



GROUP OF FIFTEEN

Food Insecurity in the Developing World Update

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Introduction

Across the globe, many people live without knowing whether or not they will be able to find food on the table tomorrow. Despite major improvements in agriculture and food processing, adequate nutrition remains a major concern. From mild food shortages to extreme famine, food insecurity plagues many parts of the world, both in developed nations and developing nations. Furthermore, with a growing global economic crisis, access to food has become even more problematic, with the global poor bearing most of this burden. The governments of both developed and developing nations are trying to cope with factors that directly impact the growth, transportation, and consumption of food commodities. It is imperative that developed nations and G15 countries work cooperatively to develop solutions to address global food insecurity.

Summary of the Problem

According to the International Food Policy Research Institute, the world as a whole has made relatively little progress in reducing food insecurity since 1990. Hunger is closely associated with poverty, and countries with higher levels of hunger are generally developing countries with low income. Several countries of the G15 fall into this category, especially those in Africa and Southeast Asia. Rising food prices have often led to riots, both violent and non-violent. This is partly due to governments across the globe being ill-equipped to deal with population growth rates that exceed their food production rates. Both developed and developing countries engage in debate over **fiscal** measures such as agricultural subsidies, measures which sometimes in reality are ineffective in improving food shortages. Leaders around the must now address the problems surrounding food insecurity through constructive agricultural and trade implementations, as the food crisis continues to grow with deepening economic woes.

Fiscal—of or pertaining to financial matters in general.

Recent Developments

The Global Economic Crisis

As is notable in nearly every country across the globe, the economic crisis that began developing in July 2007 in the United States has

continued to worsen over time. In September of 2008, the crisis steadily deepened as stock markets across the globe plummeted and entered a period of extremely high volatility. Many banks and insurance companies have failed, and government revenues have dropped substantially, meaning it is more difficult for them to provide essential goods and services to their populations.

The financial worries have had such a strong effect on food security in G15 countries that a true food crisis could develop in the coming year. General Jacques Diouf, Director of the United Nations Food and Agricultural Organization, stated, “Governments should avoid reducing aid to developing countries’ agriculture and introducing protectionist trade measures in response to the unfolding global crisis.” This quote identifies two key responses of governments that can exacerbate the food crisis. First, governments with declining revenues may choose to cut the foreign aid they send to developing countries in efforts to reduce domestic budget crises, and to appease their constituents. Empirically, when nations undergo budget cuts, foreign aid is one of the first items to be on the chopping block.

Second, many food exporting nations’ governments, out of fear of famine, will impose export taxes on food produced domestically, making it expensive for food producers to ship their wares abroad. In the minds of government officials, this ensures that domestic food supplies remain high. Of course, this means that nations that rely on food imports to feed their population will have a more difficult time doing so, and this fend-for-yourself attitude can often actually create a food crisis in countries that would otherwise have functioned well in the absence of these protectionist measures.

With the world in the midst of an international economic recession, food prices continue to climb higher. In North African countries, consumers have been seriously affected by high **cereal prices** since their governments depend on cereal imports. These governments have implemented various measures in efforts to **ameliorate** rising food prices – including waiving tariffs, imposing price controls, and creating subsidies. In Algeria, the bread subsidy system is estimated to cost the government about USD \$50 million per month, a cost it can ill afford. According to the FAO, the **inflation** rate in urban areas of Egypt reached 23.6% in August 2008, an extremely high rate driven by price increases in the food sector.

In the Asian country of Sri Lanka, high food prices have fueled a **civil insurgency**. According to the FAO, more than 7,000 people have been killed in fighting since the beginning of 2008, while rice and wheat flour prices in June 2008 increased by 67% and 75%, respectively. With the global economic recession only deepening, food instability and rising will continue to play an enormous role in the lives of the every day people as they strive to keep away from malnutrition and ultimately

Cereal prices—the price of wheat, maize, and rice in a country. These are the primary crops used in cereals.

Ameliorate—to make or become better, more bearable, or more satisfactory.

Inflation—a persistent, substantial rise in the general level of prices related to an increase in the volume of money and resulting in the loss of value of currency.

Civil insurgency—rebellion against an existing government, usually one’s own.

starvation. It is imperative that governments of developing countries act rationally and rapidly in order to help curb the rising cost of food.

Unfavorable Weather Patterns and Crop Harvests

Since the beginning of history, farmers have had to deal with the weather, and some dramatic weather patterns, including flooding in the US Midwest and drought in other areas, like Australia, have further strained the supply of food. The effect of these patterns is further pronounced in nations that have less advanced agricultural techniques and technology.

According to the Kenya Food Security Steering Group (KFSSG), Kenya's current food insecurity is mainly due to the poor performance of the long-rains season alongside livestock **pestilence**, skyrocketing food prices, and conflict over water and pasture in drought-affected areas of the country. Contrast that with Brazil, for example, whose "2008 harvest of cereals, legumes, and oilseeds has been estimated to reach a record 143.6 million tons" despite harsher climactic conditions. Brazil is considered more agriculturally advanced than countries like Kenya which suffer more from intense droughts.

Conversely, in the Caribbean, countries such as Cuba, Haiti, Jamaica, and the Dominican Republic suffer from extreme food vulnerability because of flooding, as soils are too saturated from the rains of hurricane seasons to successfully plant crops. As of August 2008, the price of rice was 25 to 90 percent above previous months – a situation that has significantly affected food access for the poorest households that depend on purchased food. On April 5, 2008, protestors led riots in the city of Les Cayes in Haiti to protest rising food prices after hurricanes disrupted the growing and harvest seasons. United Nations peacekeepers and Haitian police dispersed the demonstration; however, such protests continue to remind the world of the **pernicious** effects of undesirable weather on food supplies – particularly developing nations.

Pestilence—*a deadly or virulent epidemic disease.*

Pernicious—*causing harm or ruin; injurious.*

Focus of the Debate

The focus of the debate on food security lies in a few distinct areas. First, food security can be approached more cooperatively, with regional food stockpiles or guaranteed trade agreements used to ensure a consistent supply of food to both food exporting and importing nations. Some nations are already looking at these options; the G15 could help facilitate the process. Second, nations must revise the methods used to both produce and transport food. Many countries have great agricultural potential that is wasted because of a lack of capital and technology. The G15 could help facilitate programs that exchange food for technical assistance in growing it, or some alternative methods of pursuing more

efficient agricultural practices. Lastly, poverty is the main cause of malnutrition; wealthy people simply do not suffer from a lack of food, no matter where they live. By addressing poverty itself, important steps will be taken towards reducing the more **systemic** problems associated with malnourishment.

Systemic—*pertaining to an entire system.*

Questions for Policymakers

Escalating food prices continue to trigger violent and nonviolent riots across the world. Moreover, they have forced the world's largest food aid agency – the World Food Programme (WFP) – into a \$500 million budget deficit in developing countries. Concerns continue to rise about the long-term forecast for global food security. As the price of food continues to rise and become more inaccessible to people of developing nations like those in the G15, several questions arise for policy makers. What are the best domestic policy responses to higher food prices? Are genetically modified crops an option? How best can nations work together to solve their mutual problems? What trade policies are appropriate in times of crisis, as well as those of plenty? These questions continue to puzzle policy makers, but the urgency of the situation grows daily.

Conclusion

As the population of the world grows, countries of the G15 and developed nations must strive for greater food security. Recent developments in weather patterns and a slumping global economy has created a food crisis that may take a turn for the worse. Without comprehensive and rational government actions, parts of the world may witness a large-scale humanitarian crisis unlike any other before. It is up to you—the leaders of these countries—to help avert this crisis.

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