

The empty bowl

The world is moving towards an acute and irreversible food crisis, which has affected almost 100 million people across the world. It is one of the biggest challenges that human civilization faces in the 21st century. Georgianne Nienaber puts forward her views on the situation.

For the past two years, with global financial woes taking centre stage in the world media, there is growing anxiety in many policy circles that a food crisis lurking on the horizon is going largely unnoticed. The World Food Programme (WFP) calls it a ‘silent tsunami’, which might morph into a serious, large-scale shortage of food and exact a terrible toll on the world’s poor. Additional analysis indicates that the food emergency is inexorably tied to the catastrophe that is still plaguing world financial markets.

David Montero, reporting for ABC World News, termed it a ‘crisis eclipse’, in a report from Phnom Penh, Cambodia. ‘Although commodity prices for a wide range of crops have fallen from record highs in June, the financial crisis is expected to make it dramatically worse: credit for farmers could dry up, meaning less money to buy fertilizer and seed, leading in turn to greater global shortages of food,’ said Montero.

WFP Executive Director Josette Sheeren said, ‘What we are seeing now is affecting more people on every continent, destroying even more livelihoods, and the nutrition losses will hurt children for a lifetime.’ According to the World Health Organization (WHO), malnutrition affects 3.5 million children every year.

The scourge of a food crisis cuts deeply into the fabric of society. If a child is malnourished for even three months, the consequences are irreversible. Entire generations can be affected, as a result.

The World Bank supports estimates that indicate that up to 100 million people are being swamped by the hunger tsunami, which is pushing populations deeper into poverty as the basic needs of shelter and clothing are being swamped by high food prices. World Bank President Robert Zoellick has called for a ‘new deal’ for the world’s poorest countries.

Something is happening, and it takes no more than a glance at headlines in Zimbabwe, Egypt, Bangladesh, Haiti, and the Philippines to realize that shortages are creating anxiety, and that escalating prices have contributed to civil unrest and protests.

Even in the United States there is evidence of a food deficit in the ‘breadbasket of the nation’. Commodity Information Systems—a company which offers advice to commodity futures traders—reports that the world has consumed more corn, wheat, and rice than it produced in six of the past nine years. The simple economics of supply and demand indicates a grim future for food prices. If less food is produced, the price goes up.

In December 2008, the Bloomberg News Service accused US farm and shipping lobbyists of blocking efforts to simplify aid deliveries, ‘leaving Africans to starve when they might have been saved.’ Andrew Natsios, professor at Georgetown University in Washington who led USAID from 2001 to 2006 told Bloomberg, ‘No one can take the high moral ground against it, so they hide behind closed doors and kill it.’

Blame the biofuels

The United States *Des Moines Register* newspaper reported that 150 farmers who had contracts to sell corn to bankrupt ethanol producer VeraSun Energy were weighing the risks of the futures markets ‘against the uncertainties of bankruptcy court.’

VeraSun requested to cancel corn futures contracts at its discretion on a ten-day notice. Most of the farmers joined a committee formed by Democratic State Representative Mark Kuhn to argue in bankruptcy court against VeraSun’s motion.

‘We are being held hostage,’ said politician Kuhn, whose family farm has been a VeraSun customer. ‘We never before had the opportunity to sell corn

at \$5, \$6 or \$7 per bushel. We took out the contracts, and now do not know where we stand.’

‘I do not think anybody knows precisely how much ethanol contributes to the run-up in food prices, but the contribution is clearly substantial,’ said C Ford Runge, professor of Applied Economics and Law at the University of Minnesota. A study by a Washington think-tank, the International Food Policy Research Institute, indicated that between a quarter and a third of the hike in commodities prices was attributable to biofuels. In fact, some analysts asked, ‘Is there a food shortage or a food price crisis?’

Is it possible the world is experiencing an undeclared resource war—a war waged across the chasm that separates the rich from the poor?

Jeffrey Sachs in his book *The End of Poverty* says that although worldwide food production has ‘more than kept up with the booming worldwide population’, there is now ‘a gulf between today’s rich and poor countries—a yawning gap that opened during the period of modern economic growth.’

Paul Driessen, author of *Eco-Imperialism—Green Power, Black Death*, has slammed the environmentally rich nations for suggesting that the world’s poor neglect feeding themselves in trade for politically correct environmental practices.

‘Some 95% of sub-Saharan Africa still do not have electricity, lights, or refrigeration or have them only a few hours a week. As a result, millions die every year from lung infections caused by pollution from wood and dung fires, and acute intestinal diseases caused by tainted water and spoiled food. Millions more die from diseases that would be largely eradicated by improved living standards, health-care systems, and agriculture that come with prosperity, modern technology, and abundant energy. The situation is likewise dire in many other areas,’ wrote Driessen.

Or does the answer lie partially in global warming?

More numerous and intense hurricanes, rising sea-levels, water-borne disease, salt water incursions into fresh water supplies—all proffer threats to world agriculture. The agricultural impacts would be most severe in developing countries, which are located in equatorial belts, which have already approached or exceeded crop tolerance temperatures. Countries like Bangladesh and Egypt face significant threats from rise in sea-level.

Higher temperatures wreak havoc on plant and seed development, reducing expiration, restricting rainfall, and raising the spectre of drought in

already parched lands. The feedback loop becomes complete when starving populations rightly rebel against measures to use food as fossil fuel substitutes.

Green greed

Andrew Natsios of USAID has suggested that environmental groups directly endangered the lives of 14 million Africans by encouraging governments there to reject genetically modified US food.

‘They can play these games with Europeans, who have full stomachs, but it is revolting and despicable to see them do so when the lives of Africans are at stake,’ Natsios told *The Washington Times*.

In a recent book, *Green Inc.*, former conservation insider Christine MacDonald indicted the green groups who force environment-friendly practices down the throats of the third world.

‘Conservation groups become accomplices to the subterfuge, unwilling to jeopardize ties to regimes and corporations that provide money, access to powerful decision makers, and public relations opportunities they can boast about to wealthy donors and tout in their annual reports...The truth is they are often seen as the bad guys in the developing world, where much of the earth’s remaining biodiversity exists.’

So, is there a food crisis or is hunger the result of meddling by environmental and global market conglomerates?

Reality check

There is ample evidence that the world financial crisis forced the world food crisis to take centre stage. While the causes are still uncertain and debatable, there is no doubt that falling crop commodity prices in some markets have done nothing to alleviate the food crisis, and in some ways have made it worse. Credit for US farmers has dried up, and farmers need that infusion of cash to purchase seed and fertilizers. The domino effect is ready for the nudge which completes the cascade of greater global grain shortages. According to the *Financial Post*, ‘Companies needing to obtain credit for trade are being shunned by global banks that are unwilling to lend at any price.’

In 2008, floods in America’s heartland all but killed the production capabilities of the nation’s bread basket. California’s Imperial Valley was decimated by drought and insect infestations, and bees have vanished from the south east and along with them, the pollination of plants.

Louisiana lost a good portion of its sugar cane and rice crops due to the effects of back-to-back hurricanes in a region that has still not recovered from Hurricane Katrina of 2005. Flooding in some areas of the fertile delta region was far worse than that brought on by Katrina. Riots and food protests have occurred in Pakistan, Gaza, Kenya, Nicaragua, South Africa, Cameroon, Senegal, Bolivia, Peru, Yemen, India, Somalia, and Ethiopia—and this is not a complete list. Thousands of people marched through Mexico City in 2007 in a protest against the rising price of tortillas. Corn bread is the main source of calories for many poor Mexicans, and the price rose by over 400% due to biofuel production. For many of Mexico's poorest, tortilla is a staple diet, 'with as much as a third of their wages being spent on the bread,' according to an analysis by BBC News.

Understanding the crisis

Vast majority of the world's hungry live in developing nations, with over two-thirds in seven countries: India, China, the Democratic Republic of the Congo (DRC), Bangladesh, Indonesia, Pakistan, and Ethiopia.

The food crisis has mainly affected the poorest, landless, and households run by women. An enormous and resolute global effort is necessary to reach the target of cutting the number of hungry people in the world down to 500 million by 2015.

It is nearly impossible to pinpoint the exact cause of food shortages, but it is becoming clear that fuel costs, reduced agricultural production, weather anomalies, and biofuel crops lead the list of suspects.

The United Nations says that 21 of 36 countries are definitely in a food security crisis in sub-Saharan Africa, and West Africa and the Horn of Africa are more vulnerable than any other areas.

Africa

In southern Africa, many subsistence farmers suffer from high rates of HIV/AIDS. In the hard-hit Mpumalanga province funeral homes are offering 'two-for-one' burials.

'People can't produce as much because they are spending their resources on health care,' said Richard Lee, a WFP spokesman in neighbouring Zimbabwe. 'The problem in Zimbabwe is (lack of) access to any food.'

People in rural areas, some of them harvest nothing, some of them harvest very little. It's a very serious situation,' he added.

While raging inflation, cholera outbreak and food shortages have ravaged the country, another preventable humanitarian disaster was looming.

'Rising food prices have put millions of people in East Africa at risk of severe hunger and destitution,' the UK-based charity Oxfam has warned.

Emergency food is being delivered by the WFP and others. In Ethiopia, 6.6 million people have benefited from WFP food aid, and 2 million in Sudan. In Afghanistan, nearly 200,000 tonnes of food was delivered to assist 4.5 million people. According to experts, there is still a long way to go. Approximately, \$20 billion will be needed to stave off the food crisis, the UN has estimated. Money is coming in, but not fast enough.

The situation was worsened due to rising food prices, with wheat and rice being particularly expensive. It was reported that people in their desperation resorted to eating animal feed, while the animals were not faring any better. Many communities in Africa raise goats for a living. In the remote region of Afar, camels and goats also succumbed to hunger. There is no safety net in place for communities to rebuild their animal husbandry.

The UN Office for the Coordination of Humanitarian Affairs reported that people were struggling to ensure that their families have enough to eat. In addition, failure of seasonal crops, loss of livestock, and spiralling cost of food in local markets 'left many with no other option but to rely upon assistance from the humanitarian community.'

However, the ability of the humanitarian community to reach all of those in need of assistance 'has been undermined by considerable shortfalls in resources and supplies required to respond comprehensively to the current crisis. Government and humanitarian partners require immediate additional assistance from the international community to avert further deterioration of the situation.'

The BBC's Karen Allen stated that the cruel combination of rising food prices and animals dying could 'push people over the edge.'

Asia

China aims to reach and maintain annual grain output of 500 million tonnes by 2010, and increase output to more than 540 million tonnes a year by 2020, but harsh weather and the development of arable land are hurting

grain output. Despite this, the government maintains that China would be self-sufficient in the future and could meet rising consumer demands. In order to achieve its goals, China has set out a 'red line' defining 120 million hectares (296 million acres) of land as a necessary minimum to ensure at least 95% self-sufficiency in grain supply.

As its economy grows, so do the demands and desires of its population, boosting demand for food, commodities, and consumer goods. The Chinese government has forecast that meeting the demand will be difficult in future, according to the National Bureau of Statistics.

Latin America

The UN Food and Agricultural Organization (FAO) pulled no punches when it stated, 'It is very probable that the rapid expansion of agrofuels at a world level has important effects on Latin America's agriculture.' Growing biofuel output would compete with food crops for water, land, and capital and thereby increase food prices and 'put at risk access to food by the poorest sectors,' the FAO said in a report presented at its conference for Latin America and the Caribbean.

This issue has worsened the already strained relations between oil-rich, yet poverty-threatened Venezuela and its allies in Cuba, Bolivia, and Nicaragua, and the United States.

'Without food safety (for the poor) we cannot even think about biofuels ... it could create enormous food deficits and social unrest,' Gerardo Rojas, Venezuela's vice-minister for rural development, told the FAO.

'It is unacceptable for poor countries, which account for only 15% of the world's cars, to produce clean fuels for the rich,' said Cuban representative Juan Arsenio Quintero.

In a direct response to a looming crisis, Cuba appointed a top army general to head its agricultural ministry 'at a time when the country faces food shortages and is dramatically restructuring its farming sector to boost production.'

This decision was 'strategic' and made to strengthen food production across the island, which was crippled by hurricanes Gustav, Ike, and Paloma, all of which hit Cuba and combined to cause more than \$10 billion in damage and crippled food production in many areas across the island before moving into Louisiana and Texas in the United States.

Even before the hurricanes, Cuba was shifting much of the control of government-run farms from agricultural ministry officials in Havana to local farming boards to boost productivity and put more farmland into cultivation.

Louisiana

In a press release, Democratic US Senator Mary Landrieu announced that Louisiana had been declared an agricultural disaster by the US Department of Agriculture (USDA). Senator Landrieu and the rest of the Louisiana delegation wrote a letter to USDA Secretary Ed Schafer backing Louisiana Governor Jindal's request to declare Louisiana an agricultural disaster because of devastation to farms from Hurricanes Gustav and Ike.

A great deal of attention was focused on the immediate and lingering effects of hurricanes on agricultural commodities, but the hurricanes also affected processors and marketers of those products.

'This disaster designation is critical to ensure our farmers have access to some help from the federal government,' Senator Landrieu said. 'But the aid it provides will take time, and I will not stop fighting for my bill that will immediately send \$1.12 billion to farmers in disaster-impacted states. Congress has been too focused on helping Wall Street, and not focused enough on helping the heartland. I will work with my colleagues for quick passage of this bill in the "lame duck" session of Congress after the election.'

As Louisiana goes, so goes the rest of the heartland. About 60% of Louisiana's agricultural income is generated by cane for sugar, rice, cattle, calves, soybeans, and cotton.

Lorna Borg of the Southern Mutual Help Association (SMHA), based in New Iberia, Louisiana, thought of Louisiana as an overlooked source of resources, as well as a template for agricultural leadership. Borg termed the rich alluvial land of the Mississippi delta an 'asset that should be tied to the national security.' SMHA was a first responder in rural communities, which were overlooked by government and national charities.

'Sugar is not what we should be growing here,' Borg said. 'It is taking up the best, most fertile land in the nation, when it could feed an entire region with a variety of crops, farmed on a sustainable level.'

'Why don't we have a regional food policy? This would not preclude foreign trade and feeding the world is not the way to approach this. We don't need to replace food with biofuel,' she remarked.

Borg has been more than passionate about sustaining rural life styles and said that to do less was to squander the rich agricultural heritage that Louisiana represents. Thousands of Louisiana's rural families—like those in communities surrounding the Mississippi watershed—make their living from the land. Louisiana has the added distinction of being a fishing economy.

Borg has challenged legislators at the local and national level to establish a National Disaster Recovery Bond (NDRB), which would be similar to the War Bonds used to finance World War II while America was in the grips of the Great Depression. The billions generated could retire mortgage debt on homes and businesses destroyed by natural disasters and jumpstart devastated rural economies. Borg called for nothing less than the creation of a 'food/energy' policy, but realized that 'it will take leadership to get this done.'

In a plea to the new Obama administration, Borg wanted the President to 'understand that to really have national security, you must have an integrated policy of energy and agriculture. Policy must be directed toward an understanding of the resources in rural America.'

'Louisiana has a legacy of careless extraction of resources. We cannot continue in this manner and do the same thing they did on Wall Street—take everything from the land and the sea, including oil, and then just walk away.'

Environmentally rich nations are suggesting that the world's poor forego feeding themselves while wealthy economies shore up their economic losses with cheap biofuels and poorly formulated environmental policies.

