



General Assembly Second Committee
Topic 3: Responding to High Food Prices¹

14 September 2012

During and after World War II, many countries -- including many previously well-off countries such as Germany, France, and the United Kingdom -- struggled with hunger.² In 1943, forty-four of the states allied against Germany and the other Axis powers formed the United Nations Food and Agriculture Organization (FAO) to address this problem.³ In 1960, when the problem of hunger remained long after the war had ended, US President Dwight D. Eisenhower called for the UN General Assembly (GA) to develop “a workable scheme ... for providing food aid through the UN system.” Responding to his request, the GA and FAO established the World Food Programme (WFP).⁴ Today, the FAO focuses on agricultural productivity and policies, while the WFP addresses hunger in developing countries and in places affected by wars, famines, and other complex emergencies.⁵ As UN organizations concerned with social and economic matters, both the FAO and the WFP report to the General Assembly.

According to the FAO, world food prices in 2011 were higher than in any year since at least 2000. In fact, the FAO’s food price index (which tracks the prices of meat, dairy, cereals, sugar, and oils and fats) was 2.6 times higher in 2011 than it was in 2000. July 2012 food prices were 8% lower than July 2011 prices, but were still more than twice as high as 12 years before.⁶ According to the WFP, “[i]n some of the countries where WFP works, there are households that spend as much as 60-80 percent of their income on food. In these situations, higher prices clearly hit hard. Families cut the number of meals they have a day, they buy cheaper, less nutritious food and spend less on things like schooling and medicine.”⁷

High food prices jeopardize the ability of UN member states to “[h]alve, between 1990 and 2015, the proportion of people who suffer from hunger,” which is one of the Millennium Development Goals (MDGs) articulated by the GA in 2000.⁸ What can the GA-3 do to help UN member states, the FAO, and the WFP respond to high food prices?

¹ This background guide was written by Karen Ruth Adams, MMUN faculty advisor, Katie Peers (2008), and Kelsey Stamm (2012). Copyright 2012 by Karen Ruth Adams.

² John Maynard Keynes, “Europe after the Treaty,” *The Economic Consequences of the Peace*, Chapter 6 (New York: Penguin, 1995), http://www.j-bradford-delong.net/articles_of_the_month/ecp6.html

³ Food and Agriculture Organization of the United Nations (FAO), “A Short History of FAO,” <http://www.fao.org/UNFAO/histo-e.htm>

⁴ World Food Programme (WFP), “History,” <http://www.wfp.org/about/corporate-information/history>. See also FAO, “Report of the Conference of FAO Thirteenth Session,” www.fao.org/docrep/46140e/46140e06.htm

⁵ Karen A. Mingst and Margaret P. Karns, *The United Nations in the 21st Century*, 3rd edition (Boulder: Westview Press, 2007), p. 149. See also WFP, “General Regulations,” <http://www.wfp.org/about/general-regulations>

⁶ FAO, “FAO Food Price Index,” <http://www.fao.org/worldfoodsituation/wfs-home/foodpricesindex/en/>

⁷ WFP, “High Food Prices: 10 Questions Answered,” 8 August 2012, <http://www.wfp.org/stories/rising-food-prices-10-questions-answered>

⁸ United Nations, “Goal 1: Eradicate Extreme Poverty & Hunger,” accessed 14 October 2011, <http://www.un.org/millenniumgoals/poverty.shtml>

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History and Current Events

Food prices rise and fall in response to changes in the supply of and demand for food. Of the two, food supply has historically been the most variable, depending on the weather and the cost of agricultural inputs such as seeds, fertilizer, and gasoline to run farm machinery and deliver crops to market. Demand, by contrast, has been more constant, increasing only with population growth. When demand increases and/or supply falls, food prices rise. When both happen at the same time, food prices soar.

Causes of High Food Prices: Supply Factors

Historically, the most dramatic increase in food prices occurred in the 1970s, when high oil prices raised the price of farm inputs such as fertilizer and gasoline. By contrast, today's rising prices are the result of factors on both the supply and the demand side of the equation. As in the 1970s, supply has fallen due to rising oil prices and environmental factors such as the weather. At the same time, there are three new sources of demand: increasing demand for crops to feed livestock, new interest in alternative energy sources such as biofuels, and investor speculation and government hoarding. Together, these factors have increased demand at the same time supply has fallen. This has created extremely high food prices, a rise in hunger, and social and political instability.

As in the 1970s, rising energy costs have been one of the primary causes of higher food prices. In the beginning of 2000, prices for crude oil were at a ten-year high of \$38 per barrel. Since 2000, that price has risen fourfold. In July 2008, the price for a barrel of oil was an all-time high of \$147. As of this writing, the price is around \$95 per barrel.⁹ As explained by researchers at the (US) Congressional Research Service,

Energy costs affect all levels of the food production sector. Producers spend more for fertilizer (for which natural gas is a major input), crop drying, and transportation — raising production costs. At the processing, wholesale, and retail levels, the cost of transportation and operating packing houses, manufacturing plants and retail stores has increased.¹⁰

Weather and other environmental factors are a second supply-side cause of high food prices. In 2007,¹¹ 2011, and continuing into 2012,¹² many food-exporting countries and regions, such as Australia and Eastern Europe, experienced droughts, while others, such as Canada, Western Europe, and the Ukraine, have had poor weather. In addition, in 2008 a hurricane dramatically reduced rice production in Burma.

In 2011, famine due to a combination of factors including drought and war resulted in the deaths of tens of thousands of Somalis, and affected many more in neighboring states of Kenya, Ethiopia, Djibouti, and Uganda, with an estimated 7.9 million people in need of emergency humanitarian assistance.¹³ The UN declared the famine to be over in early 2012, but warned that the crisis in the Horn of Africa is not over — chronic insecurity plagues the region, with 9.5 million (down from 13.3 million) people in Somalia, Kenya, Ethiopia, and Djibouti still in need of emergency assistance in 2012.¹⁴

⁹ Paddy Allen, "Trace the sharp rise in oil prices over the last ten years," *Guardian* [UK newspaper], September 16, 2008, <http://www.guardian.co.uk/business/interactive/2008/sep/16/oilprice>

¹⁰ Tom Capehart and Joe Richardson, "Food Price Inflation: Causes and Impacts," Congressional Research Service website, 10 April 2008, p. 3, http://assets.opencrs.com/rpts/RS22859_20080410.pdf.

¹¹ "Drought Threatens Crop Catastrophe, Australian Prime Minister Says," *Guardian*, 19 April 2007, <http://www.guardian.co.uk/world/2007/apr/20/australia.international>

¹² Bruno Waterfeld, "Worst Drought in 200 Years Paralyzes Danube River Shipping," *Telegraph*, 5 December 2011, <http://www.telegraph.co.uk/news/worldnews/europe/hungary/8936080/Worst-drought-in-200-years-paralyzes-Danube-river-shipping.html>

¹³ FAO, "Famine in Somalia," 20 July 2011, <http://www.fao.org/news/story/en/item/82387/icode/>

¹⁴ UN News Centre, "UN Says Somali Famine Over, but Warns Action Needed to Forestall New Crisis," 3 February 2012, <http://www.un.org/apps/news/story.asp?NewsID=41133&Cr=somalia&Cr1=famine>

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In 2012, the United States experienced the most widespread drought in half a century, affecting more than half of the continental US. At least 33 states, primarily in the West and Midwest, experienced drought conditions that are severe or worse, combined with falling water levels and outbreaks of wildfires. At the time of this writing, the US government estimates that prices of beef will climb 4-5%, and that milk, chicken, and pork will increase a bit less. These increases are primarily due to the devastation of 88% of the US corn crop, which is a staple of processed foods and animal feed.¹⁵

Together, these supply-side factors have combined to reduce food stocks (the amount of food available for sale). The International Grain Council (IGC) predicts maize stocks at the end of the 2012/13 season at a six year low, with wheat stocks expected to be lower than the previous 2010/11 season.¹⁶

Causes of High Food Prices: Demand Factors

On top of these supply-side changes, the world has seen three new sources of demand for food. First, rising average incomes in Asia, Africa, and Latin America over the past 20 years have increased the demand for meat and processed foods. Meat production requires feed grains, and processed food production requires oil, which is often derived from grains.¹⁷ Thus consumers of raw grains compete with farmers who feed grains to their livestock and producers who use grain oils to prepare packaged foods. In some cases, these buyers are competing for the same food crop (such as soy for tofu, livestock feed, and oil for frying). In other cases, the competition is less direct (field space for unprocessed rice vs. for field space for corn that could be fed to animals vs. sunflower seeds that could be turned into food grade oil). As demand for goods changes, farmers generally try to produce the higher-priced good. This reduces stocks of less-expensive goods such as raw rice, wheat, and soy, upon which many people rely for most of their calories.

The second new source of demand is biofuels. Just as farmers try to produce the most expensive crop, energy users try to use the least expensive fuel. Thus, as oil prices have risen, demand for biofuels has grown. This trend has been accentuated by states such as the US and regional economic groups such as the European Union, which have mandated increasing use of biofuels to reduce oil import reliance and curtail environmental damage. The result is rising food prices, as consumers of food compete for field space with consumers of energy. According to the IMF, “almost half the increase in consumption of major food crops in 2007 was related to biofuels, mostly because of corn-based ethanol production in the US.”¹⁸ As researchers at the Congressional Research Service explain, “Corn, soybean, and wheat prices all reached 10-year highs during the 2006-2007 crop year,” because “high corn prices ... encouraged growers to move acres from wheat and soybeans into corn, contributing to tight supplies and higher prices for [wheat and soybeans].” In 2011, approximately 40% of the US corn crop was used for ethanol.¹⁹ The UN, development groups, and even large food corporations like Nestlé are calling for the US and EU to reduce usage of biofuels, specifically denouncing future targets set to increase use of biofuels as a strategy to limit imports of foreign oil.²⁰

¹⁵ “Drought (US Drought of 2012), *New York Times*, accessed 7 September 2012, <http://topics.nytimes.com/top/news/science/topics/drought/index.html>

¹⁶ “Update 1-IGC Cuts Sharply 2012/13 World Maize Crop Outlook,” Reuters, 26 July 2012, <http://www.reuters.com/article/2012/07/26/grains-igc-idUSL6E8IQLK920120726>.

¹⁷ Capehart and Richardson, “Food Price Inflation: Causes and Impacts,” p. 2.

¹⁸ International Monetary Fund (IMF), “Impact of High Food and Fuel Prices on Developing Countries—Frequently Asked Questions,” April 11, 2008, <http://www.imf.org/external/np/exr/faq/ffpfaqs.htm>

¹⁹ Elisabeth Rosenthal, “Rush to Use Crops as Fuel Raises Food Prices and Hunger Fears,” *New York Times*, 6 April 2011, <http://www.nytimes.com/2011/04/07/science/earth/07cassava.html>.

²⁰ John Vidal, “US and EU Must Change Biofuel Targets to Avert Food Crisis, says Nestlé Chief,” *Guardian*, 4 September 2012, <http://www.guardian.co.uk/global-development/2012/sep/04/us-eu-biofuel-food-crisis-nestle>.

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The third new source of food demand is speculation by investors and hoarding by governments. As investors bet that the future price of a commodity will be higher than it is today and purchase that commodity today to sell tomorrow, governments whose populations depend on that commodity often begin to limit the export of whatever stocks of that commodity they have. According to many observers, like head of UN FAO José Graziano da Silva, speculation has played a large role in volatile price fluctuations and recent price hikes. In the last quarter of 2010 alone, the amount invested in agricultural commodities tripled compared with the previous quarter.²¹ According to da Silva, “speculation is indeed an important cause of heavily fluctuating and very high prices. It only benefits banks and hedge funds, but not producers, processors and buyers – and certainly not consumers.”²²

Other observers, such as the International Food Policy Research Institute, argue that futures prices have risen in response to government hoarding, not vice versa. Yet even these researchers point out that government hoarding is a kind of speculation.²³ In 2008, some of the largest rice producers -- including India, Vietnam, China and Brazil -- curtailed exports to keep domestic prices low.²⁴

These three demand-side factors (rising incomes in Asia, Africa, and Latin America over the past 20 years), biofuels, and commodity speculation and hoarding) have increased the demand for food and therefore its price. By contrast, a fourth demand-side factor has decreased what economists refer to as the “effective demand” for food – that is, the ability of people to purchase food. That factor is declining incomes worldwide due to the international economic crisis that began in the US housing market in 2008 and spread to the rest of the world via banking crises, rising unemployment, and debt crises in countries such as Greece.

Normally, we would expect a decrease in incomes to result in a decrease in price. But declining incomes since 2008 are just one of many factors that influence world food prices. Thus far, high oil prices, poor weather, demand for meat and other processed foods, demand for biofuels, and commodity speculation and hoarding have kept prices high. As a result, according to the UN, “since the economic crisis, more workers find themselves and their families living in extreme poverty,” and “progress to end hunger has been stymied in most regions.”²⁵

Effects of High Food Prices on Hunger

Hunger refers to malnutrition (malnourishment) as well as undernourishment (lack of calories). Although hunger “does not usually kill people through outright starvation, it weakens them and leaves them susceptible to infectious diseases that would not ordinarily be fatal.”²⁶

In 2012 according to the WFP, the number of undernourished people in the world was 925 million, meaning one in seven people do not get enough food to be healthy and lead an active life.²⁷ Of those, 98% live in

²¹ Horand Knaup, et al., “How Global Investors Make Money out of Hunger,” 1 September 2011, *Der Spiegel*, <http://www.spiegel.de/international/world/speculating-with-lives-how-global-investors-make-money-out-of-hunger-a-783654.html>.

²² “UN Food and Agriculture Chief: Speculation is an Important Cause of High Prices,” 16 January 2012, *Der Spiegel*, <http://www.spiegel.de/international/world/un-food-and-agricultural-chief-speculation-is-an-important-cause-of-high-prices-a-809289.html>.

²³ International Food Policy Research Institute, “Speculation and World Food Markets,” July 2008, <http://www.ifpri.org/PUBS/newsletters/IFPRIForum/if200807.asp>

²⁴ “U.S. farmers profit little from high rice prices,” Associated Press, 11 May 2008. <http://www.msnbc.msn.com/id/24566717/>

²⁵ United Nations, “Goal 1: Eradicate Extreme Poverty & Hunger.”

²⁶ Joshua S. Goldstein and Jon C. Pevehouse, *International Relations*, Brief 4th edition (New York: Pearson Longman, 2008), p. 275.

²⁷ WFP, “Hunger: Overview,” accessed 7 September 2012, <http://www.wfp.org/hunger>.

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developing countries.²⁸ This meant more people were hungry in 2010 than in 1996, when the first World Food Summit (a GA meeting attended by heads of state) adopted a goal to cut hunger in half by 2015. However, the rate of hunger did drop from 1996-2006. In addition, according to UNICEF, China has made considerable progress in reducing child malnutrition. By contrast, progress has been scant in South Asian countries such as India, Pakistan, and Bangladesh, and almost non-existent in Africa.²⁹

According to the UN, the rate of extreme hunger is higher in sub-Saharan Africa and Southern Asia than in any other regions.³⁰ Only African populations have “very high” levels of hunger (more than 35% of their population undernourished). Moreover, “high” levels of hunger (25-34% of population undernourished) are rare outside of sub-Saharan Africa. Every sub-Saharan African country except South Africa (which is quite industrialized) and Gabon (which is rich in oil), has at least “moderately low” levels of hunger (undernourishment between 5-14%).³¹ According to UN Development Program’s (UNDP) Administrator, Helen Clark, “Impressive GDP growth rates in Africa have not translated into the elimination of hunger and malnutrition. Inclusive growth and people-centered approaches to food security are needed.”³²

Unfortunately, these statistics on hunger, which are the most recent available, are for the period from 2005 to 2007 – before the international economic crisis began in 2008, before the outbreak of severe droughts and famine in the Horn of Africa in 2011, and before the 2012 drought in the United States.

With the economic crises starting in late 2009 and continuing through 2012, European countries such as Greece have also experienced increases in hunger, particularly among children. Many Greeks obtain food from charities, while others are returning to depopulated islands to grow food.³³ Other developed countries, such as the US, have also seen spikes in the numbers of food insecure people. In the US, the number of people classified as “very food insecure” (meaning they had to skip meals or not eat for a day because of lack of money to buy food) increased by 800,000 in 2011, to a total of 17 million (about 6% of the US population).³⁴

Politics and Food Prices

Rising food costs increase the stress on working and middle class people across the world, which creates the potential for social and political unrest. Since 2007, protests and riots over food prices have broken out in 30 countries.³⁵ According to the IMF,

²⁸ WFP, “Who are the Hungry?,” accessed 7 September 2012, <http://www.wfp.org/hunger/who-are>.

²⁹ Goldstein and Pevehouse, *International Relations*, p. 275.

³⁰ UN, “The Millennium Development Goals Report,” 2012, p. 9, www.un.org/millenniumgoals/11_MDG%20Report_EN.pdf.

³¹ United Nations, Millennium Development Goals Report 2011, p. 12, <http://www.un.org/millenniumgoals/reports.shtml>

³² UN News Centre, “Sub-Saharan Africa cannot sustain growth without ending hunger - UN report,” 15 May 2012, <http://www.un.org/apps/news/story.asp?NewsID=42003#.UEq8qFQu47A>

³³ Theo Emery, “Greek-Americans Struggle with Response to Fiscal Crisis,” *New York Times*, 18 May 2012, <http://www.nytimes.com/2012/05/18/us/greek-americans-struggle-with-response-to-fiscal-crisis.html>

³⁴ “Nearly 17 Million Americans Repeatedly Short of Food: Report,” Reuters, 5 September 2012, http://www.nytimes.com/reuters/2012/09/05/us/05reuters-usa-hunger.html?_r=2&hp.

³⁵ Elizabeth Chiles Shelburne, “The Great Disruption,” *The Atlantic*, September 2008, <http://www.theatlantic.com/doc/200809/food-scarcity>

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In Burkina Faso, there have been demonstrations in two cities. In Cameroon, political unrest spilled over into protests over food and fuel prices. Niger has also suffered food-price-related riots, while in Indonesia there have been protests over soybean shortages.³⁶

In April 2008, thousands of Haitians stormed the palace gates and demanded food. Within days, the prime minister was voted out of office.³⁷

Rising food prices also contributed to the protests that set off the Arab Spring uprisings and changes of government. In Egypt, one of the first countries in which a government fell, the price of bread, a mainstay of the Egyptian diet, rose 37% from 2007 to 2008. General food price inflation was 18.9% per year when President Mubarak was ousted in Spring 2011.³⁸

Some countries, such as Sudan, have profited from rising food prices. According to the *New York Times*, in 2008, “even as it receive[d] a billion pounds of free food from international donors, Sudan [grew and sold] vast quantities of its own crops to other countries, capitalizing on high global food prices at a time when millions of people in its war-riddled region of Darfur barely [had] enough to eat.”³⁹ According to the WFP director in Sudan, “Sudan could be self-sufficient” in food, but because of the ongoing conflict, production is low, and the government refuses to allow food into the Darfur region. In addition,

part of the reason relief agencies bring their own food into Sudan stems from the American policy of giving crops, not money, as foreign aid. Many European countries, by contrast, just give the World Food Program cash, which can be used to buy food locally. [In 2008], the program bought 117,000 tons of Sudanese sorghum. United Nations officials said they would like to buy more, but they had had run-ins with Sudanese suppliers who could make more money with exports.⁴⁰

The US policy mentioned here is called monetization, which is the method by which surplus, government-subsidized grain is shipped from the US to charities in the developing world, which sell the grain in the local market and invest the proceeds for their own programs. The US, which is responsible for almost half of all food donations to the developing world, is currently the only country that distributes aid by monetization. Other countries donate food to be given to those who need it or donate money for organizations to buy and distribute food grown locally.⁴¹

The US has a long history of price supports for agricultural commodities, and these subsidies in turn affect world food prices and US food aid policy. The practice of agricultural subsidies is rooted in response to the Great Depression, when many US families owned small farms, and the government used subsidies as a safety net in times of crisis.⁴² The US is not the lone developed country that still subsidizes farming amid changed demographics and economy; the EU has the richest system of agricultural price supports in the world, with subsidies comprising almost

³⁶ IMF, “Impact of High Food and Fuel Prices on Developing Countries—Frequently Asked Questions.”

³⁷ Marc Lacey, “Across Globe, Empty Bellies Bring Rising Anger,” *New York Times*, 18 April 2008, <http://www.nytimes.com/2008/04/18/world/americas/18food.html>

³⁸ Rami Zurayk, “Use your Loaf: Why Food Prices were Crucial in the Arab Spring,” *Guardian*, 16 July 2011, <http://www.guardian.co.uk/lifeandstyle/2011/jul/17/bread-food-arab-spring>.

³⁹ Jeffrey Gettleman, “Darfur Withers as Sudan Sells Food,” *New York Times*, 9 August 2008, <http://www.nytimes.com/2008/08/10/world/africa/10sudan.html>

⁴⁰ Gettleman, “Darfur Withers as Sudan Sells Food.”

⁴¹ Eben Harrell, “CARE turns down U.S. food aid,” *Time*, 15 August 2007, <http://www.time.com/time/nation/article/0,8599,1653360,00.html>

⁴² “Farm Subsidies Become Target Amid Spending Cuts,” *New York Times*, 6 May 2011, http://www.nytimes.com/2011/05/07/us/politics/07farm.html?_r=1

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half of the EU's budget.⁴³ Many decry the use of agricultural subsidies because they depress world prices, hurting farmers in poor countries who do not receive price supports from their governments, and reduce market opportunities for developing countries.⁴⁴

Given that much of US food aid is sent in kind, the 2012 drought could severely affect the price and availability of food, particularly corn. The US Department of Agriculture predicts that there will be less corn on the global markets in 2013 because of a sharp drop in US exports.⁴⁵ This, combined with a record low of global grain stocks means few reserves for emergencies like famines, and higher prices for countries which are net-importers of grain. In September 2012, FAO, WFP, and the International Fund for Agricultural Development (IFAD) issued a joint statement saying that swift international action was needed to prevent a renewed food crisis, like that of 2007-08, due to record-high grain prices.⁴⁶

The World Food Programme and Food Aid

More than half of all global food aid is distributed by the WFP. In 2011, the WFP distributed food aid sufficient to feed 17.6 million people, although the amount delivered was 31 percent less than in 2010, following a declining trend since 2008. Countries in Sub-Saharan Africa were the main recipients. The eight recipient countries accounted for 55% of all food aid. They were Ethiopia (19%), Pakistan (10%), Kenya (7 percent) the Sudan (5%), Mozambique and Somalia (4% each) and the Democratic Republic of the Congo and Afghanistan (3% each). Of the food aid delivered, 67% was for emergency food aid, for people affected by natural disasters, crop failures, droughts, and complex humanitarian emergencies associated with war and refugee movements.⁴⁷

High food prices increase both the demand for WFP food aid programs and their cost. Thus the WFP has to work harder than ever to deliver aid to those who need it. According to WFP head, Ertharin Cousin:

We have the knowledge to defeat malnutrition, but it requires dedication...Yet global progress has been extremely slow...Food prices are abnormally high, savings are exhausted, and livestock herds have not been replenished. This is why...it is critical that the world continue to fund safety nets that protect the most vulnerable, because the alternative - food riots, starvation and a generation of children permanently stunted by malnutrition - is far more costly.⁴⁸

Despite the large amount of aid dispersed each year, millions every year are left in need of food supplies. To handle shortfalls in aid, particularly critical in areas in need of emergency assistance, the WFP calls on support not only from member states, but also from private companies and individual donations. In May 2012, WFP called on members of the G8 to join forces with companies and foundations to find new approaches to meet food shortage

⁴³ "Europe's Vast Farm Subsidies Face Challenges," *New York Times*, 29 December 2009, <http://www.nytimes.com/2009/12/30/business/global/30subsidy.html?pagewanted=all>

⁴⁴ Xinshen Diao, et al., "How Much does it Hurt? The Impact of Agricultural Trade Policies on Developing Countries," International Food Policy Research Institute, August 2003, <http://www.ifpri.org/sites/default/files/pubs/media/trade/trade.pdf>

⁴⁵ Suzanne Goldenberg, "US Drought could Trigger Repeat of Global Food Crisis, Experts Warn," *Guardian*, 23 July 2012, <http://www.guardian.co.uk/environment/2012/jul/23/us-drought-global-food-crisis>.

⁴⁶ "Action Needed to Prevent Food Price Catastrophe: UN," Reuters, 4 September 2012, <http://mobile.reuters.com/article/idUSBRE8830A020120904?irpc=932>.

⁴⁷ WFP, "2011 Food Aid Flows," August 2012, <http://documents.wfp.org/stellent/groups/public/documents/research/wfp250070.pdf>.

⁴⁸ WFP, "Executive Director Ertharin Cousin Remarks at 1,000 Days to Change the Future: Making Malnutrition History, May 21, Chicago, United States," 21 May 2012, <http://www.wfp.org/eds-centre/speeches/executive-director-ertharin-cousin-remarks-1000-days-change-future-making-malnut>.

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problems.⁴⁹ For example, PepsiCo has teamed up with WFP and USAID to create a specialized nutrition product to help relieve malnutrition in Ethiopia, focusing on 40,000 children and 10,000 farmers.⁵⁰

Climate Change and Future Food Prices

The current droughts in the US and across the world have provoked questions as to whether these events are a result of climate change. According to most scientists, it is difficult both to measure the effect of warming on droughts and to link any single event to climate change. Moreover, the US has experienced worse droughts before, and the weather pattern, La Nina, is also a factor in the 2012 dry spell.⁵¹ However, certain weather and climate extremes, like more frequent severe floods and droughts, are predicted to occur more often as the climate warms. According to a 2012 report from the International Panel on Climate Change (IPCC), scientists can say with “medium confidence that some regions of the world have witnessed more intense and longer droughts” as the climate has warmed than they did before.⁵²

In its 2007 report, the IPCC documented the effects climate change has already had worldwide, including extinction of plant and animal species, with effects on human food supply. Global rise in temperatures may reduce food security in some regions of the world through decreased crop yields and resulting higher prices of food. The IPCC also warns of decreasing crop yields, as warmer temperatures may also affect food production through the spread of diseases and pests.⁵³

Previous Committee Work on Rising Food Prices

In Resolution 66/220 on agriculture development and food security (December 2011), the GA reaffirmed the right of everyone to have “access to safe, sufficient and nutritious food, consistent with the right to adequate food and fundamental right of everyone to be free from hunger, so as to be able to fully develop and maintain his or her physical and mental capacities.”⁵⁴

According to a 2012 report from Secretary-General Ban Ki-moon, the idea behind the “right to food” is that no one should have to live with persistent hunger and malnutrition, which is the norm for millions of people. Hunger affects people’s ability to be productive and escape poverty. The report argues that hunger and malnutrition arise from structural causes, such as the lack of economic and social empowerment, natural resource degradation, climatic pressures, demographic and social issues, and governance. In addition, it identifies challenges to enhancing food security, including the growing demand for food crops to produce energy, shifting dietary demands for meat and livestock products, food loss and waste, climate change, and conflict.⁵⁵

⁴⁹ WFP, “G8: Public and Private Coming Together,” 17 May 2012, <https://www.wfp.org/stories/public-and-private-coming-together>.

⁵⁰ WFP, “WFP, PepsiCo and USAID Fight Child Malnutrition in Ethiopia,” 21 September 2011, <https://www.wfp.org/stories/wfp-pepsico-and-usaid-fight-child-malnutrition-ethiopia>.

⁵¹ Brad Plumer, “What we Know about Climate Change and Drought,” Ezra Klein’s Wonkblog, *Washington Post*, 24 July 2012, <http://www.washingtonpost.com/blogs/ezra-klein/wp/2012/07/24/what-we-know-about-climate-change-and-drought/>.

⁵² US Drought Monitor, “Summer 2012 Drought Update,” 28 August 2012, www.drought.gov/.../Summer_2012_Drought_Update_Aug_28.pdf.

⁵³ IPCC, “Assessing Key Vulnerabilities and the Risk from Climate Change,” 2007, www.ipcc.ch/pdf/assessment-report/ar4/wg2/ar4-wg2-chapter19.pdf.

⁵⁴ UN General Assembly, “Resolutions: A/RES/66/220,” 22 December 2011, <http://daccess-ods.un.org/TMP/5203639.86492157.html>.

⁵⁵ UN Secretary General, “Agriculture Development and Food Security,” 10 August 2012, http://www.un.org/esa/dsd/susdevtopics/sdt_pdfs/SG%20Report%20on%20Agriculture%20Development%20and%20Food%20Security.pdf

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In February 2012, the GA passed Resolution 66/188, “Addressing excessive price volatility in food and related financial and commodity markets,” again referring to the Universal Declaration of Human Rights with regard to the right to an adequate standard of living, including food, and stressed the need to take measures to reduce excessive food price volatility and the importance of timely and transparent information in helping to understand its causes. In this resolution, the GA requested that member states and other stakeholders (such as the FAO and other international organizations) engage in dialogue about price volatility in food and commodity markets in order to better address food price volatility.⁵⁶

The issues involved in food price volatility and food security have been brought out numerous times on the world stage. In the 2009 World Food Security Summit in Rome, then-Director of the FAO, Jacques Diouf, highlighted the problems of governance of world food security, and decreasing funds available for agricultural development. The share of agriculture in total Official Development Assistance (ODA) fell from 17 percent in 1980 to 3.8 in 2006. Diouf said that is this one of the root causes of the 2007-08 food crisis and called on the G8 (the US, UK, France, Germany, Italy, Canada, Japan, and Russia) to fulfill their pledge of 20 billion USD for agricultural development.⁵⁷

The Summit also highlighted the role of foreign direct investment (FDI) and increasing privatization of the food supply. In particular, land and water acquisitions have been made in an effort on the part of food-importing countries to reduce their dependence on the world markets for food, which reduces the land and resources available for these countries to grow their own food.⁵⁸

Trade regulations and market prices are other areas of debate. Developing countries face the most stringent export requirements, and protections like agricultural subsidies (discussed above) continue to hamper production for farmers in developing countries. Also discussed was commodity speculation (also discussed above) which the Secretariat noted played a role in the increasing level and volatility of world food prices in the 2007-08 food crisis, as did the increasing use of biofuels by developed countries.⁵⁹

Conclusion

Factors on both the supply and the demand side have caused food prices to rise. This makes it difficult for “the bottom billion” to survive and puts considerable pressure on middle class people and governments worldwide. In addition, high food prices increase both the demand for WFP food aid programs and their cost. How should the GA-2 respond to this situation? In developing your country’s position on this issue, consider the following questions:

- Have your country’s citizens and government been affected by rising food prices? If so, how and why? If not, why not?
- Is the WFP currently operating in your country? If so, what kind of aid is it providing? How effective is that aid in providing for the health and survival of citizens and the stability of the government?
- Is your country a donor to the WFP and other food relief programs? If so, what kind of food aid does it favor, how much does it provide, and to whom does it give aid and with what conditions? How effective has your country’s food aid been?

⁵⁶ UN General Assembly, “Resolution 66/188. Addressing excessive price volatility in food and related financial and commodity markets,” 14 February 2012, <http://daccess-ods.un.org/TMP/1328806.57911301.html>.

⁵⁷ FAO, “Secretariat contribution to defining the objectives and possible decisions of the World Summit on Food Security on 16, 17, and 18 November 2009,” November 2009, http://www.fao.org/fileadmin/user_upload/newsroom/docs/Secretariat_Contribution_for_Summit%20.pdf.

⁵⁸ FAO, “Secretariat contribution to defining the objectives.”

⁵⁹ FAO, “Secretariat contribution to defining the objectives.”

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- What is your country's position on the best way to respond to rising food prices? For example, should the UN member states emphasize short term solutions such as increased aid to countries with food crises or long term solutions that address the supply and demand factors that keep prices high?
- Which of the supply and demand side factors are most necessary, possible, or desirable to address? Consider oil prices, weather conditions, climate change, rising incomes and demand for meat and processed foods, demand for biofuels, and commodity speculation.
- If all people have a right to food, as the GA asserted in the UDHR, how can that right be assured?

Recommended Reading

Food and Agricultural Organization. "Climate Change and Food Security: A Framework Document." 2008. Available at www.fao.org/.../15538-079b31d45081fe9c3dbc6ff34de4807e4.pdf

This document details the effect of climate change on food security and food systems.

Food and Agricultural Organization. "World Food Situation: High Food Prices." September 2012. Available at <http://www.fao.org/worldfoodsituation/wfs-home/en/>

This website tracks food prices over time and provides access to the FAO's many reports.

Ki-moon, Ban. "The New Face of Hunger." *Washington Post*. 12 March 2008: A19. Available at <http://www.washingtonpost.com/wp-dyn/content/article/2008/03/11/AR2008031102462.html>

In this article, Secretary General Ban addresses the causes of rising food prices and the need to respond.

Mandelson, Peter. "Food Insecurity." 22 May 2008. *New York Times*. Available at <http://www.nytimes.com/2008/05/22/opinion/22iht-edmandelson.1.13130026.html>.

This article is a good discussion of why developed countries pursue protectionism in the form of agricultural subsidies, and how that contributes to world food insecurity.

United Nations Development Programme (UNDP). "Millennium Development Goals: Tracking Country Progress." Available at <http://www.undp.org/mdg/countries.shtml>

On this site, you can read country reports on the Millennium Development Goals. Focus on MDG #1 (eradicating poverty and hunger) & MDG #8 (increasing international cooperation, especially foreign aid).

United Nations Food and Agriculture Organization (FAO). "News Archive 2012." Available at <http://www.fao.org/news/archive/stories-2012/en/>

On this site, you can keep up with the latest news on the famine in Somalia, global food prices, and hunger. You can also read about successful projects to alleviate such problems.

World Bank. "Poverty headcount ratio at \$1.25 a day (PPP) (% of population)." Available at <http://data.worldbank.org/indicator/SI.POV.DDAY>

The World Bank is the main source of development statistics. On this page, the Bank provides information about what percentage of the population in each country of the world lives on less than \$1.25 per day.

World Food Programme. "High Food Prices." Donor Bulletin, 1st edition. September 2008. <http://documents.wfp.org/stellent/groups/public/documents/newsroom/wfp189234.pdf>

This WFP flyer provides an excellent overview of the causes and effects of rising food prices, as well as WFP food aid operations in particular countries.