Calls for Cooperation Ahead of Food Talks

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By Michael Haddon

LONDON—Governments across the globe must cooperate more to tame volatile world food prices and ensure the sensible creation of strategic stockpiles, according to industry experts, ahead of high-level talks next week.

"More international cooperation is needed on issues such as food reserves and to deliver on promises to move towards the gradual removal of biofuels mandates and a stricter regulation of financial speculation," said Olivier de Schutter, the United Nations' top food analyst. "That would go a long way towards reducing price volatility on the markets," the U.N.'s Special Rapporteur on the right to food added.

Summer droughts in the U.S. and Russia have led to sharp increases in the price of staples such as corn, soybeans and wheat, raising fears of another world food crisis, and leading to proposals from France for emergency grains reserves to prevent further price spikes. Pressure is building for concrete outcomes from the Committee on World Food Security meetings, which take place in Rome from October 15 to 20 and is attended by major exporting and importing countries, food agencies, U.N. bodies and others.

"Governments must kick start the transformation to a fairer more sustainable and resilient food system by helping poor countries build up food reserves as a buffer against high and volatile food prices, scaling up programs that protect people at risk of hunger and putting the right to food at the center of all climate change policies and actions," said Luca Chinotti, a campaign adviser at anti-poverty charity Oxfam.

However, Gordon Conway, author of the newly published book “One Billion Hungry: Can We Feed the World?” and head of the Agriculture for Impact initiative at Imperial College London, said the creation of new stockpiles needs to be carefully planned and some should be regional caches, rather than under the control of individual countries. The campaign is facing a mixed response from major exporters and industry experts, who...
worry the ramifications and practical challenges could outweigh any humanitarian benefits.

“Certainly the World Food Program needs bigger stocks and not just to dampen price fluctuations, but to provide buffers when climatic extremes occur,” Mr. Conway said, citing 2010’s heat wave in Russia and torrential rains in Pakistan.

“Generally we need to produce more food as the supply of grain in many years recently has been below demand and we need to get to the point where there’s plenty of grain available to cope with all kinds of vagaries—whether they be environmental or political,” he added.

Political will to tackle hunger is still not as widespread as it should be, Mr. Conway said, with a lack of agreement between leaders in developed countries on what action should be taken.

Last week the Group of 20 leading industrialized and emerging nations called off an emergency meeting to discuss grain supply problems and ways to temper volatile prices.

Washington, which made the decision as chair of the G-20’s agriculture initiative, said that related commodity markets were functioning, and governments have “exercised prudence and responsibility in policy-making, including avoiding export bans that exacerbated volatility in 2007-08.”

However, the U.N. said Tuesday that progress in reducing global hunger has slowed considerably since 2007 and its undernourishment estimates don’t fully reflect 2007–08’s price spikes or the economic slowdown experienced by some countries since 2009, let alone recent price increases.

Mr. de Schutter said “clearly there is a fear that convening the forum will be interpreted by the markets as a sign of panic, and create more damage than good.”

Food prices

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