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**World Food Day 2009 – Never have
so many people suffered from hunger**

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Bonn, 12 October 2009. On this year's World Food Day, on October 16, some 1.6 billion people will be exposed to hunger. This means in effect that every 6th to 7th person in the world has too little to eat.

This development was to be expected. The past year was marked by the occurrence of three global crises, all of which had negative impacts on the food situation worldwide: It started out with the 2007-2008 food crisis, which was sparked by extremely high food prices and led to a rise in the number of people exposed to hunger from 800 million to 900 million. It was followed virtually at once by the economic and financial crisis, which further exacerbated world food situation. The third crisis, climate change, found expression, in the same period of time, particularly in major droughts and crop failures in many parts of the world.

But to return to the food crisis: Following years of low food prices – which benefited the urban population in developing countries, while at the same time harming small-scale agriculture – food prices suddenly soared in 2006-2007, soon reaching record levels. The reasons for this rise in food prices were many and varied. On the one hand, high oil prices led to a rise in production costs, above all for diesel and fertilisers. On the other hand, the numerous biodiesel support programmes adopted by a good number of industrialised countries served to raise the competitiveness of biodiesel, leading regionally to further rises in food prices. Extensive crop failures, e.g. in Australia, led, in addition, to rapid and sharp declines in world grain stocks. This, in turn, led to panic purchasing, and many countries imposed restrictions on food imports with a view to securing their own population's food supply. This in turn encouraged financial market speculation, leading to further price increases.

As far as medium-term developments are concerned, though, it at first appeared that the food crisis had one positive effect: Growing expectations that investment in agricultural development might pay off again, restoring the economic viability of small-scale agriculture. However, the world was then shaken by the economic and financial crisis before any effects of this kind had been able to materialize. Commodity prices again went into decline, dragging grain prices in the most important international markets along with them. While this entailed a slight short-term easing of the food situation, it at the same time ultimately undercut incentives to invest in the agricultural sector, leading to a decline in the *ability* to invest. Declining direct investments and remittances from abroad as well as sinking government revenues led to sharp declines in household incomes, especially in poor developing countries. Since what is crucial for investment decisions is not only the current price level but its stability as well, the economic crisis has served to seriously hamper investment decisions in favour of agriculture. For the farmers affected, this rising uncertainty is reflected in increasingly costly loans at markedly unfavourable terms.

The food crisis is thus by no means over, even though this may have seemed to be the case in view of the brief easing of the food situation, and with the economic crisis drawing attention away from the food crisis. It is still very much with us, and will continue to be with us until effective counter-measures have been taken.

So what can we do?

Despite the setbacks recently experienced, increased investment in agricultural development continues to be the only way to increase the food supply and to enable poor countries in particular to lower their dependence on international grain prices. It is essential that steps be taken to better protect agricultural systems against sharply changing weather events due to climate change as well as to shield them more effectively from the effects of volatile developments in world market prices. But another factor of major importance is that the financial commitments made to the UN World Food Programme by industrialised countries be honoured in full and that the International Monetary Fund (IMF) adopt a coherent policy designed to mitigate "external shocks" of this kind. However, the developing countries also need to step up their engagement as far as a consistent implementation of the Comprehensive Africa Agricultural Pro-



gramme (CAADP), a fledgling structure of the New Partnership for Africa's Development (NEPAD), is concerned. It will take nothing less than a "green revolution" in Africa to make up for the deficits of the past. Instead of following the old model, though, it should contain a policy geared to consistent adaptation to climate change and remain mindful of the sharp fluctuations in international prices for agricultural inputs. This would imply a shift from an agriculture based on high levels of external inputs to a land management centred on efforts to conserve water and to raise soil fertility and geared to intelligently combining these strategies with sustainable seed cultivation and irrigation technologies, with the aim of increasing local buffer capacities for times of drought.

Leading regional powers like China and India should, in addition, become involved in working out crisis plans designed to increase international buffer capacities, including e.g. world grain stocks, bearing their own situation in mind as well. One thing that would be called for is development of strategies to reduce the increasingly meat-based nutritional habits of the more prosperous segments of the world population. Not only that overnutrition is plainly and simply unhealthy. As a mass phenomenon, and in view of the present food crisis, the only term that seems appropriate to characterise the fact that that even today over 1.2 billion people are overfed is cynicism. What this means in effect for world agriculture is that animal food products – especially those based on grain-eating livestock – require far more land and water to produce the same quantity of food for each and every individual. And that we can no longer afford to go on with.



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