

Overview of the World Food Situation

Food Security: New Risks and New Opportunities

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The Broad Context of Food Security

We have come to a major crossroads for the world food situation. On the one hand, without significant changes in policies, public investments, and institutions, we simply will not achieve the 1996 World Food Summit goal—reaffirmed at the 2000 Millennium Summit and again last year at the World Food Summit: five years later—of reducing the number of our fellow human beings who are food insecure by at least half by no later than 2015. On the other hand, there are some encouraging indications that policymakers in both low- and high-income countries have heard this message and are prepared to do something about it.

Over the past two decades, the world has made remarkable progress in increasing food production and reducing food insecurity. According to the Food and Agriculture Organization of the United Nations, the number of food-insecure people in developing countries fell from 920 million in 1980 to 799 million in 1999 (the last year for which data are available), while the proportion of people living in food insecurity dropped substantially, from 28 to 17 percent. Moreover, global food production at present would be sufficient to provide everyone with his or her minimum calorie needs if the available food were distributed according to need.

But progress slowed considerably during the 1990s. And if China is excluded from consideration, the number of food-insecure people in the rest of the developing world increased by 50 million during the course of the decade (Figure 1). In Sub-Saharan Africa, the population living in hunger jumped nearly 20 percent, with 30 million more food-insecure people by the end of the decade.

Today we must recognize that incremental improvement in the world food situation is a more challenging task than what we have faced in the past. Freeing the next 400 million people from hunger will require more complex investments, innovations, and policy actions than those needed to free the previous 400 million people. As a result the goal of capping hunger and achieving a food-secure world poses an increasingly complex research agenda for the CGIAR and its partners.

Moreover, new evidence suggests that the task may be larger than previously thought. IFPRI is working on a new approach to measuring food insecurity that goes beyond the current methodology based on national food availability data. We draw, in addition, on nationally representative surveys that gather information directly at the household level—the level at which access to food actually takes place. Preliminary results from this work are available for 10 Sub-Saharan African countries. In 7 of those countries, the new method shows a significantly higher food-insecure population, whereas in the others, the results are about the same. So the situation may be even worse than estimates based on food availability suggest.

Furthermore, hunger has dimensions beyond insufficient calorie intake. Hidden hunger due to micronutrient deficiencies poses a huge global health problem. The scope is reasonably well known: hundreds of millions of iron-, vitamin A-, and iodine-deficient people in the developing world fail to reach their full potential and are confronted with impaired livelihoods, illness, and death. Women and children are particularly affected. Improving diet quality is also a major element in assisting people living with HIV/AIDS. But detailed monitoring information on progress in cutting this hidden hunger remains obscured by lack of data. The CGIAR Biofortification Challenge Program— HarvestPlus—looks beyond production quantities and will address this information gap as part of its action-oriented research agenda. Here, better information, more efficient food retail systems, and advanced agricultural sciences can all contribute to deep and sustained improvement.

New Developments in Globalization of the Food System

Increases in long-distance food trade, global concentration in food-processing and retail industries, and diet change are signs of the globalization of the world food system. New information and communications technologies, improved transport infrastructure, new global and regional legal frameworks (including trade policies), and consumer preferences are driving this globalization and changing the farming and food industries more rapidly than ever. So far, poor people in general, and smallholder farmers in particular, are poorly integrated into the globalization process, and they themselves increasingly recognize this. Important legal system changes include the World Trade Organization negotiations, biosafety policies (the Cartagena Protocol on Biosafety entered into force last month), and the dynamic developments in some countries with respect to promoting the right to adequate food stimulated by the follow-up to the World Food Summit and the World Food Summit: five years later.

The collapse of global trade negotiations in Cancun last month will have a significant bearing on food security. In the absence of a new agreement on agricultural trade, current agricultural subsidies remain in place and barriers to trade may become even steeper. This situation is not conducive to advancing food security.

The governments of the Organization for Economic Cooperation and Development (OECD) member countries spend about US\$75 billion annually on subsidies to their own farmers and agricultural industries and force their consumers to pay about US\$240 billion a year extra for food because of their own protectionist measures. These combined payments depress global farm prices and are about six times more than these same developed countries provide to the developing world in official development assistance (ODA). Ending OECD farm subsidies would transfer US\$40 billion in farm export revenues to developing countries, of which US\$3 billion would accrue to Africa. For their part, developing countries have established agricultural trade barriers that similarly diminish the benefits that the developing world and its poor farmers can reap from trade in farm products.

A message from Cancun is that developing countries are no longer willing to accept a playing field for agricultural trade that is not level. New coalitions of developing countries challenged developed countries' subsidies and trade barriers alike. It seems clear that if the developed countries want the developing world to agree to the new investment rules pushed by the OECD countries in Cancun they must be willing to negotiate on the current asymmetric rules of global agricultural trade, so that poor countries, and the poor farmers in those countries, can benefit from globalization. Moreover, the business of WTO negotiation itself will need redesign in order to achieve progress.

Outlooks: New Risks and New Opportunities

We must not just look at the food trends of today, but also at risks, which are less probable but not unlikely. There are a number of major risks to agriculture and uncertainties that have significant implications for food security and livelihoods. We focus here on three sets of such risks:

- Adverse resource management and technology interactions, including rapid climate change; mismanagement of water systems, soils, and forests; collapse of marine fisheries; and new plant and animal diseases.
- Health-related food crises, including further spread of HIV/AIDS, the onset of other epidemics that have significant direct or indirect implications for agriculture, and the expansion of unhealthy diets.
- Governance and policy crises, including civil unrest and wars, a decline in the quality of governance related to food and agriculture, erratic changes in the world trade system, and the collapse of small farms.