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Overview of This Week's Report: "Global Food Crisis"

By Marcia Clemmitt, Quotes Thomas Dobbs and Curt Ellis; full report quotes Rose Hayden-Smith
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Spiking food prices have brought pain at supermarket checkout counters for millions of American families this past year, but in many developing countries, the situation is far more severe:

- * In Somalia, people who can no longer afford food in markets try to stave off starvation with a watery soup made from the mashed branches of thorn trees.
- * In North Korea, where more than a third of the population is undernourished, the price of rice, the major food staple, soared 186 percent between 2007 and 2008, and overall food prices rose 70 percent.
- * In Yemen, where 36 percent of the population is undernourished, wheat prices doubled.
- * In tiny Burundi, where about half the population is desperately poor, the price tripled for the land-locked nation's food staple, farine noir, a mixture of black flour and ground cassava root.

With 2.1 billion people worldwide living on less than \$2 a day and another 880 million living on less than \$1 a day, price increases of such magnitude have plunged hundreds of millions into malnutrition and starvation.

The price spikes have several causes, including drought and bad harvests in major food-exporting countries, high oil prices that make food more expensive to chemically fertilize and transport and a growing diversion of corn for use as a biofuel.

Some critics also blame the impact of globalization and the continued use of farm subsidies by industrialized nations, which they say undercut prices in poor countries.

With harvests expected to improve and more land being brought into cultivation, prices are expected to drop somewhat next year, according to the United Nations Food and Agriculture Organization (FAO) and the Organization for Economic Cooperation and Development (OECD), representing industrialized nations. Nevertheless, experts warn, serious pressure on the world's food supply poses a long-term threat.

"The era of cheap food may be over," as rising oil prices drive the cost of food production and transport upward, said Haruhiko Kuroda, president of the Asian Development Bank. Over the past several



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decades, the world's food system has been transformed from local production to a global market, where many countries produce large quantities of just a few crops each, mainly for export, while depending on imports for much of their own food supply.

"A core problem is that 35 countries don't produce enough food to give their residents a 2,000-calorie-per-day diet, even if all their production was being distributed equally" among citizens, says Cornell University Professor of Applied Economics and Management Christopher B. Barrett.

Furthermore, most of the world's population growth now occurs in the very developing nations that are currently unable to produce enough food to feed themselves, Barrett says.

Readjusting the global food system to avoid future crises will require fundamental rethinking of how and where food is produced and how it's allocated, analysts say.

"We're running up against this brick wall called finite resources," mainly the fertile soil and ample water needed to sustain good harvests, says Randall Doyle, an assistant professor of history at Central Michigan University.

"I always tell [food] producers that this whole thing is not rocket science – it's far more complicated," says Jerry L. Hatfield, supervisory plant physiologist at the U.S. Department of Agriculture's (USDA) National Soil Tilth Research Laboratory in Ames, Iowa. To manage water resources successfully, for example, "you have to look at the whole landscape."

"Feeding 6 billion people is really hard," says Curt Ellis, a filmmaker in Portland, Ore., whose documentary on American farming, "King Corn," aired recently on PBS. "I don't think we've figured out the right way to do it."

"We've got to increase the supply," says Mark Alley, a professor of agriculture at Virginia Tech and president-elect of the American Society of Agronomists.

That is especially difficult "in Europe, the United States and Australia, where our ability to exponentially increase food production is quite limited," says Doyle. This means that the most attention must be spent on increasing agriculture yields in developing countries, especially in Africa, where agriculture is least advanced, he says.

However, development experts say, there's no consensus on how future farming should look – what balance should be struck between large-scale industrial farming for export and smaller farms that produce food for local consumption.

"There's no consensus in the global development community about agriculture," says Peter Gubbels,



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vice president for international programs at World Neighbors, a nonprofit development organization in Oklahoma City that helps poor farmers in developing countries become self-supporting. Nevertheless, “there are growing movements in every country” to return to more local production, he says. “Some call that food sovereignty, and now we’re even beginning to see the U.N. and the World Bank” talking about it.

The food crisis has sparked international tension over the rich diets enjoyed by industrialized nations and the fear that, as developing countries add more animal products to their menus, food crises will increase.

“There’s still plenty of food for everyone, but only if everyone eats a grain and legume-based diet,” said Peter Timmer, a fellow at the Washington-based Center for Global Development. “If the diet includes large . . . amounts of animal protein (not to mention biofuels for our SUVs), food demand is running ahead of global production,” he said.

In India, the “middle class is larger than our entire population,” said President George W. Bush in May, and “when you start getting wealth, you start demanding better nutrition and better food,” including meat, which increases global food demand and “causes prices to go up.”

But Indians reacted with outrage to Bush’s implication that their diets have fueled food-price spikes. “Bush is shifting the blame to hide the truth,” said Devinder Sharma, chair of the New Dehli-based Forum for Biotechnology and Food Security. “We all know that the food crisis is an outcome of the American policy of diverting huge land area from food to fuel production,” under a congressional mandate to increase use of biofuels, mainly corn-based ethanol.

While greater consumption of meat in developing countries is a long-term trend, it’s not a factor in current price spikes, says Brian Wright, professor of agricultural and resource economics at the University of California at Berkeley. For example, he says, Indians consume only 37 eggs a year per person, and “meat consumption is almost not on the charts.”

Other analysts argue that developing countries’ farm sectors have been crippled because the United States and other wealthy nations shut out poor nations’ farm exports while subsidizing their own farmers to sell abroad below cost.

“The U.S. and the European Union in particular have preached free markets but have been in blatant disregard” of trade rules, which they repeatedly tweak to their own advantage, says Thomas Dobbs, a professor emeritus of economics at South Dakota State University in Brookings. “We produce too much of the wrong kind of thing,” then “dump it on Third World markets and remove [those countries’] incentive for local production,” he says.

But many U.S. policy makers hotly defend the subsidies. By and large, the United States has not con-



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structured overwhelming trade barriers against agricultural products, said former U.S. Secretary of Agriculture Ann M. Veneman. U.S. farm subsidies “haven’t changed market access into this country. At least 91 percent of African produce comes into this country duty free.”

Addressing these contentious issues will be difficult because “the poor are voiceless,” says Cornell’s Barrett. “The loudest and often the shrillest voices are those who aren’t paying attention to the billion or so people who are living on a dollar or so a day.”

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