

Global Food Crisis

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In spring 2008, the world caught a glimpse of the human side of the global food crisis as men and women in more than 25 developing countries, from Haiti to Egypt to Indonesia, demonstrated against surging food prices. Richer countries, such as the U.S., also felt the impact of the rapid rise in food prices and saw some stores rationing large bags of rice. The World Food Programme (WFP) appealed for donations because they could not meet the needs of the 850 million chronically hungry people and the additional 100 million being driven into poverty. The World Bank and USAID sent out press releases noting that decades of poverty reduction efforts were being undone.

Fortunately, the crisis in early 2008 was not based on a sharp fall in food availability globally but on factors discussed below. Nations, including the U.S., stepped up to send more donations to the WFP and other organizations. The crisis subsided to the extent that the demonstrations ended, and media have moved on to other issues. The food crisis, however, still hovers in the background of our daily lives and threatens to return in greater magnitude. We need to understand its causes and take steps to provide food security here and around the world.

Causes

Contributing factors include growing demand in developing countries for better nutrition, especially for higher food chain products like milk and meat; soaring oil prices; drought in food producing countries such as Australia; competing demands from subsidized biofuels; bans of certain food exports at critical times; and speculation all contributed to the rapid rise in prices for basic grains. These complex causes require a broad-based approach to solutions.

Steps to take now

The World Food Programme is the main international organization addressing immediate food relief, but because of the jump in prices, they experienced a large shortfall of approximately \$755 million for this year. Many countries, including the U.S., have increased their donations to the WFP to cover the current deficit, but at the same time other aid programs are threatened by the rising costs. The most attractive programs for addressing hunger are those that support rather than destroy local markets. Short-term interventions include food transfers, feeding programs at schools, and public works projects to put more income in the hands of the poor. Expanding support for these groups will reduce the human costs of the food crisis.

In the longer term, social safety nets need to be improved, more support should go to agriculture, grain funds should be expanded, and trade issues need to be addressed. The rise in oil prices led to increasing costs for fertilizers, use of farm machinery, and transportation to market. Combined with pressures of global warming, high oil prices remind us that we need to support development of alternative energy technologies. Recent experience, however, cautions against moving too quickly on biofuels subsidies and mandates because of the association with higher food prices. Controversial issues of appropriate biofuel subsidies, biotechnology, and removal of trade barriers need to be openly discussed and acted on.

We need to support more agricultural research and implement discoveries. This area has been downplayed over the last 15 years while urban areas received more attention. Especially important in promoting policies to relieve poverty is addressing the needs of poor women farmers, who produce much of the food in developing countries. These farmers typically have to buy additional food at market prices and therefore do not benefit from the higher world prices for grains.

Overall, food security interventions should include pregnant women and young children because inadequate nutrition at these times can reduce capabilities over the lifetime of the children.

Inaction can be expected to lead to illness and death for thousands of poor women, men, and children around the world. But we do have a chance to intervene over the next few years by supporting the activities described above and pressing the next president in the U.S., as well as leaders in other countries, to place the food crisis high on the government's agenda.