

SLIDE 1: Feeding 9 billion by 2050 – challenges and opportunities ahead

Paper to the Oxford Farming Conference

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Feeding the World

SLIDE 2: MDGs – halving malnutrition

‘Fewer than one-quarter of the 143 countries for which data are available ... are on track. In many countries the situation is deteriorating. Malnutrition rates have increased in twenty-six countries, half of them in sub-Saharan Africa. By one estimate, the number of undernourished people in the region increased from 169 million to 206 million between 1990 and 2003’

Source: UNESCO Education for All 2009 Progress Report

Over the last two decades, the world has achieved many advances in development: there are two million fewer child deaths than in 1990, and half a million lives have been saved since 2001 through the global vaccination initiative. 1.2 billion people have gained access to clean water in the last decade. Yet, oddly, there is one key development indicator where we are still very seriously off-track: and this is the goal closest to farming’s impact on people’s lives: nutrition and hunger. The first talk of major international action to eliminate food and hunger arises in the 1960’s and 70’s. Since then we have had many global summits, and agreements, yet little progress has been made. Indeed, the World Bank calculates that food security for the poor has just got considerably worse with over 90 million more people going to bed hungry because of the food price crisis (which after a brief lull has returned with prices rising rapidly since March). The shocking fact is that over one billion people on our planet are now hungry. What we see on our televisions are snapshots of the hungry and dispossessed. The emaciated bodies from the intense drought of East Africa are the latest example. But this is the tip of the iceberg. In many countries, and not just very poor ones, malnutrition is a fact of life for the poor. In Guatemala, and India, a country with extraordinary growth in wealth, there is little or no progress on eliminating malnutrition for the poorer and more vulnerable in those societies.

And with our very short media attention span, we inevitably have a rightful sense of relief, but wrongly a sense of resolution, when the food and a good harvest arrive. Poor children’s experience of hunger and malnutrition is not only the immediate suffering, but also a sixty year scar on their future. Shockingly, 1 in 3 children in developing countries between birth and the age of five experience a period of acute malnutrition leading to moderate or severe stunting. There is a close association of this malnutrition with restricted cognitive development and educational achievement for these children. These long term effects are then reflected in lower levels of productivity and earnings.

And the global context for food security in the coming decades looks to contain many major challenges: a changing climate, a higher population to feed, less water for agriculture, less arable land for food production, high energy prices, and loss of biodiversity.

So what are the fundamental drivers of this chronic denial of a most fundamental human right: the right to food? And why are these drivers so powerful and pervasive compared to other areas of development? And how can we tackle them as we enter a future of even greater challenges to food security?

We all know that we are the first generation that has the wealth and the technology to eliminate mass poverty and hunger from our world. We are, therefore, also the first generation that has chosen not to do so. Whilst the rich world suffers from an epidemic of obesity (there are nearly as many obese people in the world as there are hungry) and growing problems of food waste, others lack food. And the principle reason that we have applied our technology and wealth in other areas is because the poor and vulnerable do not have the power, or the supporters, to insist on their access to food. As Amartya Sen said: “Famines are easy to prevent if there is a serious effort to do so, and a democratic government, facing elections and criticisms from opposition parties and independent newspapers, cannot help but make such an effort.” The level of hunger in a country almost never correlates to the amount or availability of food, but very closely correlates to a government’s sense of whether vulnerable people have an entitlement to not go hungry: to buy or grow food, and in extremis, to have social protection that guarantees them that entitlement.

And what is true at the national level is also tragically true at the international and global level: we have created a range of trade, and aid approaches that stymie the opportunities of the poor to become food secure. And we are now making similar wrong-headed choices regarding the threat of climate change to the food-insecure.

National Drivers of Malnutrition

Slide 3: National drivers of malnutrition: Agricultural (under)investment

Fig 3 from OI bp ‘Investing in small farmers pays’: ‘In Africa, governments spend on average 4.5 per cent of their budgets on agriculture – despite an overwhelming number of Africans who depend on agriculture for their livelihoods and an African Union (AU) target of ten per cent agreed to in the 2003 Maputo Declaration. While many African countries have increased their national agricultural expenditures, only a few – Ethiopia, Madagascar, Malawi, Mali, Niger, Senegal and Zimbabwe – have been able to reach this target’

In developing countries, we have had a period of twenty years where many governments have neglected agriculture and particularly small-holder agriculture. This has been aided and abetted by advice and guidance of the World Bank and rich countries who consistently saw agriculture as, at best the poor cousin to the white hot fires of industry and services; and at worst as a drag and impediment to development. Of course the World Bank has now changed its public view on this with the World Development Report of 2008.

Agricultural development is now finally recognised as a pre-condition to wider development in the economy. Over the last twenty years, the proportion

of official aid spent on agriculture has fallen from 17% in 1980 to just 3% in 2006. We now have a commitment on the part of the G20 to make \$20 billion available for investment in food security. While this shift is welcome, it is becoming increasingly obvious that this only around 20% of this will be new money. And in Africa, governments spend only 4.5% of their national budgets on agriculture and have now committed through the Maputo agreement to increase this to 10%.

Slide 4: Focussing investment: Romantics v modernisers?

There is also still a debate raging between the ruthless ‘modernizers’ who would sweep the peasants from the lands of developing countries to install vast agribusiness operations in the name of development ; and the romantic ‘Peasants will Feed the World’ camp. While neither of these extremes is true, in the interests of balance in a conference like this, it is worth pointing out the profound danger of ignoring the poor. 1.5 billion people live in families that depend on small farms. And some 75% of these farmers are women who generally face greater obstacles than men to access finance, have rights over land, access appropriate technologies and inputs and get a decent price for their crops. With sound national policies, and strong investment, such as in Vietnam, small-holders can be highly efficient in both food production per hectare, and in delivering poverty reduction.

This investment can also come from external sources like FDI and provide decent jobs and management of resources but the recent spate of highly controversial land grabs shows that FDI can also be a destructive force if not properly regulated. I always enjoyed exchanges with the EU and the US in the Doha Round, who patronisingly spoke of their help to the ‘inefficient’ sugar and cotton farmers of Africa, until I pointed out how the latter produced at a far lower price and greater economic and energy efficiency than any rich country sugar or cotton baron.

So at the national level, the lack of power of small-holders has helped to create the drivers of hunger. The lack of investment in small-holder agriculture has led to an erosion of assets such as community land rights; more inefficient and unjust national markets for farm products; the deterioration of rural infrastructure of roads and communications; small-holders’ access to credit; a systematic neglect of research into small-holders’ farming systems; and the abandonment of the poor to the escalating risks of climate change.

Global Drivers of Malnutrition

Slide 5: Global drivers – food prices

Food prices soared in 2007-2008, exacerbating world hunger, capturing the headlines and adding a sense of urgency to the High Level Conference on Food Security in Rome last year.

The image is from Cambodia, at the height of the crisis last year. The pile of rice on the left shows what your money bought during the crisis, and on the right, what you would have got for the same money just a year previous to the crisis.

Global agriculture markets are volatile and unpredictable. That is why the major traders have put so much effort into insurance against risk through complex financial mechanisms. It is also one of the reasons for Europe's vast investment in the Common Agricultural Policy. And yet in setting the global trade rules, rich countries have consistently sought rules that would create greater exposure to risk and volatility of developing countries than they face already. Efforts to minimise the use by poor countries of the Special Safeguard Mechanism and Special Products are just two examples.

The food price crisis and its human impact of the last two years is surely a compelling argument for these food security policies to be strengthened and agreed.

Slide 6: Global drivers - volatility

Shows on y-axis Black-Shoals volatility (as percentage)

From FAO Food Outlook November 2007.

See also Cirad paper that Fred sent around, which argues that risk management by private instruments (futures, markets, options) with complementary safety nets failed to prevent the 2007-8 price crisis turning into a food crisis in many developing countries

There is another fairly sterile debate as to whether we should be seeking food price increases to support poor farmers, or food price decreases to support the urban poor and rural workers. Poor farmers and workers need a fair and fairly stable price as their experience of poverty is as much about their vulnerability to shocks such as sudden hikes or slashes in price, as it is about the long term average price itself.

Global markets are increasingly interconnected and there is growing evidence that speculation contributed significantly to the price increases and volatility of food prices in 2008. However, most food is traded at national and regional level: just 7% of rice is traded internationally and huge opportunities exist to develop marketing systems for the estimated \$50billion worth of food consumed and traded nationally in Africa. Building the power of producers to negotiate fair prices with consumers and buyers (including the rise of supermarkets in developing countries) is important, especially where there is acute market concentration. Contract farmers in developing countries, producing for supermarket supply chains, are facing a similar price squeeze through the power of supermarkets as many European farmers face.

Slide 7: Climate change

Global drivers of malnutrition – climate change (parched earth vs a better way – agroecology/forestry)

The people of the world now face another major threat: climate change. In the coming decades, the threat is very unevenly distributed. And, as if the Gods were emphasising the principle that powerlessness brings vulnerability, those who are worst affected by climate change will be those who have contributed little or nothing to its creation.

Slide 8: Climate change

Figure shows **large-scale relative changes in annual runoff (water availability, in percent)** for the period 2090-2099, relative to 1980-1999 (Fig 3.5, IPCC 2007). Run-off accounts for **changes in precipitation and temperature, and influences water availability**. According to the IPCC (2007):

‘Drought-affected areas are projected to increase in extent, with the potential for adverse impacts on multiple sectors, e.g. agriculture, water supply, energy production and health. ... The beneficial impacts of increased annual runoff in some areas are likely to be tempered by negative effects of increased precipitation variability and seasonal runoff shifts on water supply, water quality and flood risk. ... It is likely that up to 20% of the world population will live in areas where river flood potential could increase by the 2080s. **Increases in the frequency and severity of floods and droughts are projected to adversely affect sustainable development.**’ (p. 49)

Source: IPCC Climate Change 2007 - Synthesis Report

While most of Africa may see agricultural production plummet by 40%, many of the models predict increased productive potential in higher latitude countries (of course later these are lost as irreversible changes affect the whole of the planet). In the North we speak of the need to ‘avoid dangerous climate change’. Oxfam’s experience with poor communities across the tropics and sub-tropics is that ‘dangerous climate change’ is already upon them. For those of us on this planet whose lives are already on the edge, it does not take much to push them from a poverty cycle, into a spiral of destitution. For many this is the catastrophe of intense and more frequent tropical storms or floods. But for many it is the more insidious but inexorable shifts in weather patterns such as rainfall that is now much more erratic, and less evenly distributed. These realities are hitting Oxfam’s partners now; for example we are working with cotton farmers in Mali who face a drastically shorter rainy season, livestock herders in Tanzania whose cows are facing increased competition with wild animals, and women maize producers in Malawi who are having to adapt to erratic winds and rains.

Slide 9: A global bail-out for climate?

PHIL – YOU MAY WANT TO SKIP OVER/DELETE IF RUNNING SHORT ON TIME

Source: Briefing Paper – Beyond Aid: Ensuring adaptation to climate change works for the world poor. (Amount dispersed from \$843.5 pledged)

And, at the time of writing, the world looks set to sleep-walk into an increasingly vulnerable future – vulnerable especially for the poor. So far, the world has responded to their challenge of adaptation by disbursing a scandalous \$128 million. Meanwhile London alone is spending \$347 million on an enhanced cooling system for the Underground. In other words, rich countries have so far shown themselves willing to provide to the most vulnerable people on our planet facing an existential threat, half of what one rich country capital will spend in avoiding excessive perspiration due principally to the same threat: a warming climate.

Slide 10: ...and we need to be careful of ‘solutions’

UWA-FACE **carbon offset** (forest plantation) project near Mount Elgon
Quote from: Lohmann, L. 2006. Carbon Trading: a critical critical conversation on climate change, privatisation and power. Development Dialogue No. 48 September 2006.

The form of response to climate change will also be critical to the food security of the poor. We are concerned at the creation of global carbon markets. One estimate from the World Bank indicates a potential annual market for off-sets to developing countries of \$150 billion in the next decade. This has the potential to decisively shift the value of land and production. Previous experiences of these phenomena suggest the poor may be dispossessed of their land, and there could be a major shift away from food security, in favour of carbon capture.

Solutions:

Slide 11: Then how do we feed the world? It's about power

As power is at the root of this problem, technology and finance will help, but only redistributive justice will be decisive in eliminating hunger.

Slide 12: A national checklist

At the national level this means:

- Increase investment in agriculture, and especially to small-holder agriculture including rural roads, SMS market information, credit, extension, and insurance.
- Strengthening land rights of the poor, particularly now, before land values shift with the introduction of massive, global carbon markets.
- Invest in a 21st Century Agricultural Revolution: moving from an 'input intensive' system to a 'knowledge-intensive' system requiring public and private research, but led by an equivalent to the CGIAR, and including 'climate innovation centres' in recognition of this threat..
- Implement social protection systems that prevent small-holders' hunger and protect their assets when prices plummet, and the hunger of urban poor and rural workers when prices soar.
- Retain the right of developing countries to 'policy space' within the WTO and other international agreements, including the right to raise tariffs against import surges and dumping, as well as policies that rich countries have historically used such as state-backed banks, and export marketing boards.

Slide 13: An international checklist

At the international level solutions include:

- A fair and safe deal on climate change: below two degrees and with a transfer to developing countries each year of at least \$150 billion for adaptation and low carbon development. These funds must reinforce sustainable development for the poor, rather than dispossess or ignore them.
- Reform global trade rules to respect the food security of poor countries; remove the potential for rich country agricultural subsidies to continue

to distort commodity prices; and act now to prevent the emerging distortions from rich country rules on biofuels.

- Re-orientate rich-country aid to support increased investment in small-holder agriculture.
- Create new global rules on long-term 'security of supply' agreements on food to outlaw 'land grabs' by more powerful countries, and create the frameworks for mutually beneficial agreements between equal parties.

Slide 14: Thank-you!!