Comment: G20 food agenda skips the main course

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Has a year of international food activism pleased the palate, or left a bitter after-taste? The French Presidency of the G20 took its parting bow this week, winding up its flagship quest to bring order to world food markets, writes Olivier De Schutter.

This was a taster menu, dazzling with novelties - the first summit of G20 farm ministers, the first multilateral commitment for countries to declare how much food is in their stock-piles. But, like a menu of eternal starters, the G20 approach to food politics has skipped the main course.

World leaders have addressed only the symptoms of volatile food prices - and only partially. Derivatives target food commodity markets because they smell an underlying weakness. Countries ban grain exports because they sense tight global supply and fear for their own consumers.

These practices exacerbate food price volatility, and the G20 is right to try to tackle them, even if the final commitments are extremely weak considering speculation. But what, ultimately, is making traders and governments so jumpy?

The G20 has approached the issue as if the current food system is suffering a temporary imbalance under exceptional circumstances. But the honest starting point should be an acknowledgement that the system is designed to be imbalanced - and is fundamentally flawed as a result.

It is a system where the food-surplus regions are relied upon to feed the food-deficit ones. On paper, the surpluses of the breadbasket regions look sufficient to meet the requirements of food importing countries. But this only works in crude volume terms, and sometimes - as we are currently seeing - the macro numbers don't even balance. Worryingly, food does not always travel in the right direction: it moves where purchasing power is highest, not where needs are most urgent.

Trade is more than a side-effect of a system where some produce and others consume. Badly regulated trade between unequal partners is the most powerful underlying cause of this dualism. The more countries have relied on food imports, the more they have abandoned their own staple food producers. And the more farmers leave the land, the deeper the reliance on food imports.

Over the past 20 years, the food import bills of the 49 least developed countries have risen six-fold, typically accounting for around 25% of their current food consumption, and putting these countries at a considerable risk in today's world of rising and increasingly volatile prices.

What then should the G20 have served up as a main course? What is truly needed is to ditch the current food security paradigm, which is indifferent to who produces, for whom, and at what price. In its place we need a new vision where each country can be allowed to feed itself, where imports complement domestic production, rather than justifying the abandonment of it. This is the path the rich countries have followed for decades: the poor countries must now be allowed their turn.

If countries are to depend less on trade, then surely they must invest in raising their own food production? Yes - but in doing so we must remember the lessons of the past: that big numbers do not guarantee food security. Just as trade can have positive and negative impacts on food security, so can investment.
Since food prices spiked in 2008, sovereign funds and private companies have been eyeing up huge swathes of land in the developing world for food and biofuel plantations, amounting to 227 million hectares according to research by Oxfam and the Land Matrix Partnership, the equivalent of the whole of Western Europe.

Fearing controversy, the G20 has steered clear of discussing either land-grabbing or the irresponsible push for biofuels, one of its major causes. This is a huge oversight. If we launch headlong into large-scale investments and large-scale production objectives which ride roughshod over small-holder land rights and local needs, we will have learned nothing from the past.

Perhaps net food production will increase, and the supply and demand figures will rebalance in the books of global statistics. But events have shown that food security is not about the big numbers. It is about the way that food is produced, and whether sustainable, local food production is allowed to flourish - or is crowded out by cheap imports, powerful investors, and a flawed vision where global supply meets global demand, and everything in-between sorts itself out.

The G20 should move beyond the big numbers and solutions which make headlines - but consign the world's hungry to the same systemic failures of the past.

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