticipated as part of the workforce changes.

Recalls

The number of industry recalls began to climb in 1998. This increase was due in large part to the *E. coli* O157:H7 testing, an increase in the sample size tested, the introduction of a more sensitive test, and the *Listeria monocytogenes* testing in ready-to-eat product. In 1996 and 1997, a combined 52 recalls occurred. In 1998, the number was 44, and in 1999 it climbed to 62. The trend continued in 2000 when the number of recalls surpassed the 1999 high in the ninth month of the year. The number of recalls occurring in a given year is a poor indicator of food safety. And in fact, during this same time period, the Centers for Disease Control released data showing a decrease in illness.

The Hudson Beef case, with its massive multimillion pound recall and worldwide public attention, spurred the agency to launch a review of its recall policy. The study, completed in 1999, resulted in many proposed changes. It also led to a February 2000 decision to begin issuing press releases for all recalls. Previously, the agency only publicized certain classes of recalls that posed certain public health risks. Consumer groups, Secretary Glickman, and others agreed that the old policy fostered the perception that regulators were shielding the regulated industry and thwarting the public's right to know.

The old policy attracted considerable attention in 1998 and 1999 when the Bil-Mar plant in Michigan voluntarily recalled hundreds of thousands of pounds of products that were believed to have caused more than 20 deaths and sickened another 100-plus people due to *Listeria*. The controversy, which included heavy public criticism of USDA, occurred after FSIS investigators were unable to link the pathogen to the plant's products. Although other public health agencies and the plant issued public warnings, FSIS lacked the legal evidence to request a recall. The press release policy adopted in 2000 also encouraged the agency to issue precautionary public warnings when faced with extraordinary public health events.

The Food Quality Protection Act

In August of 1996, President Clinton signed the Food Quality Protection Act into law. This law had unanimous bipartisan support and represented the first major reform of pesticide law in decades. The Act raised the standard of safety for pesticides and established a rigorous timetable for the Environmental Protection Agency (EPA) to review all existing pesticides under that new safety standard. The Act also placed new demands on USDA to provide high quality data to EPA and to respond to the concerns of farmers and ranchers. In September of 1997, Deputy Secretary Richard Rominger announced the creation of the Office of Pest Management Policy within USDA's Agricultural Research Service to lead the Department's efforts to provide a strong response to the demands of the new law. The Office works to ensure that regulatory decisions are based on sound science, made with the involvement of the agricultural sector, and allow an adequate transition to new, safer pest management systems.

Partnerships

President Clinton's Food Safety Initiative

In his second term, President Clinton turned his focus to a new initiative. In January 1997, he asked U.S. food safety agencies to produce a report identifying gaps in the U.S. food safety system and recommending ways to close them. His vision was to create one seamless system for food safety that marshals and focuses all the different resources throughout the Federal Government and delivers one high standard of food safety to the American people.

The report, *Food Safety From Farm to Table: A National Food Safety Initiative*, signaled the beginning of increased cooperation between the various Federal food safety agencies and—over the final 4 years of the Clinton Administration—an increase of \$1.5 billion in funding for food

safety-related activities. The report recognized foodborne illness as an emerging public health hazard that required aggressive and more coordinated Government action.

The resulting President's Food Safety Initiative improved coordination among the various Government agencies. It also looked beyond "quick fixes" and instructed U.S. food safety agencies to develop a 5-year national food safety strategic plan to address specific and growing concerns.

As recommended in the Initiative, Federal and state agencies teamed up to form the Foodborne Outbreak Response Coordinating Group. This collaborative effort was designed to increase coordination among Federal, state, and local food safety and public health agencies; guide efficient use of resources and expertise during an outbreak; and prepare for new and emerging threats to the U.S. food supply.

Initiative resources in 1998 were used to enhance surveillance of foodborne disease and outbreaks and better coordinate outbreak response, improve inspections and compliance, target important new research and risk assessment to critical scientific gaps, and strengthen education and training, especially for those who handle food at critical points from the retail setting to the home.

The 1999 initiative placed increased emphasis on ensuring the safety of fresh produce and imported foods; targeted retail food safety education; provided funds to assist with the transition from traditional meat and poultry inspection systems to science-based HACCP systems; and developed scientific information and tools to control a greater range of food safety hazards.

In 2000, the Administration targeted Initiative funds toward controlling foodborne hazards in the preharvest phase; increasing the speed and efficiency of outbreak responses, and further developing a nationally integrated, seamless, and science-based food safety system. For example, the 2000 Initiative specifically increased investment in food safety research in such areas as animal production practices and manure management, surface runoff causing pathogen contamination of crops and animals, improved contamination detection methods, and prevention of the development of antibiotic drug resistance.

On October 28, 2000, the President signed the FY01 Appropriations Act, praising the fact that the legislation fully funded the latest round of his Food Safety Initiative, directing resources to increased surveillance, inspection of domestic and imported food, response to outbreaks, and "vital research."

President Clinton's Council on Food Safety

As a vehicle to accomplish many of the recommendations presented in the Food Safety Initiative, the President in August 1998 created a Council on Food Safety. Secretary Glickman, Health and Human Services Secretary Donna Shalala, and Neal Lane, the President's science advisor, served as co-chairs. Other representation on the Council included the Department of Commerce,

Environmental Protection Agency, Office of Management and Budget, Partnership for Reinventing Government, and Domestic Policy Council.

In addition to painstaking work on the strategic plan and budget, the Council and agency principals in March 1999 responded formally to a critical assessment of the Nation's food safety system that was put forward in 1998 by the National Academy of Sciences. The report, *Ensuring Safe Food: From Production to Consumption*, made numerous recommendations for improving the food safety system. In its response, the Council generally agreed with the report's findings and set about addressing specific points. In essence, creation of the Council was the Administration's chief response to the NAS report.

Shortly after its formation, the Council undertook responses to two critical food safety issues of increasing concern in the public health community due to a rising level of illnesses caused by the pathogens: *Salmonella enteritidis* contamination in eggs and *Listeria monocytogenes* contamination in ready-to-eat products. As a result, in late 1999, food safety agencies developed an Egg Safety Action Plan designed to eventually eliminate *Salmonella* in eggs. Later, in 2000, the President announced plans to address *Listeria*, a bacteria particularly dangerous for vulnerable populations of consumers.

Food Safety Research

The President's Food Safety Initiative almost doubled the funding for food safety research, and there were many examples in the late 1990s indicating that food safety research was paying off. For example, in January of 1999, USDA scientists announced development of a technique to rapidly detect a potentially deadly strain of *Salmonella* bacteria that resists many antibiotics. In July of 1998, a USDA Agricultural Research Service scientist reported the development of a rapid, easy-to-use test that detected *E. coli* bacteria in food products, and FSIS began using the method. The test works on hamburger meat and is 10 to 100 times more sensitive than other tests. In March 1998, USDA announced development of a product that dramatically reduces the level of *Salmonella* in broiler chickens. In field tests, the product reduced *Salmonella* from 7 percent in untreated chickens to 0 percent in treated chickens.

Growing out of the President's Food Safety Initiative was the creation of a Joint Institute for Food Safety Research to coordinate research efforts. This was important because it gave Federal agencies a coordinating body to more effectively match the needs of regulatory agencies with the priorities of research agencies. Since FSIS is dependent on outside research, this coordination is vital.

Aside from research efforts wholly or partly funded under the President's Food Safety Initiative, U.S. food safety agencies in the late 1990's opened more doors to technology that could be used to eliminate dangerous pathogens on meat, poultry, and egg products. One example is FSIS's announcement in December of 1999 that irradiation would be permitted to treat frozen, or refrigerated, uncooked meat, meat by-products and certain other meat food products to reduce levels of foodborne pathogens and to extend shelf life. In moving ahead with an expansion of

irradiation to meat products, USDA demonstrated its resolve to provide industry with yet another tool to ensure food safety. It did so fully aware of some consumer concerns over this type of "pasteurization," but confident that the process is safe.

Brown Burgers: A Gray Area for Safety

Most conscientious backyard grillers know the importance of a well-cooked burger to the safety of their meals. Unfortunately, many subscribe to the folk wisdom that a burger is safely cooked when it's brown in the middle. USDA researchers conducted a scientific evaluation to investigate the truth of the convention wisdom. The study provided solid evidence that a cooked burger's color is not a reliable indicator of internal patty temperature. Simply put, brown burgers offer no guarantee of safety. The results were a major factor in the development of a massive FSIS consumer education campaign encouraging the use of meat thermometers to verify that burgers are cooked to a temperature capable of killing off any harmful bacteria.

Food Safety Education

The Administration recognized that a true farm-to-table food safety strategy needed to focus heavily on consumers understanding that they share with industry and Government the responsibility of making certain that food is safe. Therefore, President Clinton's USDA placed increased emphasis on getting consumer-friendly food safety information out to the general public. For example, under the auspices of the Food Safety Initiative, USDA helped create the Partnership for Food Safety Education, a coalition of industry, Government, and consumer groups dedicated to reducing food-related illnesses through consumer education. On October 24, 1997, the Partnership introduced its "FightBAC!" campaign designed to increase awareness of the dangers of foodborne bacteria.

In addition to the FightBAC! education campaign, USDA in 2000 introduced "Thermy," a cartoon-like character who spreads - through written materials and in costume at food safety events - a message about the importance of using thermometers to ensure that meat, poultry, and egg products are cooked to the proper temperature in order to destroy harmful bacteria. USDA also in March of 1997 released "Keeping Kids Safe," a childcare food safety publication. The publication, along with food safety coloring books, was distributed to 82,000 day care centers nationwide.

All told, FSIS distributed tens of thousands of educational materials to the public and media and participated in hundreds of food safety consumer education events. Perhaps typical was the agency's 1999 effort to educate consumers, particularly vulnerable populations including pregnant women, senior citizens, and those with weakened immune systems, on the dangers of *Listeria*. In this regard, the agency took its campaign not only to the media but also to health care providers most likely to be communicating with this at-risk population.

Clearly, the commitment to strong consumer education efforts came from the top. In 1998, Vice President Gore manned the grill outside of USDA headquarters. As he participated in a safe grilling demonstration, he told the assembled crowd that "consumers need to be aware of foodborne risks while preparing food for their families, even around the friendly, seemingly safe environment of the backyard grill. Government is doing all it can to protect the food supply from dangerous microscopic pathogens, but it needs help from those who actually prepare meals in the home."

Emerging Issues

Facing a New Threat: Bioterrorism

As USDA pursued the Clinton Administration's mandate that Federal agencies work more closely together to ensure the safety of America's food, Secretary Glickman established in 1998 the Food Emergency Rapid Response and Evaluation Team (FERRET). This team coordinates investigation of food problems that cross agency lines within USDA--for example, the contamination of food inspected by FSIS and served in USDA's school lunch program. But as FERRET members found in 1998, its work can reach beyond traditional food safety issues and into suspected acts of terrorism. Such was the case when FERRET helped determine the risks associated with an unsubstantiated threat to contaminate products at a Wisconsin meat plant with HIV-contaminated blood. This was the first recorded case of a potential act of terrorism to the U.S. food supply addressed by the Department.

Particularly leading up to the year 2000 calendar change, interagency teamwork took on a whole new sense of urgency, as speculation mounted over the vulnerability of the country's food supply to acts of terrorism. At Secretary Glickman's request, Under Secretary Woteki and Deputy Under Secretary Caren Wilcox led the Food Supply Working Group, one of three dozen groups formed by President Clinton to address various aspects of the "Y2K" challenge. The interagency group worked for more than 18 months to educate all industry parties about threats--ranging from terrorism to computer glitches--and potential safeguards. Fortunately, only a few minor electronic disruptions were reported and no acts of terrorism.

Beyond a successful transition to a new millennium, it was increasingly clear that the U.S. Government needed to take strong precautions against potential terrorist attacks against the food supply. Due to the inherent openness (i.e., vulnerability) of agricultural products, defense experts concluded that the risk of bioterrorism was real. So in June 1999, Secretary Glickman created the USDA Counterterrorism Policy Council. USDA also began leading an agriculture counter-terrorism committee in the National Security Council and serving on an interagency intelligence working group with the CIA and FBI, in order to clarify the extent of bioterrorism threats to agriculture and expand awareness of those threats among Federal agencies.

In February of 1999, the National Association of State Departments of Agriculture and public health officials participated in the first Federal/state exercise regarding possible deliberate contamination of animal meat. In August of 1999, USDA worked with the Department of Defense to conduct a multi-agency exercise involving a Federal response to a hypothetical act of deliberate biological contamination of food. In March 2000, FSIS provided joint training in bio-terrorism response to its epidemiology and enforcement officers. The agency also established a Health Hazard Evaluation Board whose responsibilities include determining whether or not an incident of contamination is deliberate. And, it set up a Bioterrorism Response Team to review threats to meat, poultry, and eggs. All these activities were

the result of the Administration's realization that the Government needed to be prepared for terrorists who might use the U.S. food supply to endanger the U.S. population.

New Food Safety Challenges

In addition to a heightened awareness of new and emerging threats like bioterrorism, USDA focused on several other emerging food safety issues:

- In late 2000, at the White House's request, USDA helped identify interagency funding necessary for the National Academy of Sciences to study the year 2000 Environmental Protection Agency reassessment of human health risks associated with dioxin in the environment. EPA's study concluded that dioxin was much more of a risk than previously stated and that most of the contamination was being transferred to humans through their consumption of animal fats. Various Government agencies and the White House supported an independent NAS study to explore how to responsibly address the issue.
- Throughout the late 1990s, FSIS helped develop a multi-agency action plan to address the growing issue of antimicrobial resistance. A number of experts identified antimicrobial resistance as a major public health threat. Evidence points to antibiotic use in food animals contributing to increased drug resistance in humans. USDA has long been involved in surveillance and research on this issue. It also joined an interdepartmental Task Force on Antimicrobial Resistance to help develop a public health action plan based on surveillance, research, prevention, control and product development.
- For years, the U.S. Government has worked on measures to prevent the introduction of Bovine Spongiform Encephalopathy (BSE)--commonly referred to as "mad cow" disease--in this country. BSE, a disease found in cattle and believed to be transmittable to humans, has wrecked agricultural economies and caused dozens of deaths in other countries. Consistent with efforts to keep BSE out of the country was the decision by several USDA agencies in 1998 to work with the Harvard University School of Public Health to conduct a thorough study of BSE to understand every possible entrance pathway and identify ways to adequately protect U.S. cattle and the human food supply. The risk analysis will be delivered to USDA in 2001.

International Activities

During the Clinton/Gore Administration, the issue of food safety assumed a new level of prominence in international meetings and negotiations. Food Safety was discussed at the highest political levels, driven by such initiatives as the creation of the World Trade Organization, the signing of major trade pacts (including the North American Free Trade Agreement), and the continued activism of the G-8 and other international organizations. Many felt that food safety issues were being exploited and wielded as competitive weapons in trade disputes.

A series of controversial audits of the U.S. food safety system conducted by the European Commission as well as a continuing trade dispute brought to the World Trade Organization regarding the safety of U.S. beef added fuel to an already acrimonious relationship. President Clinton and the G-8 leaders took on the issue, discussing food safety at several meetings. Within USDA, FSIS' role in the international arena increased markedly. The most significant catalyst for that change was the 1994 adoption of the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement), which officially recognized the Codex Alimentarius Commission as an "expert body" for international food safety issues. The SPS Agreement became effective in January of 1995. It required that an importing

country accept as equivalent the food regulatory system of an exporting country, if the exporting country demonstrates that its system achieves the same level of public health protection provided by the importing country. In 1999, FSIS provided the public with the results of its review of foreign country implementation of equivalent Pathogen Reduction and HACCP requirements. The agency determined that all countries exporting meat and poultry to the United States have food safety regulatory systems that provide a level of protection that is equivalent to that provided by the U.S. system. Worldwide this was among the first equivalency programs developed by any regulatory agency.

The recognition of Codex reflected the enormous growth of agricultural trade, which had increased by 800 percent since 1962, the year Codex was established. Codex operates under the auspices of two United Nations groups, the Food and Agriculture Organization and the World Health Organization. In 1996, the position of United States Codex Manager was created. Shortly thereafter, the new Under Secretary for Food Safety formed the interagency U.S. Codex Policy Committee to help establish U.S. positions on international food safety standard issues. Under Secretary Woteki and Deputy Under Secretary Wilcox assumed leadership roles in that inter-agency committee. Guidance by the Steering Committee was critical to the success the United States achieved at the July 1999 session of Codex, in which 160 member nations participated. Achievements included the election of FSIS Administrator Tom Billy as Codex Chair, the adoption of 418 new Codex standards and related texts, the establishment of a task force on biotech foods, and approval of recommendations that enhanced consumer involvement in Codex.

The G-8 leaders devoted a portion of their 1998 and 1999 meetings to food safety issues and discussed the possible creation of an international food safety regulatory agency. These discussions led the G-8 to ask the Organization for Economic Cooperation and Development to review international food safety activities. In response, the organization created an Ad Hoc Group on Biotechnology and Other Aspects of Food Safety, which compiled several white papers including one describing the food safety roles of international organizations and characterizing national food safety systems.

Throughout this period, the EC attempted to introduce the so-called "Precautionary Principle" into international discussions. Promulgated by the EC to endorse political management of risk, the "Precautionary Principle" has never been clearly defined. The USG regarded the concept as an internal organizing principle for the EC and its member states. However, the Office of Food Safety, in leading the debate for the United States Government, proposed many clarifying questions to the EC on their meaning of the "Principle," and as part of its discussions in OECD it outlined U.S. uses of precaution as it is deeply embedded in U.S. regulatory statutes. Agreement was reached in Melbourne, Australia in October 1999, that discussions and explanations of the EC proposal for the "Precautionary Principle" would take place in the context of discussions of risk analysis at Codex. Nevertheless, the EC attempted to introduce this concept into the OECD discussions as well.

As national leaders discussed food safety issues, so did consumers and consumer organizations on both sides of the Atlantic. Deputy Under Secretary Wilcox assumed a leading role in the Transatlantic Consumer Dialogue, where she served as co-chair of the Foods Working Group. Comprised of U.S. and European Union consumer groups, and representatives of the U.S. Government and the European Commission, the Dialogue meets annually to discuss issues of importance to consumers. At the 1999 and 2000 meetings, discussion in the Foods Working Group centered around the development of food safety measures; the safety of foods derived from biotechnology; and the benefits of nutrition labeling.

Perhaps the biggest food safety-related trade dispute of the Clinton era had to do with the export of U.S. beef to European markets. In 1989, the Europeans banned the use of growth promotants in animal production. At that time, the European Commission required tests for the presence of the banned hormones in U.S. meat exports. FSIS began certifying that meat products exported to the EU were not treated with growth promoting hormones. U.S. private laboratories also began random testing of this product, but no positives were detected.

The United States pursued formal WTO dispute settlement procedures against the European Union as a result of its ban on imports of hormone-treated beef. In 1998, the WTO Appellate Body found that the ban violated the SPS Agreement because it was not based on scientific principles. When the European Union failed to comply with the WTO ruling, the WTO granted authorization to the United States to suspend tariff concessions on European Union goods with an annual trade value equivalent to annual lost exports of U.S. beef.

In 1999, the European Commission announced that in port-of-entry tests of U.S. meat it had found that up to 20 percent of the product contained substances including growth hormones, which are banned in the European Union. These findings called into question the effectiveness of the U.S. beef industry's testing program. Following the European Commission audits, FSIS temporarily suspended certification of beef exported to the European Union. FSIS then worked with meat exporters and the Agriculture Marketing Service to develop a third-party certification program. FSIS also temporarily moved verification testing from the private laboratories in the United States to a European laboratory. A Canadian laboratory is expected to assume all verification testing in 2001.

Few could have predicted just how prominent food safety would become on the international stage during the Clinton Administration. Nevertheless, USDA responded in international organizations, worked with other countries, and worked with the U.S. agriculture industry to put forward scientifically based positions to protect public health in the United States and around the world, and to ensure the fair treatment of U.S. food and fiber products in the global marketplace.

Conclusion

More than any other Administration before it, the Clinton-Gore team left a legacy rich in food safety achievements. Arriving at the White House at a time when consumers, Congress, and Federal food safety agencies were scrambling to deal with the devastating effects on human health of dangerous emerging pathogens, the Administration helped identify food safety problems and science-based solutions that make today's American food supply one of the safest in the world.

4. "We Will Have a New Day" The Civil Rights Movement at USDA

"Building One America is our most important mission.... Money cannot buy it. Power cannot compel it. Technology cannot create it. It can only come from the human spirit."

President Clinton
1997 State of the Union Address

"The further I've waded into issues of civil rights and agriculture, the more I've felt the weight ... of age old national wounds that have yet to properly heal—the ugly scars of racial fear and suspicion that are the legacy of slavery. Agriculture played a seminal role in that history. America fought its civil war over the right Southern plantation owners asserted to enslave men, women, and children to work in their fields. Today, the continuing struggle of Black farmers—30 years after our civil rights movement—reminds us just how far our Nation has yet to go to turn civil rights into civil realities."

Dan Glickman
To the National Association for the Advancement of Colored People
July 15, 1998

When President Clinton took up the rallying cry of Dr. Martin Luther King, Jr., calling on the Nation to work toward racial healing and build "one America," he was largely met with a wave of cynicism from both sides of the civil rights divide. In the decades since the civil rights movement of the 1960s, the American people had grown all too familiar with lofty words and little action from their politicians on this sensitive issue. Yet one need only walk a few short blocks from the White House to find a powerful example of a concrete transformation of civil rights ideals into action that was the direct result and one of the most enduring and meaningful legacies of the Clinton Administration.

A Challenge 2 Centuries in the Making

It is hard in a few paragraphs to unravel all of the threads that explain why civil rights presented such a powder keg of a problem at USDA. But one story reflects the depth and level of mistrust that had built up over more than a century, particularly among African-American farmers. One senior USDA official in the Clinton Administration displayed on the wall of his office a deed to land his African-American grandfather had bought in North Carolina for 12 cents an acre in the 1880s. His family held onto this land through the Great Depression and many other hard times. This is no small miracle given the strict instructions passed from one generation to the next: never owe money to the Government; never owe money to a bank. "You can't trust those institutions," his grandfather warned him. "If you let them take a mortgage on your land, then you're going to lose it."

Glickman explained the genesis for the mistrust this way in an opinion piece in *The Washington Post* in 1998,

"The big plantations of the South were the No. 1 market for slaves in America. After Reconstruction, many freed slaves stayed in the South working the land. In fact, most African-Americans did not move to the cities until they were pushed off their farmland by bigotry: white bankers often denying credit, white neighbors sometimes refusing to sell land, and an Agriculture Department that reflected our Nation's misgivings on race and too often relegated justice to the backwaters."

In many ways, USDA reflected the civil rights divide of the Nation, particularly in the turbulent years of the civil rights movement of the 1960s and 1970s. And the issue didn't stop with USDA customers. Employees, too, had been subject to separate and unequal treatment. In fact, two of the Department's highest-ranking officials in the Clinton Administration started their careers at USDA with the job title of "county Negro extension agent." USDA was one of the last Federal departments to integrate. In the mid-1960s, the Department's headquarters in Washington, DC, still had separate bathrooms and cafeterias. And, farm programs were delivered according to local social norms. In the South, this meant Black employees worked in Black communities and white employees worked in white communities.

The Turning Point

A turning point in USDA's relationship with Black farmers began on December 12, 1996. On this day, a group of Black farmers demonstrating outside the White House called on President Clinton to ensure fair treatment in agricultural lending programs for minority farmers. Their allegations of discrimination were not new. For several decades, African-American and other minority farmers and ranchers frequently complained of discrimination at the hands of USDA officials. A series of reports by Congress, the U.S. Commission on Civil Rights, and USDA agencies substantiated their allegations, yet USDA for decades did nothing.

During this same time period USDA employees--women, minorities, and people with disabilities--charged that they were denied equal employment opportunities. They wrote letters, held press conferences, and filed individual complaints and class action lawsuits. Yet reports validating the employee concerns, like those of the farmers, sat on the shelves and gathered dust.

The very same day as the White House protests, Secretary Glickman made clear that a new day was dawning at USDA. He vowed that the Department would make a decisive break with the past and confront one of its most obstinate problems. He tapped respected veteran USDA conservationist Pearlle Reed to lead a "Civil Rights Action Team" that would fan out across the country; listen to employees, farmers, and other USDA customers; and recommend sweeping changes throughout the Department not only to get USDA out from under its civil rights woes, but also to transform the Department into a Federal civil rights leader.

During FY 2000, the Department received and accepted 634 new program discrimination complaints. This number was down dramatically from the 1,261 received during FY 1999. This was only the beginning. As Glickman stirred up this hornet's nest of an issue and entered some of the most turbulent years of his career, he frequently turned to the words of the poet Dante to spur on the Department's efforts: "the hottest places in Hell are reserved for those who, in times of great moral crises, maintain their neutrality."

When President Lincoln created USDA, he called it the "people's department." The minority farmers who protested outside the White House, several of whom had lost their land because of USDA-prompted foreclosures, had another name for the Department. They called it "the last plantation." Following the demonstration, the farmers filed suit in Federal court against Secretary Glickman in an attempt to halt farm foreclosures they felt were being used to drive African-American farmers off their land. They also sought restitution for financial ruin caused by alleged discrimination in USDA farm loan programs.

History will look on these farmers as civil rights heroes. For many years, they toiled on this issue far from the national spotlight. Historically, their claims had been largely ignored by USDA and even, for many years, by national civil rights organizations.

All of that would change 5 days after the White House protests of 1996, when the very gates outside of which the farmers protested swung open, and the farmers gained an audience with the President of the United States. What came out in this meeting, which also included Vice President Gore and Secretary Glickman, were heart-wrenching stories of farms lost, marriages broken, and families left in poverty—all due to alleged USDA discrimination and unequal treatment. The problem, the farmers claimed, was widespread. The statistics backed them up. In the late 1990s, Black-owned farms were disappearing at three times the rate of farms generally. Clinton, Gore, and Glickman all left the meeting determined to right these wrongs. In fact, the very next day Glickman ordered an immediate halt to all USDA farm foreclosures until an independent review of any discrimination claims was conducted.

The Department of Agriculture would never be the same.

USDA Leaders Listen and Learn

In the wake of the meeting, Reed and his Civil Rights Action Team got to work. The team was comprised of 15 senior USDA officials from throughout the Department. Eight of the members, including Reed, were African Americans, five were white, one was Hispanic, and one was Asian American. Three were women. A key to the success of the committee was its 19-person executive support group. Another key was what Reed called a "consensus" model. He explained it this way: "We will operate by consensus, but if we can't arrive at a consensus, I will decide."

The team held 12 listening sessions around the Nation and heard testimony from more than 300 employees and customers¹. Secretary Glickman or Deputy Secretary Rominger attended all but one of the sessions. The team was told over and over, by farmers and employees, that managers at USDA operated in a system that did not hold them accountable for discrimination.

Black and white farmers who were small farmers in the Mississippi Delta charged that some USDA officials denied them service and even courtesy and respect, while they gave farmers with large holdings service and loans. A white female farmer said that the "single largest problem for women is to be taken seriously by the financial community," including those who ran USDA farm loans. Hispanic, Asian American, and American Indian farmers in Texas, California, and Oklahoma told stories with a common theme: USDA has done more to hurt than to help small and minority farmers.

¹Excerpts from the listening sessions are captured in a 12-minute videotape, "CRAT Report—a Video Montage," February 1997, and in "Civil Rights at the United States Department of Agriculture – A Report by The Civil Rights Action Team," February 1997.

Many farmers complained about the regulations and cumbersome paperwork required for USDA credit programs, which they considered to be the equivalent of a brick wall to small farmers. They also described a county committee system that too often shut out minorities. Speakers said research and extension efforts did not adequately address the unique needs of small, limited-resource, and minority producers; also, separate and unequal USDA funding to historically Black land-grant colleges and universities and predominately white land-grant institutions only exacerbated the problem.

Several farmers harshly criticized USDA's Office of the General Counsel. Their perception was that USDA attorneys prevented the Department from compensating farmers who were discriminated against. The lack of diversity among the Office's senior staff further fueled the sense that the Office lacked sensitivity to--and was even hostile toward--civil rights.

At the listening sessions, USDA employees told of managers who used "intimidation, fear, threats, and retaliation" when employees complained of discrimination. Abusive managers, they said, were often rewarded with promotions and awards rather than held accountable. Several claimed that when confronted by complaints, many top agency officials adopted an attitude of "defending the troops" rather than resolving complaints. Most who believed they had been discriminated against also felt that their managers lacked the skills and training necessary to lead a diverse workforce.

In addition to holding the 12 listening sessions, USDA's Civil Rights Action Team reviewed all of the major past Department civil rights studies, reports, and actions of the prior 30 years and included many of the recommendations that had earlier gathered dust. The team noted that in recent years every Secretary of Agriculture had said improving civil rights was a priority. However funding was cut, and the Reagan Administration went so far as to dismantle USDA's civil rights program in 1983, leaving the complaints to drift for years.

The Civil Rights Action Team concluded, as many others had suggested, that with few exceptions, senior managers at the Department had not invested the time, effort, energy, and resources needed to produce fundamental change. As a result, there was little civil rights accountability, and managers and supervisors who abused their power were largely free to do so without fear of consequences. Even when discrimination was found to have occurred, appropriate disciplinary action was seldom taken.

On February 28, 1997, Secretary Glickman received the civil rights report. He promised that the plan would not gather dust, but rather moved immediately into implementation. Speaking from USDA headquarters, Glickman spoke to all USDA employees, including those in offices across the country who were hooked up via satellite. "Our actions today are meant to address both the problems and the perceptions that are out there," Glickman said. "That starts by admitting that for far too long, USDA has been seen as ignoring serious, pervasive problems with our civil rights systems ... I'm not here to point fingers, to cast blame, or to add any fuel to the fire. I'm here simply to say, it is time to heal. We cannot change the past, but we can and will set a new course for the future of this Department."

The report was candid and reflected disturbing perceptions based on listening sessions and data from numerous reports. Secretary Glickman considered the report a rare and historic opportunity to change the culture of the Department of Agriculture. That very day, he created a new and unequivocal USDA civil rights policy: "It is now a condition of employment at the United States Department of Agriculture that every employee treat every customer and coworker fairly and equitably, with dignity and respect."

Espy's Groundwork

The Civil Rights Action Team recognized that USDA had been laying the groundwork for a major civil rights initiative since the beginning of the Clinton-Gore Administration. As the first African-American Secretary of Agriculture, Mike Espy was committed to expanding equity and fairness.

Espy had the full support of the White House as he set out to tackle the issue of civil rights. In fact, President Clinton's July 19, 1995, memorandum to all Executive Departments and Agencies made clear that the Clinton-Gore Administration would "support affirmative measures that promote opportunities in employment, education, and Government contracting for Americans subject to discrimination or its continuing effects." The President's statement emphasized the continuing commitment to take affirmative measures to eradicate the effects of discrimination in conformance with the Supreme Court's decision in *Adarand Constructors, Inc. v. Peña*, which some had used to stall affirmative action efforts in USDA.

On April 18, 1994, the Department of Agriculture received an opinion from Walter Dellinger, Assistant Attorney General, Office of Legal Counsel at the Justice Department, concluding that USDA could pay damages to customers who had been discriminated against in USDA-conducted programs under the Equal Credit Opportunity Act.

In accordance with an Administration-wide Initiative, Espy also expanded USDA's civil rights policy in April 1993, to include barring discrimination against employees on the basis of sexual orientation. He also established a Blue Ribbon Task Force on civil rights, which provided several recommendations included in the Civil Rights Action Team's report.

Turning Recommendations Into Results

The Action Team's report recommended a range of steps—92 in total—that centered around four broad concerns: management commitment to civil rights, program delivery and outreach, workforce diversity and employment practices, and the organizational structure of civil rights responsibilities in the Department. Specific recommendations included: giving the Assistant Secretary of Administration full authority over civil rights; stripping county committees of their authority to determine farm loans; appointing a diverse commission to develop a national policy to address the needs of small farms; creating State and National outreach councils; establishing full-time USDA Service Centers on Tribal lands; ensuring all Service Centers are accessible to people with disabilities; addressing the needs of farmworkers; increasing the involvement of small and disadvantaged businesses in USDA programs; holding managers accountable for having a diverse pool of applicants for all job vacancies; consolidating USDA's civil rights functions under one office; and creating a civil rights division within the Office of the General Counsel.

To ensure that the report's recommendations would be transformed into results, the Secretary—on the same day he released the report—named Reed to be chairman of the Action Team, as the Acting Assistant Secretary for Administration. This move solidified Reed's role as the Secretary's day-to-day lieutenant on civil rights. Glickman then ordered the creation of a Civil Rights Implementation Team to carry out the report's recommendations, and he ordered USDA agencies to provide whatever staff and resources necessary to complete the job.

The Implementation Team guided the transformation of the report's recommendations into actions, through activities ranging from setting up action teams and monitoring their progress to drafting Departmental regulations, policies, and procedures. The implementation team consisted of 30 employees from headquarters and the field who were detailed (i.e., loaned) full time to USDA headquarters for the job.

Beginning in April 1997, some 300 employees from all levels throughout USDA began serving on 33 different action teams charged with realizing one or more of the recommendations. Collectively, the teams represented the largest civil rights effort in USDA history. Each team used a systematic problem-solving approach that was tailored to their specific task. Depending on the recommendation, implementation could entail new policies, new organizational units or revamping existing regulations. In other cases, implementation came in the form of legislative or funding proposals. In all, the action teams created more than 90 different policies, regulations, handbooks, and other documents that all served one purpose—helping build a new and improved civil rights environment at USDA.

After months of work to implement the recommendations, much progress had been made to institutionalize the change that USDA's civil rights revolution had brought about. As President Clinton pursued his "one America" initiative, efforts to nurture racial healing in America, and received some ridicule for attempting to address the sensitive issue, Glickman wrote him a memo holding up USDA as a real-world example of how the ideals of inclusiveness and racial harmony can be transformed into concrete progress. "I am increasingly concerned about a growing enemy from an unlikely corner that unites civil rights advocates and opponents alike. That enemy is cynicism," Glickman wrote. "In wading through USDA's problems, I quickly found that there is no substitute for action. We set clear goals. We laid out an aggressive timeline, and we're sticking to it. The result is credibility. From the people who run our agencies to the people who answer the phones, folks clearly see that something real is happening, and they want to be a part of it."

After reviewing the Department's efforts in detail, Glickman closed the memo with these comments: "This is how we are finding some success in changing the culture of the Department of Agriculture. I hope that our experiences may be of some use in healing America's old wounds This President and this Administration are uniquely qualified to rise above mere talk. But if we are to give the American people hope, first and foremost we must give them action." Soon after, when the President gathered his entire Cabinet for a meeting on the "one America" initiative, the "Glickman memo" was one of the very first items included in the briefing book.

Glickman worked closely with the White House and Congress to keep them informed and build support for the fundamental changes he sought. The Secretary testified repeatedly before the Congress, including the House Agriculture Committee and a special hearing of the Congressional Black Caucus, to provide detailed information about the Department's progress. The Secretary routinely emphasized that civil rights was his number one priority in his speeches and writings to USDA employees and stakeholders.

At this point, the progress at USDA was attracting national attention. Harvard University's prestigious John F. Kennedy School of Government had a special interest in how civil rights policy is changed in an organization, and it conducted a case study of the USDA effort. The School approached the case from a historic perspective and used it in their seminars for senior executives and as a management tool to be shared with other organizations in both the public and private sector.

In July 1998, Secretary Glickman named as Civil Rights Director an experienced civil rights manager, who had the talent and vision to carry out an effective civil rights strategy for the Department. The Director was a civil rights attorney and senior official at the Equal Employment Opportunity Commission, and had served as general counsel at the U.S. Commission on Civil Rights. Carrying on the civil rights reforms at the Department and fairly resolving a class-action lawsuit brought by African-American farmers were major issues confronting the new director.

While the harsh criticism of the Office of the General Counsel was unwarranted, the Secretary believed it was important to institutionalize change at USDA. One step was the creation of a civil rights division within USDA's Office of the General Counsel. Before this move, the Office did not have any attorneys dedicated full-time to civil rights. This omission was in sharp contrast to other major Federal departments, and was widely criticized. The new division was staffed with attorneys who specialize in civil rights law and are able to provide USDA with the expertise it needs to enforce civil rights laws, rules, and regulations. The escalation of USDA's in-house legal expertise on civil rights matters arrived at a pivotal time.

Making U.S. History in the Courts

A major development in moving USDA's civil right agenda forward was the historic settlement of the consolidated class action brought by African-American farmers nationwide alleging widespread race discrimination in USDA farm programs. For many years prior to the filing of the class actions, several African-American farmers had filed administrative complaints with USDA alleging such discrimination. Many others were thwarted in their attempts to file such complaints.

In 1997, two class actions were filed by farmers in the United States District Court for the District of Columbia--*Pigford v. Glickman* and *Brewington v. Glickman*. After an extended period of discovery and other pretrial matters, the two lawsuits were consolidated into one class action and United States District Judge Paul Friedman certified the lawsuits as a class action. Specifically, the class was defined by Judge Friedman as all African-American farmers who (1) farmed, or attempted to farm, between January 1, 1981, and December 31, 1996, (2) applied to USDA during that time period for participation in a Federal farm credit or benefit program and who believed that they were discriminated against on the basis of race in USDA's response to that application, and (3) filed a discrimination complaint on or before July 1, 1997, regarding USDA's treatment of such farm credit or benefit application.

Not long after the lawsuits were filed and the class was certified, USDA began looking at the possibility of settling the class action. USDA and the Administration recognized that the lawsuit raised legitimate issues regarding whether USDA had discriminated against many African-American farmers and had failed to act in a timely manner on the complaints. The case highlighted the plight of these farmers, as well as the internal problems with both USDA field staff and the processing of civil rights complaints. Thus, USDA and the Administration did not want to just take a purely defensive stance in addressing the class action. Instead, President Clinton's USDA focused on resolving the legitimate claims of class members.

As a result, settlement options were explored by the Department of Justice and USDA. In addition, discussions were held--among the Secretary, the Attorney General and even at times President Clinton--that focused on seeking a resolution. The Secretary made public his desire to reach a fair and equitable settlement. Even after the decision was made to reach some settlement of the case, the parties to the lawsuit struggled to reach a consensus agreeable to all. In addition, because the claims of most of the

class members were barred by the statute of limitations, the Secretary and the Administration advocated legislation that would permit class members to sue despite the fact that the statute of limitations had run out on their claims. Without such legislation, which passed in October 1998, the class members would not have been entitled to any monetary damages.

A Congressional waiver of the statute of limitations is rare in U.S. legal history. In a 1998 opinion piece in *The Washington Post*, Glickman made a strong case for the historic nature of this achievement, likening the victory to Congress' approval in the late 1980s of reparations to Japanese American survivors of World War II internment camps here in the United States. He explained the complex issue this way:

"Because these old cases had sat on a shelf for so long—not because of the fault of the farmers but because of USDA's own incompetence or worse—those complaints could not be heard. None of these wrongs could be set right without an act of Congress ... I was told many times that it could not be done. But, spurred on by the farmers, tough negotiating, the perseverance of top Administration officials, and Congressional leaders from both parties, the impossible was made possible in this case. Now, for farmers whose civil rights complaints went unaddressed, the door is open again. They finally will have their cases heard and, where justified, receive appropriate compensation."²

Once this legal roadblock was removed, other more surmountable hurdles replaced it. The Secretary continued to meet with the Attorney General to express his frustration with the negotiations. Finally in January 1999, after months of painful negotiation, the parties agreed to a settlement in the form of a Consent Decree. Even though an agreement was reached, Judge Friedman allowed any interested parties to raise objections to the proposed Consent Decree before it was made final. A hearing was held so that the Judge could hear such objections. However, in a landmark opinion in April 1999, Judge Friedman approved the Consent Decree and it took effect.

Under the terms of the Consent Decree, an eligible class member could choose to have a claim processed under one of two claims processes. In order to administer such processes, USDA contracted out for an independent Claims Facilitator to serve as the Adjudicator of certain claims under the Consent Decree. The first claims process, known as Track A, is an expedited process under which a claimant files a claim form under oath setting forth the bases of the claim. Claimants who provide written "substantial evidence" of discrimination to an independent Adjudicator are awarded a \$50,000 cash payment, a payment to the IRS of the taxes on this amount, discharge of any outstanding debt at issue, and other equitable relief. Claimants may also be heard in Track B, which requires a higher standard of proof, and a hearing on the claim before an arbitrator. Claimants who prevail receive a tailored settlement including a cash payment equal to actual damages and forgiveness of outstanding USDA loans affected by discriminatory conduct.

Over 20,000 individuals have filed claims under the Consent Decree, with the vast majority being Track A claims. As of November 2000, many thousands more individuals had sought permission to file a late claim. In the Track A claims, the Adjudicator has ruled in favor of the claimant in about 60 percent of these cases. The adjudicator has also directed USDA to cancel more than \$8 million in loans for claimants who still had unpaid balances. Three claimants also prevailed to date on Track B claims, and

² "Fairness for Black Farmers," Dan Glickman, *The Washington Post*, 11/13/1998.

received substantial damages. Class members received over half a billion dollars in damages, making this one of the largest, if not the largest, civil rights settlements in U.S. history.

Class members who prevailed also received other relief, including priority consideration, on a one-time basis, for the purchase, lease, or other acquisition of inventory property, and priority consideration for one direct farm ownership loan and one farm operating loan. Loan applications will be viewed in a light most favorable to the class member, and the amount and terms of any loan will be the most favorable permitted by law and USDA regulations. The class member also has a right to receive reasonable technical assistance to help with the preparation and submission of an application for a loan or inventory property.

Judge Friedman also appointed a Monitor to oversee implementation of the Consent Decree: Randi Roth was Executive Director of the Farmers' Legal Action Group, a non-profit advocacy group representing farmers. Many claimants who did not prevail on their claims asked the Monitor to have their claims reconsidered by the Adjudicator.

Several other *Pigford*-like class action suits have been filed claiming discrimination in the delivery of USDA farm programs. These include cases filed on behalf of Native Americans, Latinos, white small-scale farmers, and Asians and women. These cases were filed before the Statute of Limitations waiver expired on October 21, 2000.

USDA's legal journey was long, painstaking, and quite demanding on those who saw it through on a daily basis. But the end result also was deeply rewarding for many. In October of 2000, Civil Rights Director Gray put it this way: "I was in Arkansas recently having a meeting with the Arkansas Black Farmers Association. There was an elderly couple, certainly past their farming days. They were probably in their early 70s if not older. They had been farmers and they had come to this meeting to talk about the Consent Decree ... Here were people who had farmed, who had lost their farm, who were certainly in their retirement years. They had been able through the Pigford Settlement to get \$50,000 to help them live their last years a little more comfortably. It is those meetings that make me say 'Yes, it was worth it.' "

The Five Pillars of A New Culture

By October 2000, the Department had nearly every administrative policy and procedure in place to achieve its overall goal of treating every employee and customer fairly and equitably, with dignity and respect. It had changed the culture of USDA and re-earned the title of the "People's Department."

There is abundant evidence that significant progress was made during the Clinton Administration toward achieving the Department's five civil rights goals:

I. Accountability

Secretary Glickman issued policies and procedures to "hold managers, supervisors, and other employees accountable for ensuring that USDA customers and employees are treated fairly and equitably, with dignity and respect." As a result, all agency heads now are rated on their civil rights record, and the results are included in their annual performance appraisals—affecting their opportunities to earn pay raises and bonuses. All agency heads also must set civil rights performance standards for their managers and supervisors and hold them accountable for reaching these goals.

USDA now requires that any finding of discrimination or settlement in a claim of discrimination against USDA be referred to the Office of Human Resources Management staffs for appropriate action. USDA employees now pay a price for discrimination. Between January 1, 1998, and June 30, 2000, the Department took 97 disciplinary actions against employees for discrimination or mismanagement related to civil rights. These actions included 14 dismissals and other actions, ranging from official reprimands to suspensions.

The Department now requires each USDA agency to do a full compliance review of its civil rights employment program. To ensure impartiality, these reviews are conducted by outside contractors. Civil rights deficiencies that surface are corrected as soon as possible.

To help get to the bottom of persistent civil rights challenges, the Secretary contracted with outside firms during October 2000, to create accountability teams to review USDA offices responsible for a high number of civil rights complaints. To date, the teams have visited more than 30 field offices to review operations, interview witnesses, and determine why complaints persist and what factors may cause them.

2. Equal Access

Secretary Glickman's second civil rights goal was to "ensure equal access and provide equal treatment in the delivery of USDA programs and services to all customers." Toward this end, the Department embarked on a major expansion of its outreach efforts in order to increase minority participation in USDA programs. USDA also made a major priority of eliminating the backlog in program discrimination complaints that had built up for nearly 20 years due to the neglect of prior administrations. USDA worked effectively with Congress to enact legislation that results in greater State support for the 17 historically Black land-grant universities and Tuskegee.

Outreach Expanded. Glickman established the USDA Office of Outreach in 1997 to coordinate outreach throughout USDA, especially through expanding partnerships with community organizations. The Office administers the Outreach and Technical Assistance to Socially Disadvantaged Farmers (2501) program, which is conducted in partnership with community-based organizations, 1890 and 1994 land-grant colleges and universities, Hispanic-serving educational institutions, and other post-secondary institutions with experience in providing agricultural education or services to socially disadvantaged farmers and ranchers.

Secretary Glickman organized State Outreach Councils in each state composed of the heads of the USDA agencies and other Federal and state cooperating agencies and organizations. Annually, these councils developed plans for reaching the underserved and coordinating their outreach efforts. The Secretary also appointed a Small Farms Commission, created an Office of Small Farms, and employed a farmworker coordinator. In addition, to make USDA programs and services more readily available to American Indians, 136 USDA offices have been located on tribal lands.

Minority Participation Increased. When President Clinton came into office, 94 percent of all Farm Service Agency county committees had no female or minority representation. To help ensure greater representation, Secretary Glickman required the appointment of minority advisors to the committees in areas with relatively high concentrations of minority farmers. As the result of continued progress, by 1999 47 percent of all the Farm Service Agency State committee members were minorities and women, and the number of minorities and women serving on county committees increased by 26 percent between 1998 and 1999 alone. On October 11, 2000, the Secretary approved new county committee election

procedures to ensure fair elections and to see that more socially disadvantaged farmers have a voice in key decisions about U.S. farm policy.

Enhanced outreach efforts also greatly improved USDA's record of making farm loans to minority and women farmers. The dollar amount of USDA direct and guaranteed farm operating loans and direct farm ownership loans going to minorities and women increased by 50 percent between FY 1997 and FY 1999 alone. Also, the amount of guaranteed farm ownership loans to these groups almost doubled.

Backlog of Complaints Resolved. By the time President Clinton's USDA began addressing the Department's civil rights shortcomings in earnest, USDA had built up a backlog of some 1,088 customer program complaints. Many of these complaints had been filed during the 1980s when USDA's department-level civil rights office was dismantled by prior Administrations. By the end of the Clinton Administration, all but three of these complaints had been resolved, and new procedures were in place to resolve future complaints in a far more fair and timely manner.

State Matching Funds Required at Historically Black Land-Grant Universities and Tuskegee. There have been long-standing requirements in Federal legislation that States must at least match Federal funds that go to the major land-grant institutions established under the Morrill Act of 1862, and these institutions have benefitted enormously from the State-Federal partnerships that have formed and grown over long periods of time. In contrast, Federal support for research and extension at the Historically Black 1890 Universities and Tuskegee was only begun in 1973 and until legislation enacted in 1998 became law, there were no requirements at all for State funding for these programs. Secretary Glickman was a strong advocate for provisions in the Agricultural Research, Extension, and Education Reform Act of 1998, which for the first time imposed State matching requirements on the receipt of Federal funds for research and extension. When fully implemented, this requirement will result in a 50-percent increase in resources over what they might otherwise have been.

3. Workforce Diversity

Secretary Glickman's third civil rights goal was to "eliminate under-representation in the workforce by recruiting and employing a highly skilled, competent, and diverse workforce, free of discrimination, reprisal, and sexual harassment." A number of initiatives were targeted to meet this goal.

Efforts to Increase Diversity. Even before the President's July 2000 Executive Order that the Government hire a total of 100,000 new employees with disabilities, USDA was in the forefront in this area. Secretary Glickman established an advisory committee to focus attention on the unique needs of employees and applicants with disabilities, and to improve the Department's hiring record. In 1998, the committee issued a report entitled *A Time for Change*, making a series of recommendations. In 1999, the committee conducted a broad survey of employees to determine where to concentrate specific efforts. In 2000, USDA issued a policy on reasonable accommodations to help employees with disabilities function at peak efficiency and to fully utilize their potential. The Committee also instituted a pilot mentoring program for employees with disabilities. In addition, the Department's state-of-the-art Technology Accessible Resources Gives Employment Today (TARGET) Centers are acknowledged Government leaders in helping managers and employees with accessible technologies and accommodations for persons with disabilities.

The Department also is a leader in reaching out to the Hispanic community. In May 2000, the Secretary invited leaders of the 15 largest national Hispanic organizations to meet with him and his senior staff. At the meeting, Glickman sought ways the Department could improve employee recruitment and retention, and forge partnerships and alliances with Hispanic groups. Led by the Secretary's Hispanic Advisory Council, the Department developed a far-reaching Hispanic Employment Plan, which included expanding the number of positions recruited, and increasing the use of bilingual/bicultural certification.

The Department also successfully carried out President Clinton's Executive Order on increasing outreach to underserved communities of Asian Americans and Pacific Islanders. A group with representatives from every USDA mission area and from the three Asian American and Pacific Islander employee organizations prepared an action plan which was released on July 15, 2000 recommending targeted college recruitment; more USDA publications in languages such as Chinese, Hmong, and Vietnamese; and expanded outreach and partnerships with community organizations and educational institutions.

To ensure that the Department continues to hear employee concerns, the Secretary announced the establishment of five new minority employee advisory committees in 2000—one each for African-Americans, Asian Americans and Pacific Islanders, Native Americans, women, and gays and lesbians. These were in addition to the two existing advisory committees representing Hispanics and people with disabilities. In addition, a diversity council made up of two representatives from each committee was formed to advise the Secretary.

To address concerns, and ensure the fair and equitable treatment of gay and lesbian employees and customers, Civil Rights Director Gray appointed the Second USDA Task Force on Sexual Orientation in July 1999. The following year, the task force submitted a report including 20 recommendations to the Secretary. Secretary Glickman then charged Paul Fiddick, Assistant Secretary for Administration, to work with the newly created council to carry out the recommendations, which included developing an employee manual on avenues of redress for discrimination complaints, providing sexual orientation training for managers, and initiating a "Safe Space" program. In addition, the council was asked to further study five recommendations relating to partner benefits and sexual orientation nondiscrimination in customer service.

Diversity Improved. As a result of these efforts to improve the working environment for all USDA employees and to step up recruitment efforts, the Department made good progress toward President Clinton's goal of a workforce that looks like America. Even though the Department's total workforce decreased by more than 15 percent since 1993, representation of minorities and women steadily improved.

Figure 1, USDA Employment and Hiring Rates by Racial/Ethnic Groups, 1993 and 1999.

Group	Percent of Total Employment B1993	Percent of Total Employment B1999	Percent of New Hires 1999
African Americans	9.4	10.8	15.1
Hispanics	4.1	4.8	5.6
Asian Americans/ Pacific Islanders	1.7	2.0	3.3
Native Americans	2.4	2.6	1.4
Persons with Disabilities	9.0	7.9	9.8
Women	41.1	41.9	53.5

Employment Complaints. The Department of Agriculture is a large and widely dispersed organization. With 106,000 permanent and temporary employees, it is the fifth largest Cabinet agency by employment. But on a per capita basis, USDA is in the middle of the pack in the rate of Equal Employment Opportunity complaints—standing exactly at the Government average of 1% per year.

USDA closed an average of 744 employment complaints per year during the 1995-99. This is more than all but three other Cabinet agencies. However, the Department received an average of 835 complaints a year for the same period. In 2000, 758 formal employment complaints were filed, which is the lowest number since 1996. To address them, USDA engaged contractors to review 360 complaints, recommend action, and draft appropriate letters for ratification.

Efforts to reach quick, fair complaint resolutions. In addition to more efficiently processing complaints, major efforts are underway to quickly reach a fair resolution. Alternative dispute resolution is increasingly being used. By offering ways to resolve workplace disputes besides filing a formal discrimination complaint, alternative dispute resolution can bring early resolution to more conflicts and reduce the stress and disruption often associated with a complaint.

4. Sufficient Resources

Secretary Glickman's fourth civil rights goal was to "provide sufficient human, fiscal, and organizational resources, and train all employees, to institute an effective civil rights program." USDA identified civil rights and diversity training as a critical means for getting all employees to treat USDA co-workers and customers fairly and equitably, with dignity and respect. As a result, the Secretary issued regulations

requiring annual civil rights and diversity training for all employees, plus special training for supervisors, managers, and executives. More than 99 percent of employees received at least a half-day of civil rights and diversity training in 1998, and again in 1999. In 2000, individual agencies offered training to their employees and the Office of Civil Rights, through an automated on-line training course covering key civil rights and diversity topics. The state-of-the-art, interactive, low-cost way of reaching employees in all 15,000 locations worldwide was the first comprehensive, departmentwide training, consistent with President Clinton's Executive Order 13111, "Using Technology to Improve Training Opportunities for Federal Government Employees."

In accordance with USDA's new civil rights policy, each agency is required to have a Civil Rights Director who reports directly to the agency head, and to have a civil rights program that includes program planning, evaluation and compliance, and complaints management. The policy also requires agency heads to allocate sufficient resources and assign trained qualified staff in sufficient numbers to support the agency's obligations for developing and implementing a comprehensive civil rights program.

5. Procurement

Diversifying USDA procurement and contracting activities was Secretary Glickman's fifth civil rights goal. To achieve it, the Office of Small and Disadvantaged Business Utilization expanded its outreach efforts to ensure greater participation of small and under-represented businesses. In support of these efforts, USDA agencies also developed outreach plans. The plans target underrepresented small business groups to assist them in becoming more competitive.

These efforts led to two new programs dedicated to enhance small businesses in rural areas. The Small Business Education and Development Program works to stimulate the rural economic base; promote the growth and stability of small businesses located in rural America; identify markets for agricultural products of small, limited-resource farmers; and provide access to educational and technical resources. Bringing Rural America Venture Opportunities helps assist Tribal entities in establishing small, start-up information technology companies.

USDA Honors a Hero: The George Washington Carver Center

In October 1999, USDA honored one of the greatest agricultural scientists of all time, George Washington Carver, by naming a newly constructed headquarters office complex in Beltsville, Maryland, in his honor. The 350,000-square-foot facility is the first USDA facility, and the first Government-owned facility in the Washington metropolitan Area, to be named for an African American. Dr. Carver was an unpaid USDA employee (then known as a "collaborator") prior to his death in 1943.

Thurgood Marshall, Jr., represented President Clinton at the dedication ceremony, which was attended by more than 700 people. Representatives from Tuskegee University, Simpson College, Iowa State University, and the Carver National Birth Site all joined with USDA to share in the life and work of Dr. Carver. The Center stands as a permanent recognition of his extensive contributions to the advancement of agriculture. In dedicating the building, Secretary Glickman said, "I can think of no better name to grace this complex than that of George Washington Carver. He helped significantly improve the lives of American farmers through his innovative research. We at USDA are dedicated to following in his footsteps."

In 1999, USDA awarded 2,330 contracts to socially disadvantaged and minority firms—12.9 percent of all contracts awarded. These contracts totaled \$308 million. Under the Clinton Administration, USDA nearly doubled the proportion of its contracts going to socially disadvantaged and minority firms, making it one of the leaders in the Federal Government in this vital area.

What Remains to be Done

When the dust settled and the Administration's day came to a close, nearly every recommendation of the Civil Rights Action Team that Secretary Glickman had authority to implement was acted on. Without a doubt, this landmark effort had changed the culture of the Department of Agriculture. While much of the change has been institutionalized at USDA, the continued commitment of the Nation's leaders is essential.

Congress, in particular, has significant opportunities to carry on the civil rights progress of President Clinton's USDA. Eleven of the team's recommendations that have yet to be implemented require legislative changes. The most controversial (and many would argue the most essential) among them is the proposal to convert county Farm Service Agency employees to Federal status. Many USDA employees who work in offices across the country are not Federal civil servants. Even though the Federal Government pays their salaries, they are subject to a separate personnel system that answers to the local farmer-elected county committees, rather than to the Secretary of Agriculture. Many believe that this system stands in the way of uniform civil rights accountability throughout USDA, and allows pockets of discrimination to persist in certain parts of the country. On the other side of the issue, however, are several powerful members of Congress who represent largely agricultural districts and who worry that converting these employees to Federal status might take away some of the local flexibility in administering farm programs. While Glickman strongly argued for the conversion, making clear that a distinction could be made between local flexibility in farm programs and illegal local flexibility in Federal civil rights laws, the politically volatile issue has yet to make any significant headway in Congress.

Conclusion

"You've got to go back to the beginning. . . . I turned over a rock here and found a lot of stuff that hadn't been dealt with in decades. The Government had neglected these issues for too long. . . . I doubt there is another agency in Government that has made anywhere near the progress we have. We started a lot further back. We had a lot further to go." This is the way Secretary Glickman summarized the status of civil rights at the Department of Agriculture in an interview in the Washington Post in the fall of 2000.

Evidence of how far the Department has come in civil rights and diversity since 1993 is abundant. Participation of minorities and women in farm programs has increased dramatically; the processing times for farm ownership and operating loans has declined markedly; diversity of the workforce has improved significantly in all racial/ethnic groups; all employees are receiving civil rights and diversity training annually; contracts with socially disadvantaged and minority firms have more than doubled; and the number of program and employment complaints is declining.

The Department has the regulations, policies, procedures, and organizational structure in place to keep these trends improving and to achieve its overall goal of treating all customers and all employees fairly and equitably, with dignity and respect. USDA is changing its culture, re-earning its title of "The People's Department," and emerging as the leader in civil rights among the Federal agencies.

When President Clinton took the oath of office, he placed his hand on a specific passage in the Bible. It was Isaiah 58:12, and it read, "Thou shalt raise up the foundations of many generations, and thou shalt be called the repairer of the breach, the restorer of paths to dwell in." While the Nation still has a long journey ahead of it to truly embody the strength that can be found in its myriad diversity. President Clinton's effort to begin a dialogue and the process of healing old wounds will have its place in history. And the work at USDA will forever be the Administration's most concrete example of the possibility of transforming ideals into action, of healing a painful past and building a shared future of progress.

5. Defending and Strengthening the Federal Nutrition Safety Net

Promoting Health, Fighting Hunger Amid Prosperity

"The last 4 years have seen an American economy that is roaring into prosperity. . . . But we can never forget that all is not right with America. Tonight in America—the land of plenty—parents will whisper, trying not to wake the children, and struggle to figure out how to make ends meet, how to get food on the table. And in another room, their children will be trying to fall asleep and trying to ignore the sore pain of hunger. Those of us who are parents feel their pain in our own hearts. Those of us who are Americans feel their pain in our Nation's spirit."

Vice President Al Gore
National Summit on Food Recovery and Gleaning
September 15, 1997

"We stand at the dawn of a new century in the world's most powerful Nation. Our military, our economics, our leadership are unrivaled. What should we do with all this strength and abundance? I say we show the world what true leadership means. I saw we destroy an enemy that has never known defeat. United, we can beat hunger and turn to the world and say, 'yes, it can be done.'"

Agriculture Secretary Dan Glickman
National Summit on Food Recovery and Gleaning
September 15, 1997

When most people are asked to think about the Clinton Administration's legacy fighting hunger, they are likely to conjure up images of U.N. troops airlifting USDA-purchased foods to refugees fleeing the war in Kosovo, or the prompt, massive response of the Administration to requests for humanitarian food donations to avert a famine of epidemic proportions in the Horn of Africa. Given the historic economic expansion that occurred in the United States during the Clinton years, more Americans are likely to think of hunger as a challenge halfway around the world, rather than halfway across town.

Yet in selecting his two Secretaries of Agriculture, President Clinton chose men who would never forget that even in the midst of an unprecedented era of prosperity, nearly 10 million Americans lived in households that were forced to make impossible choices between medicine, meals and other basic needs. From protecting food stamps and school lunches from an unprecedented assault by a new Republican leadership in Congress to expanding community-based food recovery efforts—this Administration made clear that it would not only fight for a strong economy, but also work toward the day when the wealthiest Nation on earth could use its power to eliminate hunger in America and dramatically reduce its presence around the world.

The Administration also invested heavily in nutrition research to expand the body of scientific knowledge illuminating the powerful ties between nutrition and health. It also did more than any Administration before it to translate this knowledge into healthier eating habits among the general public. As a result, the Clinton Administration leaves as its legacy a reinvigorated role for the U.S. Government in fighting hunger across the country and around the world, as well as strong lasting programs, tools, and scientific knowledge that will help improve America's health for generations to come.

A Changing Political Landscape

Bill Clinton came to the presidency with a clear vision of the role of Government: to give people who work hard and play by the rules the tools to make the most of their own lives. One of the Federal Government's most important roles is to ensure that children and low-income people have access to the nutritious food that they need to lead healthy, productive lives. When the Clinton Administration took office in 1993, Federal food assistance programs faced the challenge of significant change. For much of their history, the economic needs of agricultural producers and the nutrition needs of the poor converged to form a strong base of support for USDA's anti-hunger programs. But in recent decades, important changes occurred in the political environment surrounding these efforts.

With the rapid suburbanization of the country, the number of Members of Congress representing primarily agricultural constituencies had been declining for years. Redistricting also reduced the number of Members of Congress representing low-income populations. These changes weakened the political alliance that had created the Federal nutrition safety net, leaving it vulnerable to a new trend in Washington—the drive to "devolve." This movement peaked in 1995 with the change in House leadership, and the desire of many in the new Republican majority to dismantle Federal programs and return the money back to the States to address the issue (or not) as they saw fit.

Key Administration Priorities

The Clinton Administration recognized from the outset that Federal nutrition programs were vital tools, not just for those on welfare, but also for the working poor, those trying to make the transition from economic dependency to work, and for all of the Nation's children. The Administration also knew that the programs needed to be reformed to better meet the nutrition needs of the 21st Century. In accordance with the Administration's strong belief that no Americans should be left behind, it stepped beyond the traditional goal of reducing hunger through food benefits, and set the only goal conscionable for the wealthiest and most agriculturally abundant Federal on earth—to work toward the day when this Nation can eliminate hunger and focus not just on filling empty bellies, but also on improving nutrition and health. To help harness the explosion in scientific understanding of the powerful ties between nutrition and health, the Clinton Administration also created the Center for Nutrition Policy and Promotion, and charged

this new entity with the task of connecting the latest scientific research to the nutrition needs of the American public.

In pursuit of this ambitious agenda, the Clinton Administration set out a clear strategy: to strengthen the Nation's *food* assistance programs and reposition them as *nutrition* assistance programs that are effective, major contributors to the nutrition and health of the Nation. By improving the effectiveness of the programs, in fighting hunger, promoting nutrition, and addressing lingering issues regarding program integrity, the Administration ultimately restored a firm base of support for these programs. As a part of this strategy, President Clinton's USDA pursued three major priorities:

- To strengthen the structure of Federal nutrition programs, so that they fight hunger and improve food security effectively in every State in the Nation,
- To integrate modern nutrition knowledge into the programs by improving the nutritional quality of food benefits, increasing nutrition education, and promoting healthy eating habits, and
- To reform the programs to ensure their integrity and cost-effectiveness, in order to bolster public confidence that these tax dollars are spent fighting hunger and promoting nutrition.

In each of these areas, the Administration took major strides in meeting the Government's evolving nutrition responsibilities by:

- Preserving a national system of nutrition assistance programs with national standards that reach all those in need, no matter where they live,
- Improving the nutrition quality of program benefits to promote good health,
- Developing state-of-the-art nutrition education strategies that work across programs to help program participants choose and enjoy a healthful diet
- Creating a nutrition policy and promotion organization within USDA, to promote improved nutrition for all Americans, and
- Improving program administration through technology and quality management.

Strengthening America's Food Security Safety Net

Federal nutrition assistance programs are a central part of our Nation's commitment that in a land of abundance, no one should have to go hungry. The Clinton Administration fought to preserve these programs against efforts to cut their funding, and to end the national standards that ensure that they reach all those in need, wherever they live. It won this fight, and went on to significantly expand and improve access to these vital programs.

Protecting the Structure of Nutrition Assistance

With the emergence of a Republican majority in Congress in 1995, the Administration faced a major effort to dismantle Federal nutrition assistance. As a key component of its

"Contract with America," the new House Speaker Newt Gingrich and his Congressional leadership proposed to convert the Food Stamp, Child Nutrition, and WIC programs into block grants to States. They also sought to limit funding in future years in ways that would prevent the programs from keeping pace with a growing U.S. population.

The Clinton Administration viewed these policy changes as a direct assault on the national commitment to providing nutrition assistance to every child and low-income person who needs it. They charged that the other side was pressing a wolf in sheep's clothing—working to undo the popular Federal nutrition safety net under the popular banner of "welfare reform." The Administration and their Democratic allies in Congress took their argument to the American people—dismantling the Republican proposal in a thorough, fact-based analysis. The Administration made clear that by ending the National School Lunch Program and other Federal nutrition efforts, and simply sending the money to States as block grants, there was no guarantee the money would be spent feeding children and families. And there would be no assurance that States adhere to any nutrition standards that ensure children eat wholesome meals that improve their health.

The bottom line? The Republican plan broke faith with the hallowed tradition in America of fighting hunger across the Nation. Under this proposal, there would be no guarantee that a child in Wichita, Kansas, and a child in New York, New York, would have the same access to healthy school meals. In other words, the wildly popular Federal nutrition safety net that had been built up over the past 20 years would be gone.

President Clinton knew where the vast majority of the American people stood on the issue of Federal nutrition programs. In leading the defense, he called the Republican plan "at odds with American values."

The pivotal public event in this debate—indeed, the event that may have turned the tide against block-grants—was President Clinton's visit to an Alexandria, Virginia, school on March 9, 1995. There, he decried the short-sightedness of the Republican proposals:

"School lunches have always been seen by both Democrats and Republicans as an essential part of student education... . Unfortunately, this year, some members of the new Congress have decided that cutting this program would be a good way of cutting Government spending and financing tax cuts for upper-income Americans. This is penny-wise and pound-foolish.

"While saving some money now, these nutrition programs for schoolchildren and for women and for infants save several dollars in social costs for every dollar we spend on them. The American people want a Government that works better and costs less, not a Government that works worse and costs more We have to give our children more support so they can make the most of their own lives."

That day, President Clinton turned the political tide against the block-grant proposal. Many also believe that he ended the "honeymoon" of the new Republican leadership in Congress and

revealed to the American people a dark side to their then-popular "Contract with America." By revealing how plainly at odds their proposal was with basic American values, he dealt a severe political blow to his opponents and secured a major victory for the Nation's nutrition safety net. In fact, in later years when similar proposals were put forth that would curb the Nation's anti-hunger efforts, invariably moderate Republicans would step forward and urge their colleagues not to put their party through "School Lunch 2."

In the months that followed, the Administration fought to preserve the school meals programs and other nutrition assistance programs. The President twice vetoed welfare reform bills passed by Congress, in part because they included deep cuts in the Food Stamp Program. Because the Administration stood firm, this program continues to provide nutrition assistance for children and low-income people across the Federal. Nevertheless, the President remained committed to real welfare reform—reform that moved more people into the work force, without pushing more families into hunger—and later worked toward the passage of welfare reform in 1996. In 1998, President Clinton explained his position this way:¹

"I remember when we had the debate on welfare reform, and I vetoed the first two bills and I signed the third one.... The two I vetoed said, we're going to make you go to work if you're able bodied, and if you have to give up being a good parent, that's fine with us.. We're not going to give your kids Medicaid. We're not going to give your kids food stamps. We're not going to provide adequate childcare for you. The most important thing is work, and if you can't be a good parent, that's tough. I still believe that [being a parent is] the most important job in America. So when they fixed the bill, I signed it."

Implementing Welfare Reform

Welfare reform was signed into law by President Clinton on August 22, 1996, reflecting significant improvements from the original Republican version. However, the final legislation did include provisions limiting access to Food Stamps and other nutrition benefits for legal immigrants and other categories of people. When signing the bill, President Clinton made clear that a number of provisions limiting access to the Food Stamp Program went too far. So the Administration went to work immediately to soften the harsh edges of the new law. President Clinton and Secretary Glickman saw food stamps not only as a benefit to the unemployed, but also as a key tool for the working poor to help them make ends meet – a key tool to help ensure a successful transition from welfare to work. So in carrying out the historic reform of the Federal's welfare system, USDA worked to ensure that Food Stamps and other Federal nutrition assistance continued to support the basic food and nutrition needs of the working poor. Key efforts under this banner included:

- *Restoring benefits for legal immigrants:* The Administration allowed States to offer benefits to over 172,000 legal immigrants who were stripped of their Federal

¹ Remarks to the New Democrat Network Dinner, July 13, 1998

benefits under the new law, and secured a 1998 law that restored Food Stamps for 225,000 legal immigrant children, seniors, and people with disabilities who lost them under welfare reform. The Administration proposed further restorations, but Congress did not enact them.

- *Helping Working Families Buy Food:* In 1999 and 2000, the Administration took action to help ensure access to food stamps for the working poor. USDA changed its policies to make it easier for working families to own a car and still receive food stamps. This was an essential piece of ensuring that food stamps could assist the transition from welfare to work. In 2000, the Administration also raised the limit on how much a family could deduct from its income for rent, helping make food stamps available to more households whose ability to purchase a nutritious diet is diminished by high housing costs.
- *Informing Potential Recipients:* As welfare reform became a reality, USDA also noted a sharp decline in Food Stamp Program participation--a drop that could not be explained entirely by the new law or improvements in the economy. Many believed the decline was due to confusion over eligibility. So starting in July 1999, the Administration launched a national public education campaign and a toll-free hotline, in English and Spanish, to raise awareness about food stamp eligibility and benefits.
- *Protecting Unemployed Adults:* Since 1997, the Administration worked with States to exempt unemployed adults from Food Stamp time limits in areas where work is not available. Ultimately, persistent poverty areas in 36 States received exemptions. The Administration also greatly increased funding for States to provide employment and training opportunities for food stamp recipients.
- *Improving Food Stamp Program Access:* To ensure food stamps reach all who need them, the Administration developed access guides--for working families and for elderly people. The guides are used by program administrators and advocates. USDA also initiated access reviews around the country to better ensure the program's responsiveness to all potential applicants.

WIC Program Growth

From the beginning, the Administration made a major commitment to the WIC Program, recognizing its effectiveness not only in improving the health of at-risk low-income women and their children, but also in reducing the health care costs that result from lack of preventive care. Year after year, USDA secured significant budget increases, aimed at moving toward the goal of attaining full participation among eligible pregnant women, new mothers, and their young children. The numbers tell the story: in FY92, WIC served 5.4 million people. By FY99, 7.3 million participants were served.

WIC Appropriation and Participation, FY1992-2000		
Fiscal year	Funding	Participation
1992	\$2,600,000	5,403,403
1993	\$2,860,000	5,921,214
1994	\$3,210,000	6,477,189
1995	\$3,470,000	6,894,413
1996	\$3,729,807	7,187,831
1997	\$3,729,807	7,406,866
1998	\$3,924,000	7,367,397
1999	\$3,924,000	7,311,206
2000	\$4,032,000	

The Administration also championed major improvements to the WIC Program. For example, USDA established, through a unique Federal/State/local partnership, uniform criteria for the nutritional risks that determine who is eligible for the program, promoting fairness and consistency in the way WIC operates across the Federal.

The Administration also pursued rebates on infant formula purchases, to maximize the program's ability to reach as many eligible people and stretch every program dollar. This has been one of the most successful cost-saving measures ever initiated in the Federal Government, and the rebates enable the program to serve many more people. In FY 1992, rebates were \$755 million; by FY 2000, rebate savings are projected at approximately \$1.5 billion, supporting over 25 percent of current caseload.

WIC is supplemented in some areas by the WIC Farmers' Market Nutrition Program, which provides additional benefits for WIC participants that they can redeem for fresh produce at participating farmers markets. USDA increased the size of the program nearly six-fold—from \$3.2 million in FY1993 to \$20 million in FY2001. The growth in funding has increased the revenue of thousands of small and limited resource farmers and improved the diets of millions of low-income women, infants, and children.

Expanding Child Nutrition Program Access

Teachers, school administrators, and the public health community have long recognized the value of USDA's Child Nutrition Programs. But the increase in recent years of after-school care, educational, and recreational programs—and the Clinton Administration's major emphasis on expanding these important programs—highlighted the need to provide nutritious food for children beyond the school setting.

The Administration worked closely with key members of Congress to develop and propose an expansion of after-school snack programs to children up to age 18. The proposal was

included in the 1998 reauthorization of the WIC and Child Nutrition Programs. It represents the Administration's success in securing passage of the first legislative proposal to expand these programs offered by an Executive Branch in 20 years, and has resulted in provision of millions of nutritious snacks to children in after-school settings. This effort provided a major incentive for at-risk children to come to after-school settings and stay off the streets during the hours teenagers are most likely to get into trouble. USDA's effort was part of a broader Administration endeavor--led primarily by Mrs. Clinton--to expand after-school programs, so at-risk children had safe, healthful and productive places to spend these critical hours.

Promoting Gleaning and Food Recovery

More than one quarter of the food produced in this country each year is thrown out--edible yet unused--by grocery stores, restaurants and others at the retail and food service levels. Sparking a major increase in the gleaning and food recovery efforts led by national grass-roots organizations such as Second Harvest and Share Our Strength was a personal mission of Secretary Dan Glickman. In evangelizing on the issue, Glickman frequently quoted a passage from the Old Testament: "When you reap the harvest of your land, do not reap the corners of your field, and do not glean the fallen ears of your crop ... you must leave them for the poor and the stranger." Glickman understood full well that private antihunger efforts could never replace a strong Federal nutrition safety net that the Administration so effectively defended and expanded. But he also worked diligently to encourage private, community-based efforts to ensure more wholesome food reached hungry families who need it.

Toward this end, the Administration secured enactment of the "Bill Emerson Good Samaritan Food Donation Act," which exempts those who recover or donate food from any potential liability. The new law made it far easier for citizens and businesses to donate unneeded food to soup kitchens and other charities. Glickman also held the first National Summit on Food Recovery in September 1997. There, Secretary Glickman and Vice President Gore set an ambitious goal to increase by 33 percent the amount of food recovered nationwide. Since then, USDA has led efforts to create grass-roots food recovery projects in more than 40 States, in conjunction with farmers and ranchers, through which more than 10 million pounds of excess food has been collected for donation.

USDA has distributed a number of useful information resources that help people start, expand, and volunteer for nonprofit food recovery activities. The Department also helped to establish a new partnership between Hewlett Packard and America's Second Harvest to create and run an Internet-based "hub" that links growers, manufacturers, processors, shippers, and distributors with the America's Second Harvest food bank network to help get more food to hungry people rather than go to waste. All of these efforts have helped billions of pounds of wholesome, nutritious food reach the mouths of the hungry, rather than the mouth of a dumpster.

Quantifying Waste, Quashing Hunger

At the direction of Secretary Glickman, USDA economists conducted a study to quantify just how much food goes to waste in this country every year. Their analysis stunned even many of those who dedicated their lives to promoting gleaning and food recovery: 27 percent of the edible food supply in the United States, more than 96 billion pounds in 1995, goes to waste. The report revealed not only how much food was lost, but also where it was lost—helping identify where it was feasible to rescue more food and get it to hungry families. The study was the first of its kind in 20 years. It also was the first ever to report losses by commodity type and across multiple marketing stages, and to identify some of the economic incentives and costs associated with food recovery and gleaning programs. Although it is not possible to eliminate all food waste, the study found that even a modest increase in the recovery of safe, wholesome foods could reduce hunger, provide tax savings to those who donate food, and lessen the environmental impacts of food waste disposal. These estimates were widely reported in major national media outlets. The national attention was instrumental in generating public awareness and support for Secretary Glickman's food recovery and gleaning efforts. According to the *Washington Post*, a television news story on the USDA loss estimates in Charlotte, North Carolina, resulted in a doubling of food donations to a local food bank there.

Glickman was a die-hard advocate of gleaning. His commitment stretched back well into his early years in Congress. As Secretary he not only pushed for more Federal resources to expand and support grass-roots food recovery efforts, he also made a habit of asking virtually every group he was in contact with to help — be it a conference luncheon he was speaking to or a restaurant he went to in his personal time. Secretary Glickman also was quick to get the rest of the Federal Government in on the act—not only in the cafeterias at their headquarters, but in all aspects of their work. The idea came from a conversation he had with the President. When speaking at the Foodchain Annual Conference in April, 1997, he told the story this way.

"I'll never forget telling President Clinton that USDA's cafeteria donates its excess food. His eyes lit up. He wanted all Federal agencies to follow USDA's lead. We first talked a few weeks before Thanksgiving. By the holiday weekend, he was giving a radio address urging people to ensure that good food gets to people who need it a whole lot more than a dumpster does. It wasn't a passing fancy, either. Just a few weeks ago, President Clinton asked me to make a presentation on food rescue to the full Cabinet. It was a very receptive audience. I'm now heading an Interagency Task Force to make the Federal Government a heavyweight donor to groups like Foodchain. We're asking Justice to look at their Federal prison system. Interior will talk to their concessionaires. And, Defense is going to eyeball their mess halls."

Recovering Food, Reinventing Government

Following the National Summit on Food Recovery and Gleaning, from 1997-2000, USDA employees across the Nation gleaned or recovered more than 13 million pounds of nutritious food worth more than \$6 million. Much of that food came directly from farmers' fields and would have gone to waste had USDA Service Center employees not taken action. The employees created public/private partnerships that continue to recover food to help fight hunger and food insecurity in America. In 1999 alone, these partnerships gleaned more than four times the volume of fresh produce gleaned in 1998. With no additional staff or money, these results truly demonstrate a Government that works better, costs less, and achieves meaningful results. USDA's Farm Service Agency, which led this grass-roots effort, accepted Vice President Gore's Hammer Award for reinventing government on behalf of the USDA Gleaning and Food Recovery Team.

Food Security Measurement

Recognizing the need for a rigorous measure of food security and hunger in the United States, USDA developed a survey to determine a household's food security status. Building on over a decade of research, the measure was first fielded as a large-scale survey effort to measure the extent of food insecurity and hunger among American households in 1995. Since then, it has been fielded annually as a supplement to the *Current Population Survey*, a monthly labor-force survey conducted by the Census Bureau. The measure is widely recognized as the state-of-the-art assessment of food security and hunger in the United States. The figures reveal that hunger remains a persistent problem despite the Nation's historic economic expansion during the Clinton-Gore years, underscoring the importance of a continued strong Federal nutrition safety net.

Community Food Security Initiative

In 1999, USDA launched a governmentwide Community Food Security Initiative to help communities build their grass-roots capacity to decrease hunger, improve nutrition, and help families move from poverty to self-sufficiency in their local areas. The Initiative builds vital links between USDA and nonprofit groups, businesses, and private citizens, as well as with State, local, and Tribal governments. These stronger ties all work toward one goal: helping communities across America end hunger. Without hiring a single Federal employee, the Initiative: generated more than 100 new public, private, and nonprofit sector commitments to fight hunger and strengthen local food systems; recovered more than 10 million pounds of wholesome excess food; provided technical assistance to antihunger and community food security projects in all 50 States; forged a partnership between Hewlett Packard and America's Second Harvest Food Bank Network to use computer technology to better match companies donating food with non-profit organizations that feed the hungry; launched a community gardening initiative to "plant a row for the hungry"; helped launch a major new initiative that allows family farmers to sell directly to the school meals program; and, forged a partnership

with Second Harvest and the American School Food Service Association to start a national program to convert school cafeterias into community kitchens.

Using Nutrition Knowledge to Promote Health

In recent decades, science made great advances in understanding the links among diet, nutrition, and long-term health. The Clinton Administration made a wide-ranging effort to harness this new knowledge to benefit the American people, by making a strong commitment to nutrition research, by building state-of-the-art nutrition promotion into Federal food assistance programs, and by significantly increasing efforts to promote healthy eating among the general U.S. population.

Improving Nutrition in School Meals

In the first year of the Clinton Administration, a USDA report confirmed what many American school children and their parents already knew--that school meals had unhealthy levels of fat and cholesterol. Recognizing a fundamental responsibility to promote the long-term health of our Nation's children, the Administration launched in June 1994 the School Meals Initiative for Healthy Children, the first major update of school meals nutrition standards in the program's 50-year history. The new standards ensure that school meals reflect the *Dietary Guidelines for Americans*, while still ensuring that they provide the calories and nutrients needed by growing children. The Initiative offers flexibility to menu planners, as well as extensive training and technical help for schools working to meet the standards.

In November 1994, Congress made permanent the Administration's efforts by amending the National School Lunch Act to require school meals to reflect the Dietary Guidelines for Americans.

Serving consistently healthful meals required major changes in school food services, as well as support for healthful eating through educational efforts in the classroom. To achieve these results, in June 1995 USDA launched Team Nutrition, to promote the nutrition and health of the Nation's children through education efforts in the schools. The most sweeping nutrition education and technical assistance effort in USDA history, Team Nutrition developed 53 unique nutrition education and model training materials to help schools and childcare centers. Currently there are approximately 96,500 schools, 21,000 school districts, and 40,000 childcare centers teaching children the importance of healthful eating through Team Nutrition.

But those familiar with children's eating habits knew that state-of-the-art nutrition education and technical assistance are not enough. Vending machine snack foods and sodas, rushed lunch periods, and other factors also heavily influence the quality of children's diets. To help encourage healthy choices, the Department focused on reinforcing healthy eating messages in the cafeteria and the classroom with messages throughout the school campus.

USDA reached out to educators, health professionals, communities, and families across the Nation to make real commitments to making the whole school environment supportive of healthy eating habits. In June 1999, Under Secretary Shirley Watkins convened a forum of the health, education, business, and school nutrition communities to recommend actions to create a healthy school nutrition environment. The following year, USDA launched a national partnership with the American Academy of Family Physicians, the American Academy of Pediatrics, the American Dietetic Association, the National Medical Association and the National Hispanic Medical Association. The members committed to work with schools and communities to recognize the health and educational benefits of balanced eating and the importance of making it a priority in every school. One example

of a concrete effort: encouraging more schools to make decisions regarding the sale of nonschool meals program foods on campus--like vending machine snacks and sodas--based on their nutritional value to children, rather than their profit value to the school.

Key events:

- October 1993--USDA study reveals unhealthy levels of fat and cholesterol in school meals
- June 1994--School Meals Initiative for Healthy Children launched
- June 1995--Team Nutrition launched
- Fall 1995--Team Nutrition reaches all 50 States
- June 2000 - Healthy School Nutrition Environment partnership begins

Food Stamp Nutrition Education

USDA recognized that the Food Stamp Program--the Nation's largest nutrition assistance program--offers not only a critical source of food for recipients, but also an important opportunity to promote their health by encouraging better food choices. President Clinton's USDA championed the use of Federal funds to provide nutrition education to Food Stamp recipients. In FY 1992, seven States used approximately \$660,000 for nutrition education; by FY2000, 48 States will provide this education, using nearly \$99 million in USDA funds.

Preventing Childhood Obesity

Childhood obesity is now the most prevalent nutritional disease among America's youth, and it is often the beginning of a lifetime of serious medical problems. The Clinton Administration through USDA was the first to give a national forum to experts eager to raise the profile of America's "quiet epidemic." To focus attention on this growing problem, USDA held a symposium in October 1998 on "Childhood Obesity: Causes and Prevention." Many leading scientific and policy experts in nutrition, diet and physical activity gathered to discuss solutions to prevent long-term health risks associated with childhood obesity. As Secretary Glickman noted at the symposium: "For at least one in five kids, overweightness is not a cute phase that will be outgrown. It's the start of a lifetime of serious health problems. It is time we elevate this issue to its rightful place near the top of the public health agenda--alongside cancer, heart disease and other leading killers of Americans today."

In the wake of the symposium, the Department pursued innovative strategies to emphasize the need for America's children to combine a healthful diet with physical activity:

- *"Eat Smart. Play Hard"* is a national campaign to convey behavior-focused nutrition messages about healthy eating and physical activity to schoolchildren and their caregivers. Launched in July, 2000, the campaign debuted the "spokestoon" for USDA's Food and Nutrition Service--Power Panther™.
- *Team Nutrition*, the comprehensive effort to support healthier school meals, now also emphasizes the importance of combining a healthful diet with physical activity.
- *WIC Childhood Obesity Prevention Demonstration Projects* identify strategies that WIC clinics can use to help prevent childhood obesity.
- *The Food Guide Pyramid for Young Children* was launched in March 1999 by USDA's Center for Nutrition Policy and Promotion to help improve the diet of children ages 2 to 6.

Promoting Healthful Eating for All Americans

To solidify its efforts to connect the latest scientific breakthroughs related to nutrition with efforts to educate the American people, the Clinton Administration established the Center for Nutrition Policy and Promotion in December 1994. The Center works to coordinate nutrition policy analysis with nutrition promotion—helping make the connection between what science knows about healthy eating and what Americans do to protect their health. Through its initiatives, nutrition research is translated into accessible information for health professionals, corporations, and consumers to increase public understanding of the ties between good nutrition and health.

Some of the Center's most significant achievements include:

- *Dietary Guidelines for Americans, 1995 and 2000*: These guidelines provide the basis for Federal nutrition policy and education activities. Published jointly by the Department of Agriculture and the Department of Health and Human Services, the revisions reflected significant changes in the dietary guidance provided to the American public, including emphasizing the benefits of physical activity and expanding on the importance of fruits, vegetables and grains, as well as food safety.
- *National Nutrition Summit*. In 2000, Secretary Glickman convened a National Nutrition Summit with the original creators of the Food Stamp Program, Senators Bob Dole and George McGovern, to commemorate 25 years of food stamps.
- *Food Guide Pyramid for Young Children*: The original Food Guide Pyramid provides general dietary guidance. Recognizing the need to provide guidance that supports healthy diets at early ages, when lifetime practices are formed, the Center developed the Children's Pyramid in 1999. It is based on a special analysis of the dietary needs of children ages 2 to 6.
- *Healthy Eating Index*: The Index was created in 1995 to gauge the quality of the American diet. This statistical tool can assess a person's eating patterns based on the *Dietary Guidelines for Americans* and the Food Guide Pyramid. The American Dietetic Association considers it the best overall diet quality measure. In 1999, CNPP created an interactive version of the index, so consumers can enter their daily food intake on-line to determine the quality of their own diet. The on-line index then targets nutritional advice based on the results—translating science-based guidance into practical information.
- *Recipes and Tips for Healthy, Thrifty Meals*: CNPP developed a new menu and recipe book in 2000 to assist families in purchasing and preparing healthy meals on a tight budget.
- *Symposia on Nutrition and Policy*: Recognizing the need to share the latest nutrition-related research among nutrition professionals and the general public, CNPP launched a series of full-day symposia in 1998. Some of the most successful symposia included:
 - "Childhood Obesity: Causes and Prevention" dramatically raised the profile of the leading childhood disease in the United States today,
 - "Breakfast and Learning in Children" highlighted the need for research to gauge the impact of a good breakfast on children's school behavior and performance,
 - "The Great Nutrition Debate" included presentations by high-profile "diet doctors" and challenged them to defend the long-term health effects of their weight loss programs.

Science that Saves Lives

Beyond the important work of CNPP, the Clinton Administration also was a strong supporter of a wide range of research aimed at expanding the ties between nutrition and health. Here are just a few examples of USDA nutrition research in the Clinton-Gore era that will have a major impact on the public health for years to come:

- USDA research reveals foods high in antioxidants, like blueberries, strawberries, and spinach, can reverse some of the problems associated with aging.
- USDA researchers develop process for producing taxol, a powerful anticancer compound that is 100 times more productive than the original process, and will ensure adequate supplies of this increasingly scarce natural source.
- USDA funded research shows that whey and soy protein may help prevent breast cancer.

Maximizing the Taxpayer Investment in Nutrition Assistance

The Clinton Administration came into office committed to "a Government that works better and costs less." Federal nutrition assistance programs, with their vast scope and complex structure, represented a challenge. Because of their high profile and need for public support to operate effectively, they also represented a high priority in the Clinton Administration's reinvention effort. From 1993 to 2000, this commitment manifested itself in significant improvements in program integrity and administrative efficiency that have been central to preserving and enhancing these vital programs.

Improving Food Stamp Program Benefit Accuracy

Throughout its tenure, the Clinton Administration worked with States to improve the accuracy of food stamp benefit distribution. For example, the Administration allowed States to reinvest their penalties for payment inaccuracies in efforts to improve their program's accuracy. Over time, this will result in savings far in excess of the penalty fees. Beginning in 1998, States were also encouraged to reinvest a portion of their penalties in efforts to improve access to this important nutrition assistance program. These efforts led in part to a decline in the food stamp error rate by almost a full percentage point in FY 1999—the first such decrease since the implementation of welfare reform.

Fighting Food Stamp Fraud

To ensure that corrupt individuals did not threaten the integrity and public support for a vital antihunger program, the Clinton Administration put in place tough new integrity provisions for food stamp retailers, including pre-authorization screening, stricter day-to-day controls, and firm penalties for violators. USDA conducted more than 32,000 retailer investigations between 1993 and 2000. USDA also used Federal income tax offsets to collect claims owed by fraudulent recipients, and worked to provide States with stronger authorities with which to recover lost resources from food stamp traffickers. As a result of these efforts, food stamp trafficking rates decreased from about 4 cents on the dollar in 1993 to about 3 ½ cents on the dollar in the 1996-1998 period.

Operation Talon Hooks Criminals:

Included in the 1996 welfare reform law was a provision authorizing State social service agencies to provide the addresses of food stamp recipients to law enforcement authorities for official purposes. This allowed law enforcement agencies to match their felony fugitive warrants with food stamp recipient records, facilitating the location and apprehension of fugitive felons.

In the wake of this legislation, USDA's Inspector General Roger Viadero coordinated a national law enforcement initiative dubbed "Operation Talon," to take full advantage of this new law. Operation Talon began as a pilot project in Kentucky. During May 1997, in partnership with State and local law enforcement agencies, the first 85 felony arrests were made. From there, Operation Talon grew into a nationwide dragnet encompassing 27 States. Among those arrested were fugitives wanted for murder, child molestation, rape, kidnapping, assault, and robbery. By 2000, some 6,791 fugitive felons had been apprehended.

In December of 1997, Vice President Gore, along with Secretary Glickman and Inspector General Viadero, announced the success of Operation Talon in a White House ceremony. Many of the State and local law enforcement professionals with whom the Office of the Inspector General worked were present. During a reception for these officers, two deputies from a rural county in Washington, who comprised their entire fugitive squad, said that Operation Talon was the "best thing that has happened" to their efforts. They were very impressed that, with the information now available to them, they found their fugitives at 90 percent of the addresses provided.

Electronic Benefits Transfer

The Clinton Administration was a big believer in the use of technology to improve the integrity and efficiency of Government services. Toward this end, USDA worked aggressively to grow a pilot program offering electronic food stamp benefits into a nationwide system to promote ease-of-access and reduced fraud. In 1993, only four States were operating electronic food stamp systems—which operate much like the ATM system. That pilot effort covered a mere 2% of nationwide benefits. By 2000, 42 State agencies were using the electronic system, covering over 75 percent of all benefits nationwide. The Clinton Administration also began the pursuit of an electronic benefits system for the WIC program. Wyoming implemented the first statewide electronic system for WIC in 2000. USDA supported similar projects in 12 other States, as well as efforts to link the systems with other key services, such as immunization, Medicaid and Head Start.

Taxpayer's Dream, Trafficker's Nightmare

EBT may stand for electronic benefits transfer, but if you're a trafficker in food stamps, the acronym stands for something altogether different—trouble. When USDA began using the program to deliver food stamp and WIC benefits, it gained not only a means of more efficiently delivering program benefits, but also a powerful new tool to go after fraudulent recipients and those who traffic in benefits intended for hungry families. While the EBT card has not eliminated illicit trafficking, EBT-generated records enabled USDA's Office of Inspector General (OIG) to better monitor sales and redemption activity. One investigation uncovered a small convenience store owner in Baltimore, Maryland, who trafficked more than \$700,000 in EBT food stamp benefits during an 18-month period. Since even-dollar transactions are a tell-tale sign of trafficking, he attempted to cover his tracks by ordering employees to add \$3, plus change to each transaction. After USDA detected this technique in 92 percent of the transactions, the owner pled guilty and was sentenced to 2 years in prison and ordered to pay restitution of \$250,000. More than \$92,000 from the proceeds of the activity also was forfeited to the Government. Based on OIG's success identifying trafficking thanks to EBT, USDA developed an automated system to do similar reviews on a nationwide basis.

Increasing Food Stamp Program State Flexibility

Another hallmark of the Clinton Administration was encouraging the tailoring of Federal programs to local needs. Under this banner, the Administration worked to give States greater flexibility in administering the Food Stamp Program while upholding a high national standard of service to families in need. President Clinton's USDA approved or extended more than 1,400 administrative waivers to free various States to pursue a wonderfully diverse range of innovations—from standardizing rules across different programs to experimenting with different ways to merge compatible programs to provide more holistic service.

Improving Child and Adult Care Food Program Management

In the mid 1990s, USDA identified mismanagement and fraud among family day care home sponsors participating in the Child and Adult Care Food Program. Federal audits corroborated these findings. Recognizing a significant problem, the Administration took decisive, proactive action to improve State and local management of the program. These efforts included:

- Developing a National Training Program for State agency staff to address critical integrity problems.
- Giving States flexibility to better target their monitoring efforts, identify problem sponsors, and ensure effective local program administration.
- Proposing legislative changes, including a stricter sponsor-approval process, grants for States to enact quality standards for participating day care homes and centers, and administrative funding caps.
- Launching an intensive review to evaluate progress in improving program integrity.

Reinventing Food Distribution

One key aspect of the effort led by Vice President Gore to reinvent Government focused on making Government programs more responsive to the needs of those who use them. As a result, the Administration made improved USDA's commodity food distribution programs a hallmark of its reinvention efforts. These reforms marked the first major overhaul of these programs since the 1940s. One story, told by Secretary Glickman to the Public Voice National Food Policy Conference,² explains why the program's reform offers a strong example of the benefit of the Administration's reinvention efforts:

"Not too long ago, I was at a food bank. An elderly woman came up to me and asked about our Commodity Supplemental Food Program. That's where we give packages of meat and grains and vegetables to needy women, children, and seniors. She tugged on my shirt and asked, 'Why don't you give us any cheese?' Many of us are seniors, and in case you haven't noticed, we don't have any teeth!"

Of course, Glickman promptly added cheese as a regular part of the program. This common-sense change was one of many that would reinvent USDA's food distribution efforts:

- *Commodity Nutrition Improvements:* USDA reviewed the nutrition profile of all commodities it distributed, reducing fat, salt and sugar, and introducing new offerings, such as 95 percent fat-free turkey ham, low-fat bakery mix, and reduced-fat cheese.
- *Fresh Fruit and Vegetable Project:* In 1995 USDA worked with the Department of Defense on a new approach to providing fresh fruits and vegetables to schools and Indian reservations. By 1999, over \$109 million in fresh produce was distributed through this innovative project.
- *Electronic Data Interchange:* In 1996 USDA put in place a system to transmit data electronically between State distributing agencies and the Department's mainframe computer system, greatly improving speed and accuracy over traditional paper-based procedures.
- *Commodity Complaint and Food Safety Project:* By creating a telephone hotline, cutting bureaucratic processes, and reducing paperwork and reporting burdens, USDA reduced the average time to resolve complaints regarding its commodity food program from 95 days to 15 days.
- *Improving Food Distributed on Indian Reservations:* In 1997, USDA reviewed the Food Distribution Program on Indian Reservations, and improved the nutrition and appeal of the foods offered.
- *Reinventing the Program for Schools:* Clinton's USDA worked with program partners, such as the American School Food Service Association and the American Commodity Distribution Association, to model a massive reinvention proposal that would enable the program to better serve its primary customers--schools that use the commodities to prepare meals for children. Reinvention pilots were launched for the 2000-2001 school year. The ultimate goal was to ensure States would maintain oversight responsibilities, but have the option to empower school districts to place commodity orders directly, eliminating layers of bureaucracy and creating far more flexibility for the individual schools.

² March 13, 1997.

Leading the World War on Hunger

As a global leader in agricultural production, the United States is uniquely positioned to combat world hunger. Fulfilling this leadership responsibility was a high priority for the Clinton Administration. In 1996, Secretary Glickman led the United States delegation to the World Food Summit. There, the United States joined with countries around the world in agreeing to work closely together toward the goal of reducing hunger by half by the year 2015. From a major new initiative to improve world food security over the long-run to a dramatic escalation in U.S. participation in humanitarian food donation programs, the Clinton Administration put the United States squarely out front in leading the world war on hunger.

Global Food for Education Initiative

At the National Nutrition Summit in May of 2000, George McGovern, U.S. Ambassador to the U.N. Food Agencies in Rome, called on the United States to develop an international school feeding program to improve the nutritional status and educational achievement of children in the developing world. Two months later, President Clinton responded by creating a global school meals and preschool nutrition program to help countries encourage more of their children to enroll and complete their education. More than 120 million children worldwide are not enrolled in school, and tens of millions more drop out before achieving basic literacy. USDA will work with the United Nations World Food Program, private voluntary organizations, and others on this effort. In the first year of operation, the United States will invest \$300 million in the effort, which will help feed up to 9 million children in the developing world. Speaking to African leaders in Washington, DC, in September of 2000, President Clinton shared his long-term vision for the potential of the program:

"I have launched a \$300-million initiative, which I hope will be nothing more than a pilot program, to work with developing countries to provide free meals--nutritious breakfasts or lunches in schools--so that parents will be encouraged to send 9 million more boys and girls to school in countries that desperately need to increase school enrollment. We estimate that if our friends around the world will join us, and if we can cooperate with countries to deliver the food in an appropriate way, ... we estimate that for about \$4 billion worldwide, we could provide a nutritious meal in school to every child in every developing country in the entire world. That could change the face of the future for many African countries and many countries in Asia and Latin America, as well."

Humanitarian Food Aid

A largely untold but deeply significant legacy of this Administration is the dramatic escalation in humanitarian food aid it provided to countries around the world through the aggressive use of USDA programs. During 1999 alone, USDA provided approximately 8.5 million metric tons of U.S. commodities for humanitarian purposes. This was more than 5 times the previous year's donations, and the largest level of humanitarian food aid in at least 25 years. A significant portion of this assistance came as a direct result of President Clinton's Food Aid Initiative, which increased 5-fold U.S. donations of wheat and wheat products to 5 million metric tons in 1999.

In April of 1995, President Clinton announced a food aid package for Russia worth nearly \$900 million to help avert social unrest following the collapse of the former Soviet Union. In December 1998, the Administration responded to another request for food aid that was triggered by the effects of Russia's smallest grain harvest in decades and the collapse of the Russian currency. In this package, the United States provided 3.7 million metric tons of agricultural and food commodities at a

value of approximately \$1.1 billion. The 1998 program was one of the largest humanitarian food aid packages to a single nation in the history of U.S. food aid.

USDA provided emergency food aid to Kosovar refugees, working closely with the U.S. Agency for International Development. In rapid response to the emergency need for food, the Clinton Administration airlifted high-energy biscuits to refugees crossing the borders into Albania and Serbia. USDA commodity donations were prepositioned in Greece to allow for their rapid shipment into Kosovo once the bombing ended. U.S. wheat flour also was prepositioned in warehouses in Texas and Louisiana and moved into the Kosovo region as needed.

Following Hurricanes Georges and Mitch, the United States reached out to help its Caribbean and Central American neighbors. After Georges struck the Dominican Republic, the United States donated 100,000 tons of wheat to be sold in the country to raise funds. The wheat sale generated about \$15 million that was used to rehabilitate hurricane-damaged small- and medium-scale farms. When Hurricane Mitch hit in December 1998, killing 9,000 Central Americans and destroying \$8.5 billion in infrastructure, USDA provided 170,000 metric tons of wheat and 50,000 metric tons of corn. Proceeds from the sale of these commodities were used for relief efforts.

USDA provided food assistance valued at \$165 million to help meet Indonesia's severe food needs brought about by financial, policy, and drought problems in the 1998-1999 period. Indonesia also received approximately 500,000 metric tons of wheat under the President's Food Aid Initiative. In 2000, USDA responded to Indonesia's continued difficulties with additional U.S. food assistance totaling approximately \$100 million.

The Clinton Administration's aggressive and highly successful use of food aid has been a largely untold, underappreciated story. History, however, will likely look back on the Administration's food aid accomplishments as one of President Clinton's great achievements.

Point, Click, and Fight Hunger Around the World

In line with Clinton Administration directives to harness the power of technology to improve Government programs, USDA pioneered the use of technology to increase the efficiency of its commodity food donation programs. By adding an Internet site to USDA's humanitarian programs, USDA allows vendors to submit bids via the Internet to sell their commodities to the Department for export as humanitarian food assistance. USDA's Electronic Bid Entry and Evaluation System was a recipient of Vice President Gore's Hammer Award, the Government Technology Award, and the Innovations in American Government Award for its contribution to the efficiency of USDA humanitarian food assistance efforts. Similar electronic applications are scheduled for development in 2000, including receipt of customer commodity orders and ocean transportation offers.

Conclusion

During the Clinton-Gore years, the Nation experienced a truly historic debate over the role of the Federal Government, and a real choice regarding the future structure--and indeed, the continued existence--of National nutrition assistance programs. The Clinton Administration stood strongly for preservation of that national structure, and enhanced it in important ways, including changes that helped the programs better support the transition from welfare to work.

At the same time, the Administration faced the challenge of reconciling its food assistance responsibilities with the tremendous advances in knowledge of the links between diet and health. President Clinton met the challenge by improving the nutritional quality of program benefits, and by integrating nutrition education and promotion within and across Federal programs--truly making these food assistance programs into nutrition assistance programs. At the same time, the Administration expanded USDA's reach to support improvements in the diets of all Americans through broad-based nutritional guidance and promotion.

Finally, the Clinton Administration recognized the humanitarian duty of the United States not only to fight hunger in this country, but also to be a world leader in the fight against hunger and malnutrition around the globe. This Administration rose to that challenge, dramatically expanding its humanitarian food donations through USDA programs and launching a major new initiative to reduce child hunger and promote education in the developing world. For these reasons, a key Clinton-Gore legacy will be a healthier Nation, a less hungry world, and a U.S. Government that honored and expanded America's historic role to reach for both.

6. Reviving the Rural American Dream *Empowering Rural Communities*

"I still believe in a place called Hope."

President Bill Clinton
November 3, 1993

"Twenty percent of our people live in rural America, but they are spread out over 80 percent of our land mass. In the 21st century, knowledge is power. Information is power. Those who have access have the best chance of success. For our Nation to live up to its full potential in a technology-driven, global Information Age, we cannot afford to leave small towns and rural communities behind—one fifth of our Nation."

Agriculture Secretary Dan Glickman
Announcing Telemedicine and Distance Learning Grants
At the Louisiana State University Medical Center
October 21, 1997

Historians will inevitably debate the reasons that motivated then-Arkansas Governor Bill Clinton to pick as his running mate then-Senator Al Gore, Jr. Invariably the debate will revolve around shared viewpoints on key issues from education to the environment to health care to foreign policy. One statistic that should not be underestimated, however, is the populations¹ of the towns in which the two men were born. President Clinton was born in a town with a population of 9,643. Vice President Gore was born to a town with a population of less than 2,000. When the two men spoke of empowering communities to build a brighter economic future or the need to "leave no American behind," there was never any question that building a brighter future for rural America was a core element of that vision.

When the Clinton Administration took office, rural America was still experiencing the effects of a significant economic downturn that stemmed from the collapse of the farm economy in the mid-1980s and a simultaneous decline in the energy production, mining, and manufacturing economies of rural areas. Rural America was experiencing double-digit unemployment and double-digit poverty rates (with rural minority poverty rates nearing 50 percent). One in three rural white children did not graduate from high school; the figure jumped to three out of four rural African-American and Hispanic children. Housing was inadequate for the rural working poor, and nearby quality health care was not available to large segments of the rural population. Some 3 million rural residents did not have running water in their homes.

Hope began to return to rural America when it quite literally arrived at the White House, when Bill Clinton—son of Hope, Arkansas—and Al Gore—son of Carthage, Tennessee—became the President and Vice President of the United States.

¹ Town populations reflect city statistics for the year 2000.

President Clinton and Vice President Gore knew that employment in a growing economy is the best social program available and the best means of solving less than favorable economic conditions. But they also recognized that in rural America a significantly greater investment in infrastructure, housing, and business opportunities was needed to provide the conditions in which the economy could grow and families could begin to prosper. One of the first initiatives of the Clinton Administration was to increase investment through these programs. By fiscal year 2001, the appropriations for these programs, despite the fiscal constraints imposed by the Administration's commitment to a balanced budget, exceeded \$12 billion.

Reaching the Underserved

In 1994, Under Secretary for Rural Development Bob Nash issued a new policy to the entire rural development mission area. It identified as an Administration priority the need to focus resources and assistance on the more than 500 "persistent-poverty" counties that had faced more than three decades of poverty rates higher than 20 percent. The memorandum also gave priority to areas suffering the economic consequences of changes in Federal policy, for example towns where military bases had closed or where timber harvest quotas had been reduced. This policy recognized the fact that those communities most in need of rural development assistance from USDA were often least equipped to successfully navigate the process of receiving Government grants and other financial assistance. To overcome this hurdle, Nash called on the various USDA rural development agencies to offer technical advice and other assistance to these communities, in an effort at "capacity-building" to improve the communities' ability to successfully pursue the funding they need from various Government agencies.

Improved Service to Native Americans

Native Americans, be they on Reservations, in Native Alaskan villages, or on Hawaiian Homelands, have historically been some of the most economically depressed populations in this country. The reasons are many and the solutions are complex. Prior to 1993 USDA Rural Development had a very limited amount of programs being accessed by Native Americans. Since 1993, Rural Development has made a concerted effort to more efficiently target limited resources to those most in need. The following are examples of significant initiatives adopted by Rural Development to ensure greater participation by Native Americans:

- Officially recognizing the sovereignty of Native American Tribes with respect to hiring on construction projects financed by USDA in 1996. These rights were previously unrecognized.
- Securing a provision in the Federal Agriculture Improvement and Reform Act of 1996 that requires Rural Development State Offices to develop a statewide rural development plan that incorporates Native American governments.
- Carried out President Clinton's Executive Order 13021 that required Rural Development to develop a strategic plan to address the needs of Tribal Colleges and Universities.
- Identified barriers hindering access to USDA rural housing services and implemented reforms to erase the barriers, such as: publishing a resource guide to lending in Indian country, and

providing technical assistance grants to train Native American applicants in the responsibilities of homeownership.

- Established funding reserves for Native Americans in several Rural Development agencies. As a result, USDA's Rural Housing Service, Rural Business-Cooperative Service, and Rural Utilities Service increased funding for Native Americans almost 10-fold, from \$10 million in 1992 to \$95 million in 1999.

USDA Answers the Call in Indian Country

In an effort to carry out the Clinton Administration directive to reach traditionally underserved rural populations, improving basic services in Indian Country quickly became a priority. While 97 percent of all American homes have telephone service, only 50 percent of Native American homes have this same basic convenience. One USDA success story that truly exemplifies the Clinton-Gore difference relates to the San Carlos Apaches, in San Carlos, Arizona. Before the tribe-owned telephone cooperative received a USDA loan to finance a modern telecommunications system, only 25 percent of the homes in the 2,854 square mile reservation had telephone service. To make matters worse, the town of 3,000 people only had one pay telephone. According to Velasquez Sneezy, vice chairman of the Tribal Telecommunications Utility, "people would start lining up at 6 a.m. to use the phone, and the line did not go away until after midnight." Thanks to a loan from USDA's Rural Utilities Service, "we now have the best telecommunications equipment to be found in the country." Now parents can call a doctor when a child is sick to discuss symptoms and determine if a long trip into town is necessary.

Forming Partnerships with Minority Colleges and Universities

Another key Administration theme was using partnerships to leverage the work of the lean, results-oriented Government they were creating. In USDA's efforts to better serve historically underserved communities, the Department was quick to recognize the value of strong partnerships with historically African-American colleges and universities, Hispanic Serving Institutions, and Tribal land-grant community colleges. Through these partnerships, USDA Rural Development effectively communicated the availability of Federal resources and helped improve the economic outlook and quality of life in many historically underserved communities. Examples include:

Since the beginning of the Clinton Administration, USDA's Rural Business-Cooperative Service worked with 1890s Institutions to build their capacity to provide business and cooperative development assistance to rural communities, agriculture producers, and other organizations serving rural areas. Between 1993 and 2000, \$27.6 million was invested in this effort.

- Since the beginning of the Administration's Empowerment Zone/Enterprise Community (EZ/EC) Initiative, Rural Development entered into cooperative agreements with various institutions of higher education to build their capacity to better serve the populations they work with and to develop interest among their students in the profession of community and economic development. Many of these institutions also provided help to local EZ/ECs in pursuing Government assistance. For example:

The *Fort Peck Community College* in Montana, a tribal college, established an internship to help local groups and individuals develop business plans and apply for grants to support tribal businesses. They also provided guidance that helped a tribally owned business from closing. They also headed an effort to develop a tribal technology plan to serve schools, businesses and residences and offered technology, business and management courses for farmers and ranchers that are compatible with their schedules.

California State University, at Fresno, a Hispanic Serving Institution, helped Central California Onion secure a \$125,000 loan for renovations and equipment and to establish a processing and distribution facility to expand the business and double the number of employees. CSU-Fresno also provided technical assistance in establishing a bilingual call center that, for example, negotiated a contract with a private Hispanic-owned firm to provide credit card marketing services for a major financial institution.

Ensuring 21st Century Opportunity in Rural Areas

President Clinton, Secretary Espy and Secretary Glickman all shared a deep commitment to bringing about a rebirth of the rural American Dream. They also recognized what a significant challenge that goal represented. With millions of Americans still lacking basic 20th century services, such as running water in the home or a doctor in a 100-mile radius of their town, the Administration understood that a massive commitment of resources was necessary because their goal was not only to deliver basic services, but to encourage local communities to work together and develop strategies to ensure their 21st century success.

Water 2000

One of the first initiatives of the Clinton Administration was to ensure that every resident of rural America had safe, clean running water within their homes. While it is difficult for urban and suburban Americans to comprehend that in the 21st century there are still families without clean, safe drinking water in their homes, at the time the initiative was developed, more than 3 million rural Americans had no running water in their homes. By 2000, more than \$3 billion had been invested in Water 2000 projects across the country. The project was ultimately expanded to also assist residents experiencing significant water quality or quantity problems. In the end, the historic investment provided clean, safe drinking water to 3.1 million rural residents. Two examples of Water 2000 projects illustrate the benefits.

- West Holmes, Mississippi, is a small, predominantly African-American community that tried for 7 years to get water for its residents. Many residents drove 3-4 miles to obtain water for drinking and cooking. The existing water supply was full of rust, which was unsafe to drink, caused plumbing problems and ruined appliances. "We have some neighbors who cannot cook white rice without hauling water from a neighborhood well. Rice turned brown when cooked in the existing water supply. We will not have to haul water anymore thanks to a grant and loan from USDA."
- Villa Ridge, Illinois was one of the earliest projects funded under Water 2000. One senior citizen resident, Mildred Grace, a senior citizen paid \$80 monthly to have water hauled and placed in her cistern for bathing, laundry, and other cleaning. She also paid \$20 monthly for bottled drinking water. This \$100 she paid for water was one-third of her monthly Social Security check -- her only source of income. Following completion of the Water 2000 project, Mildred Grace's total water bill was reduced to just \$20 per month.

Pacific Northwest Economic Adjustment Initiative

When the Clinton Administration made the decision to bar timber harvests in spotted owl habitat in the Pacific Northwest, it made a firm commitment to help diversify the region's economies, which had been largely dependent on the timber industry. USDA Rural Development led the initiative, which marshaled resources from throughout the Federal Government. From 1994 to 2000, 12 Federal agencies delivered \$1.2 billion in economic revitalization and other assistance to the Pacific Northwest. This massive undertaking involved State and local government, but it was driven by local residents. As a result of this "ground-up" strategy, the economies of most rural communities affected by the protection of environmentally sensitive forest areas stabilized and turned around. This initiative also confirmed the power of two key beliefs of the Clinton Administration - that when Federal, State and local agencies combine their resources toward a common objective, they succeed; and, that when local residents are given the power to guide the efforts to keep them focused on local needs, then government can be more effective in solving real-world community challenges. This same commitment to locally led economic adjustment efforts was extended to communities surrounding the Tongass National Forest in 1999.

Colonias

The Colonias Initiative, born in 1990, was expanded into a sweeping initiative under the Clinton Administration. This effort took aim at the serious health problems caused by the lack of adequate water supply and waste disposal in unincorporated "shanty" towns surrounding the Mexican border in Texas, New Mexico, Arizona, and California. In the Colonias, the living conditions were often wretched and the health problems were serious. Since 1994 the Clinton Administration invested \$156 million to provide clean safe drinking water and sanitary sewerage for more than 100,000 residents of these villages. USDA also spent an additional \$15.6 million improving homes to facilitate connections to water and sewer systems. An additional \$49 million in new home construction was also financed in these areas.

Empowerment Zones/Enterprise Communities (EZ/EC)

The major community economic development initiative of the Clinton Administration was ratified by the Empowerment Zone/Enterprise Community legislation of 1994. Rather than providing funding through a set of narrowly focused programs to assist communities in building various types of individual projects, this initiative called on designated communities to develop their own broad economic development strategies tailored to their specific needs. The communities used an initial Federal block grant as "seed money" for their long-term investment strategy and then leveraged other funds from a variety of sources, including various Federal agencies. In other words, rather than dictate what the communities should do, the Clinton Administration simply provided advisory and technical support, as well as resources, to support the community-based efforts. In rural America, eight rural areas were designated as Empowerment Zones and 50 rural communities were named as Enterprise Communities.

The EZ/EC concept was proven very successful. Between 1995 and 2000, some of the Nation's most poverty stricken rural communities used less than \$150 million in Federal seed money to leverage \$2 billion in funding. With this massive influx of resources, the communities established 410 new businesses; created or retained 18,000 jobs; served 26,000 residents through business development and job training initiatives; helped build or renovate 3,200 houses, and brought water, sewer systems, electricity, and telecommunications to places that never before had these basic services.

EZ Does It: One Community's Story

In 1993, the landscape in Jackson, Clinton, and Wayne counties featured spectacular beauty, rugged hills, and scenic vistas. But that scenery was marred by double-digit unemployment and few economic opportunities. Then, in December 1994, President Clinton announced that one of three rural empowerment zones in the country would be coming to the Kentucky Highlands.

Thanks to the EZ/EC effort, more than \$150 million was invested in the area—\$40 million from USDA. As part of its efforts, USDA provided \$3.5 million to expand a hospital, \$6 million to increase to 95 percent the number of residents with safe, running water at home, and a \$5-million loan guarantee to expand Mid-South Electronics which now employs 1,000 people. Perhaps the biggest success story was the boom sparked in the local houseboat industry. Since the EZ designation, the number of houseboat manufacturers in the area doubled, increasing its employment in the area by 70 percent. As a result of this concentrated, community-led effort, per capita income in the empowerment zone rose 17.9 percent and employment climbed 20 percent. And, in the fall of 1999, the area made history—achieving its lowest unemployment level ever—a mere 3.7 percent—which is far below the state and national averages.

The Clinton-Gore EZ/EC Initiative clearly demonstrated that local residents can be a powerful driving force behind the economic turnaround of their communities. Historically, Federal assistance has been a notoriously top-down prescription focused on addressing a single problem, rather than offering a holistic approach to delivering long-term benefits to a specific community. Not only have the EZ/EC communities demonstrated their capacity to change their economic destiny. In many cases, the communities that carried out the planning, but did not get a designation, also followed through with their strategies and were successful in expanding opportunities and the quality of life for their people.

Developing the Economies of the Southwest Border

The Southwest border, stretching from the Gulf of Mexico to the Pacific, has one of the highest levels of endemic poverty in the Nation. For more than half a century, these rural areas have experienced long-term unemployment, inadequate infrastructure, severe poverty, environmental degradation, and economic disparity. President Clinton and Vice President Gore determined the area needed special attention and the Empowerment Zones and Enterprise Cities in the four States accepted a challenge from the Vice President to reach beyond their boundaries and involve other communities in the development of a regional strategic plan. As a result, the Southwest Border Regional Partnership was born. The initiative directs Federal agencies to cooperate with State and local governments and other organizations, public and private, to revitalize the region. While this effort was launched during the later years of the Clinton Administration, it is expected to continue the EZ/EC record of success and help the people and communities of the Southwest Border share in the Nation's unprecedented economic success.

Bridging the Rural Digital Divide

Given the explosive growth of the information-based economy, the Clinton-Gore Administration was deeply committed to ensuring that rural America had every opportunity to participate in the strong economic opportunities presented by the digital economy. Between 1993 and 2000, USDA's Rural

Utilities Service provided more than \$2 billion in financing for rural telecommunications systems. For many years, it also required that these telecommunications improvements use only fiberoptic cable, in order to ensure the upgrades could accommodate the demands of high-speed data transmission.

The Administration also worked hard to ensure that all schools, regardless of size or location, can offer students access to the Internet and the world of information and resources it provides. With the deregulation of the telecommunications industry in the mid-1990s, there was deep concern that the concept of universal service—which for decades ensured rural America had access to affordable telecommunications service—would be compromised. Thanks to the Administration's advocacy, the Telecommunications Act of 1996 authorized the Education Rate Program to ensure schools can offer students access to the Internet and other telecommunications-driven educational tool. The "E-rate" is financed by a small charge on individual telephone bills.

Distance Learning and Telemedicine

The focus of the Clinton-Gore White House on the power of the Internet and the information revolution drew the attention of the Nation to the possibilities of the new digital age. Secretary Glickman summed up the vision of President Clinton and Vice President Gore this way:

"They understand the unique challenges facing rural America—sparse populations, remote locations, lack of infrastructure—and they understand that we must work hard today to ensure that we step into the next century as one America – where all our people have safe, running water in their homes and first-rate education and health care in their communities. Just a few years ago, that vision for our country's future would be dismissed as utopian fantasy. But today, technology is giving us the means to make this dream a reality for all our citizens – even those who live in the most remote Alaskan village or on the Louisiana bayou. Together, we are reaching for a day when geography is no boundary."¹

Secretary Glickman was referring to USDA's distance/learning telemedicine program, which for years had been using increasingly sophisticated technologies to deliver to remote rural areas everything from virtual Advanced Placement classrooms to on-line medical consultations between rural citizens and specialists in big-city hospitals. While the program predated 1993, its funding and profile were dramatically elevated by an Administration that believed deeply in its importance.

President Clinton's USDA invested \$83 million in 300 distance learning and telemedicine efforts across the country. As a result, several hundred thousand rural students gained access to education courses not otherwise available to them and hundreds of thousands of rural residents were provided access to higher quality medical care than would otherwise have been inaccessible.

Homeownership and New Partnerships

The Clinton Administration worked diligently to increase the rate of homeownership in this country to the highest levels ever, including in rural America. Homeownership is a major economic stimulus. It also engenders community stability and pride. In 2000, the homeownership rate for the Nation stood at 67 percent. In rural areas the homeownership rate is 75 percent. About 10 million families have become

¹ Remarks to the Louisiana State University Medical Center, October, 21, 1997.

homeowners since the President took office. Between 1993 and 2000, USDA's Rural Housing Service financed about 350,000 single-family homes in rural communities across the country.

In order to leverage limited resources, USDA's Rural Housing Service formed a partnership with the Local Initiative Support Corporation and the Federal Home Loan Bank system to provide opportunities to leverage USDA loans with the resources of local banks and local Community Development Corporations. In 1996, 9 partnerships were formed and financing was provided for 37 families. In 2000, the number of partnerships grew to 177 providing financing for 1,320 homes. These partnerships enabled USDA's Rural Housing Service to increase its funding by 33 percent. Similar partnerships were formed with the Department of Treasury and Community Development Financial Institutions.

A subset of the President's homeownership initiative is USDA's Mutual and Self-Help Housing Program, which provides grants to nonprofit organizations to assist families that cannot qualify for a loan, even on the most generous terms. Under the program, a group of about 10 families agree to help each other build their homes—literally earning "sweat equity." Construction of the homes is then financed through USDA rural housing programs. By the time construction is complete the family can easily have \$15,000 worth of equity in their home and can afford to finance the balance thanks to all the saved labor costs. Although the program is a longstanding one, the strong commitment of the Clinton Administration to increased homeownership in America resulted in program funding more than tripling in the Clinton-Gore years.

Child Care

To assist in the successful transition from welfare to work in rural America, USDA followed the direction given at President Clinton's White House Conference on Child Care, and intensified its efforts to promote and finance child care facilities in small rural communities. Prior to 1993, USDA had financed a few facilities, but childcare was not a high priority. Since President Clinton took office, the Rural Housing Service invested more than \$65 million in 237 childcare facilities, providing affordable care to more than 20,000 children in the poorest rural communities.

Cooperative Business Financing

In response to the drastic decline in prices for agricultural commodities, USDA Rural Development increased emphasis on financing farmer-owned cooperative business ventures. These co-ops help increase farmers' share of the food dollar and mitigate the loss of farm income that so many rural communities depend on. Since 1998, more than \$150 million in loans has been guaranteed through USDA's business and industry loan guarantee program, and the demand for such financial assistance is growing, as is the interest in creating new cooperatives throughout the agricultural community. Additionally, President Clinton included in his 2001 budget a proposal to create a cooperative equity fund to provide the initial equity investment needed when agricultural prices are depressed and farmers have little equity to invest in order to create a co-op.

Lower Mississippi Delta

As Governor of Arkansas, President Clinton was Chairman of the Lower Mississippi Delta Commission when it developed a report on the socioeconomic status of people living in the 219 counties from Illinois through Louisiana. That report described endemic poverty, high rates of unemployment, lack of physical infrastructure, lack of health care, lack of adequate housing, and a general lack of economic opportunity. As President, he placed a strong emphasis on addressing the Delta's woes.

Between 1993 and 2000, the Rural Development Mission Area invested nearly \$4 billion in the region. In addition, many areas within the Delta were designated as Empowerment Zones or Enterprise Communities. Through these efforts, many of the problems initially reported by the Commission were eliminated, and residents of the Delta have much more economic opportunity than was available a decade ago. While much remains to be done in the Delta, the progress made to date is evidence that these problems can be addressed and the longstanding, persistent poverty of an area can be reversed.

During the period of President Clinton's focus, unemployment in the region declined from 7.5 percent in 1993 to 4.2 percent in 1999, with 184 of the counties experiencing job growth. Since 1993, USDA helped 43,000 Delta residents buy or improve their homes. USDA community facilities, water and waste disposal programs, and rural business programs provided \$850 million in additional help. USDA also provided first-time telephone service to 8,200 Delta residents and improved service to 77,000 residents. An additional 800,000 residents were served through either USDA distance learning or telemedicine projects.

A New Day on the Delta
Thanks to President Clinton's commitment - manifested in the eight rural Empowerment Zones and Enterprise Communities designated in the Mississippi Delta - real progress is underway:

- ☐ 2,133 new jobs created
- ☐ 24 new job training programs trained 5,000 area residents
- ☐ 65 new youth programs served 6,500 youth
- ☐ 21 educational facilities built or upgraded
- ☐ 6 health care facilities built or upgraded
- ☐ 29 computer learning centers established
- ☐ 2,193 upgraded computers donated from Federal surplus
- ☐ 21 revolving loan or micro-lending funds established
- ☐ 28 new water or waste plants under construction

International Activities

Given the success of USDA's rural development efforts in improving the quality of life and economic opportunities across rural America, the Clinton Administration was deeply committed to sharing this knowledge, as well as strategies and resources with countries around the world.

Creating Village Banks in South Africa

Since 1996, USDA's Rural Business Service worked with the U.S. Agency for International Development to help the government of South Africa create a network of village banks throughout rural South Africa. This effort was aimed at building a financial foundation within each village to provide financial services and generate capital for local investment. USDA provided legal, regulatory and organizational technical assistance in the creation of 50 village banks in South Africa. In addition to this landmark effort, USDA also helped South Africa with

a host of other projects, ranging from agribusiness/extension, to women and youth development, to agricultural risk management, to agricultural statistics services. Through these efforts, USDA aided the Clinton Administration's efforts to help build a strong economic future for the new South Africa and its many rural agricultural communities.

International Conference on Women in Agriculture

At the request of President Clinton, Jill Long Thompson, USDA's Under Secretary for Rural Development, represented the United States at the International Conference on Women in Agriculture. In 1997, the United States hosted the Conference in Washington, DC, bringing women from all over the world together to discuss their roles in improving the lives of farm families around the world, growing the productivity of agriculture, and strengthening the role of agriculture in the community and economic development of rural areas. Tipper Gore and Secretary Glickman were both featured speakers at the conference, which many believed to have been the largest gathering of women agricultural leaders ever.

Reinvention

The 1994 reorganization of the Department of Agriculture presented a particular challenge to USDA's Rural Development mission area. As the staff size declined by one-third from 1993 to 2000, the rural development agencies were asked to administer a 51-percent increase in program dollars. They say "necessity is the mother of invention." That may well explain Rural Development's leadership at reinvention.

Centralized Servicing Center

A major reinvention effort undertaken as part of Vice President Gore's "reinventing government" initiative at USDA was the centralization of servicing of its direct single-family housing loan portfolio of 675,000 loans. Prior to this effort, servicing activities were undertaken in each of the more than 1,500 county rural development offices. This activity consumed the time of about one-third of Rural Development's 9,300 employees. It was a grossly inefficient and costly process, and customer service was inconsistent because different offices interpreted servicing regulations differently. To make matters worse, escrow service for property taxes and insurance was not available. Centralizing this portfolio was the largest conversion of servicing activity ever attempted by the mortgage industry—either public or private. It saved taxpayers \$250 million in its first 5 years, improved customer service immensely, and freed 900 USDA employees for reassignment to other high-priority rural development work.

Data Warehouse

At the beginning of the Clinton Administration, USDA Rural Development was totally dependent on paper reports generated by its finance office in St. Louis. The majority of the information was transaction-based accounting reports, which shed little light on policy or management decisions unless reformatted through ad-hoc reports. The situation was further complicated by the mission area's large field office structure, which meant that each location needed information on their loan portfolios. This made the process and cost of generating paper reports substantial. Rural Development policy officials determined that a data warehousing

effort was the solution. Today, this web-based system provides the ability to query, report, and analyze data from a variety of sources. When fully implemented it will bring to each employee's desk immediate access to data they need to perform their jobs well.

Conclusion

The Clinton years were invigorating years for those who were advocates of improving the rural quality of life and seeing more of America's country communities share in the historic economic expansion that took place across our country in the 1990s. From bringing safe running water into the homes of millions who had never had it before, to connecting rural towns to 21st century opportunities in the information economy, to empowering rural communities to control their own financial destiny—with the Federal Government as a strong supporting partner to their efforts, this Administration left a strong legacy in rural areas across the country. Without a doubt, that legacy was driven by a commitment from the top, from two sons of rural America who never forgot where they came from. It is the legacy of Hope.