



About Jim Harkness

Jim Harkness joined IATP as president in July 2006. Previously he served as Executive Director of the World Wildlife Fund in China from 1999–2005. He has written and spoken frequently on China and sustainable development, and has served as an adviser for the World Bank and the United Nations Food and Agriculture Organization.

About IATP

Institute for Agriculture and Trade Policy works locally and globally at the intersection of policy and practice to ensure fair and sustainable food, farm and trade systems. IATP is headquartered in Minneapolis, Minnesota with offices in Washington D.C. and Geneva.

Is famine the new normal?

MINNEAPOLIS, FEBRUARY 7, 2011 — When global food prices spiked in 2007-08, a hundred million people were added to the ranks of the world's hungry, pushing the total number over 1 billion for the first time in history. Now, just two years later, we are seeing another food price hike, and more famine is likely to follow.

This week, the United Nations Food and Agriculture Organization (FAO) published its global food price index for January 2011. The agency's index was at its highest level (both in real and nominal terms) since the FAO started measuring food prices in 1990. Food riots have already begun in Algeria. As history repeats itself and the second major global food crisis in two years takes shape, it is vital that we learn the lessons of the first crisis, and address its fundamental causes.

Food security depends on stable and predictable weather and markets, and access to resources—all of which have been knocked dangerously off balance in just the past few decades. Since the 1970s, human-caused climate change has brought more frequent extreme weather events worldwide. Farmers used to dealing with the prospect of a lost harvest every ten seasons now experience flood, drought or major pest infestations every second or third year. In 2010 and early this year, Australia, Argentina, China, Russia and Pakistan have all seen extreme weather events disrupt their agricultural production.

The second source of instability is an increasingly chaotic marketplace. In the name of free trade, the U.S. government and World Bank have spent the past three decades forcing the markets of developing countries to open to cheap imports, which undermined local food production. In a cruel irony, poor countries were also pressured to cut support for their own farm sectors, and even forced to sell off emergency food reserves, under the rationale that it would be more efficient to simply buy food on international markets. By 2006, more than two-thirds of the world's poorest nations were dependent on food imports. Then came the wave of financial deregulation over the past decade, unleashing speculators onto commodity markets, and creating index funds that tied together commodity market prices for food, oil and metals like never before. But the leveraging, bundling and “innovative instruments” that were supposed to reduce risk in these markets had the opposite effect. The result has been a wildly volatile global food market, in which factors unrelated to actual supply and demand often drive prices.

This global double whammy of climate and financial instability has not hurt everyone. Volatility is good for the biggest players in any market. Many agribusiness companies are experiencing record profits now, as they did during the last food crisis. Some African countries will not be hit as hard this time precisely because they insisted on boosting local production instead of relying on global markets. But for the most part, poor farmers are struggling in this changed and hostile climate. No wonder famine has become the new normal.

If we consider world hunger an abomination, and not an investment opportunity, we need to make some big changes. Nearly everyone from the World Bank to the U.N. to the G-20 recognizes that investment is urgently needed to support small-scale farmers, particularly women, in countries facing hunger. Globally, 70 percent of the world's food is grown on farms less than two hectares (4 acres) in size, tended in large part by women. Increased support should help farmers utilize sustainable practices that reduce costly inputs, produce higher yields and increase farm incomes. Food production for meeting domestic needs must take priority over cash cropping for export.

But there is much more to do. Funding to assist developing-country farmers in adapting to climate change is woefully inadequate. Countries and regions struggling with hunger need greater policy space to protect domestic food production and stabilize supplies. Food reserves should be reexamined as a key tool for addressing shortages, as well as stabilizing food supplies and prices for farmers and consumers. Governments need to get serious about implementing rules to curb excess speculation.

The destabilization of the global food supply, which took decades to achieve, can be undone. But it cannot happen if we fail to learn from the past and support new approaches that would bring greater stability and resilience to farming, markets and food systems.