

## *UN Food and Agriculture Organization. Oxfam* **Is the war on world hunger being lost?**



*Two faces from the global South. UN FAO reports that the state of world food insecurity has not improved in the last five years, with food price rises*

*Our news team reports.* Increases and fluctuations in world food prices, and the global slump, have in the last five years threatened the United Nation's Millennium Development Goal to halve undernutrition by 2015. This is one of the conclusions of a new report issued by the UN Food and Agriculture Organization. Social and political reform is crucial, the report concludes. 'Public policies and programmes must [support] pro-poor long-term economic growth'. The report also urges: 'Provision of public goods and services for the development of the productive sectors, equitable access to resources by the poor, empowerment of women, and design and implementation of social protection systems'.

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## UN Food and Agriculture Organization. Oxfam Is the war on world hunger being lost?



***Progress is being made to alleviate hunger in the global South. But UN FAO reports that overall, world food insecurity has not improved in the last five years***

*Our news team reports.* The Millennium Development Goal to halve undernourishment in the global South between 2000 and 2015 is still possibly achievable, states a new report from the UN Food and Agriculture Organization, *The State of Food Insecurity in the World*. But since 2007, progress has been thwarted by food price rises and fluctuations, increased inequity including less access to affordable food, disturbances including wars, and extreme climate conditions.

Another new report, *Extreme Weather, Extreme Prices*, from Oxfam, is less optimistic. It states that successive droughts and floods caused by human-caused climate change are likely to lead to incessant shortages of staple foods and price rises far higher than general inflation. This will cause hardship in higher-income countries, and waves of undernutrition and hunger in lower-income countries.

Tim Gore of Oxfam is quoted as saying: ‘The huge potential impact of extreme weather events on future food prices is missing from today's climate change debate. The world needs to wake up to the drastic consequences facing our food system of climate inaction’. He added that the current extreme weather in the US and consequent crop failures, indicates what will happen on a global scale as the world warms.

The UN Food and Agriculture report is more measured, and its own summary shows that FAO is indeed becoming ever more a champion within the UN system of small farmers and rural communities. Some of the points FAO makes are:

- Around 850 million people in the global South are chronically undernourished and vulnerable to hunger.
- Allowing for rises in population, progress is being made, but not much since the finance and food price shocks that began in 2007.

- Impoverished communities must be able to participate in all processes meant to lift them out of food insecurity.
- Additional income from any source needs to be used to improve diets, and also provide for the future with improved basic health services.
- Governments must use any additional resources on public goods and services for the sake of impoverished communities.
- Agricultural growth involving smallholders, especially women, will be most effective in reducing extreme poverty and hunger when it increases returns to labour and generates employment for the poor.
- Economic growth needs to enable impoverished communities to diversify their diets, and to improve their access to safe drinking water and sanitation and to health services.
- Adequate nutrition is essential to sustainable economic growth.
- Social protection accelerates hunger reduction. It also can enable rapid economic growth through supporting impoverished communities.
- Enabling environments include equitable access to resources by the poor, empowerment of women, and design and use of social protection systems.
- Governance based on transparency, participation, accountability, the rule of law and human rights, is essential for all such policies and programmes.

Another Oxfam report, *Food price rises doomed to repeat*, was again pessimistic, pointing to factors including commodity speculation that create wild fluctuations in supplies and process of staple foods. A story carried in *The Independent* at the time of publication of this report gives one example of the current and potential future impacts of the practices of commodity traders: see Box 1.

#### *Box 1*

### **Hunger makes profits**

*On 23 August James Cusick of The Independent reported (as edited here):* The United Nations, aid agencies and the British Government have lined up to attack Glencore, the world's largest commodities trading company, after it described the current global food crisis and soaring world prices as a 'good' business opportunity. Glencore's director of agriculture trading, Chris Mahoney, had said: 'The environment is a good one. High prices; lots of volatility; a lot of dislocation; tightness; a lot of arbitrage opportunities. We will be able to provide the world with solutions... and that should also be good for Glencore'.

With the US experiencing a rerun of the drought Dust Bowl days of the 1930s, and Russia suffering a similar food crisis that could see Vladimir Putin's government banning exports, Concepcion Calpe, the senior economist of the UN's Food and Agriculture Organization, said: 'Private companies like Glencore are playing a game that will make them enormous profits'. She said that corporations will not back away from trading in potential hunger and starvation in the South for ethical reasons. 'Now is the time to change the rules and regulations about how Glencore

and other multinationals such as ADM and Monsanto operate. They know this and have been lobbying heavily around the world to water down and halt any reform'

This year Glencore announced pre-tax global profits of £1.4 billion. Jodie Thorpe from Oxfam was scathing about Glencore's exploitation of volatile world food prices, saying: 'Glencore's comment that "high prices and lots of volatility and dislocation" was "good" gives us a rare glimpse into the little-known world of companies that dominate the global food system'. Oxfam said companies like Glencore were 'profiting from the misery and suffering of poor people who are worst hit by high and volatile food prices'. A Glencore spokesperson said: 'Regardless of the business environment, Glencore is helping fulfil global demand by getting the commodities that are needed to the places that need them most.'