Governments not doing enough to prevent hunger: UN envoy

"Inside the G20 we have great farming powers who believe market reactions will be enough to counter the impact of any crisis and do not see the point in fighting against price volatility," he said.

"I admit I am less hopeful," he said. Major agricultural exporters in the G20 include Argentina, Australia, Brazil and the United States, as well as the European Union.

World powers will hold a special ministerial meeting tomorrow to discuss food market volatility hosted by French Agriculture Minister Stephane Le Foll at which a French government source said at least 36 ministers are expected.

Global food prices rose by 1.4 per cent in September after holding steady for two months as cereals, meat and dairy prices climbed, according to FAO's Food Price Index, which is still far off the record it reached in February 2011.

While there is currently no crisis like the food price spikes seen in 2007 and 2008, droughts in the United States and Australia are having an impact.

Harvests in Europe and the Black Sea region are also sharply down.

These factors have added to tensions in world commodity markets and pushed up food import costs for some of the world's poorest nations.

"The prices of wheat, soya and corn are affected by climate shocks which will become the norm in the years to come," De Schutter said.

Regional governments not doing enough to prevent hunger: UN envoy

While there is currently no crisis like the food price spikes seen in 2007 and 2008, droughts in the United States and Australia are having an impact.

Harvests in Europe and the Black Sea region are also sharply down.

These factors have added to tensions in world commodity markets and pushed up food import costs for some of the world's poorest nations.

"The prices of wheat, soya and corn are affected by climate shocks which will become the norm in the years to come," De Schutter said.

The Global Food Crisis - A Review of the Literature

The Global Food Crisis - A Review of the Literature

"I admit I am less hopeful," he said. Major agricultural exporters in the G20 include Argentina, Australia, Brazil and the United States, as well as the European Union.

World powers will hold a special ministerial meeting tomorrow to discuss food market volatility hosted by French Agriculture Minister Stephane Le Foll at which a French government source said at least 36 ministers are expected.

Global food prices rose by 1.4 per cent in September after holding steady for two months as cereals, meat and dairy prices climbed, according to FAO's Food Price Index, which is still far off the record it reached in February 2011.

While there is currently no crisis like the food price spikes seen in 2007 and 2008, droughts in the United States and Australia are having an impact.

Harvests in Europe and the Black Sea region are also sharply down.

These factors have added to tensions in world commodity markets and pushed up food import costs for some of the world's poorest nations.

"The prices of wheat, soya and corn are affected by climate shocks which will become the norm in the years to come," De Schutter said.
Debt cuts only way to sustainable growth: Germany

His comments follow signs of discord within Europe's creditor powers over the answer to resolving the region's debt crisis.

Markets were not initially impressed by the announcement. Germany's benchmark 10-year Bund yield rose to 1.95 percent from as low as 1.9272 percent before the close of European markets.

Barclays economist Jalil Maleh said the comments appeared to cast doubt about the region's ability to resolve its debt crisis with austerity, and instead suggested debt cuts were needed.

"From our perspective, it is odd that Germany appears to have made a U-turn on this issue," Maleh said.

"The best scenario for Germany, and the euro zone, is long-term growth, rather than a repeat of the 1930s, when deflation and depression brought on the second world war. Unfortunately, Germany seems to be making the same policy choices today," he added.

The Bundesbank, the central bank for the euro zone, published a report this week warning that without more debt reduction in France and Italy, Greece's debt levels would begin to rise again, prompting renewed speculation that Greece could be forced to default on its debt.

"It is highly likely that the Bundesbank will be among the loudest voices calling for further debt reduction in the euro area. It must be made clear from now that this is the price to be paid for continued support for any country in the euro area that falls into crisis," he said.

U.S. Fed officials offer divergent views on inflation risks

Federal Reserve officials offered divergent opinions on Monday about the correct stance for monetary policy, pitting a hawk against a dove over the inflation risk posed by the central bank's massive ongoing efforts to buoy U.S. growth.

"We are really not seeing inflation risks in the right way," Federal Reserve Bank of Boston Governor Stephen Rosengren said.

"I am worried on the downside for inflation. The U.S. is in a low inflation environment," he said.

Also speaking at the annual conference of the National Association for Business Economics, Reserve Bank of New York President John Williams said that the current inflation outlook was "unusually uncertain," making it too soon to remove stimulus.

"Given the risk to inflation, the Committee is generally inclined to maintain its current stance for an extended period, longer than initially anticipated," Williams said.

The comments came after孳gements that the Fed could be ready to end its quantitative easing programme before the end of the year.

"I do not see inflation concerns as justifying a shift in policy," Williams said.

"I am worried that with long-term interest rates so low that you could have unintended consequences in financial markets when the Federal Reserve stops with its asset purchases," he added.

The comments come as the Fed debates the right time to end its programme of asset purchases, which began in 2009 to help revive the beleaguered economy.
Governments not doing enough to prevent hunger: UN envoy - The Economic Times