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B R A Z I L

actionaid Hunger FREE



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International Director
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By Rahul Kumar

Human rights activists have expressed deep dissatisfaction with the fact that world governments have doled out trillions of dollars to just a few weeks to bail out ultra rich corporations which violated national laws as well as showed little regard for their own governments. Many feel peeved that when money was required for the hungry, when food prices were going up, the governments, including democratically-elected ones had no money. ▶

Hunger killing more people by the day

A market-oriented crisis

Food production must rise 50 percent by 2030 to meet increasing demand, UN Secretary-General Ban Ki-moon told world leaders in Rome as they opened a summit to deal with food price in last year.

“The world needs to produce more food,” he told the World Food Security conference in Rome, hosted by the UN Food and Agriculture Organisation (FAO). “While we must respond immediately to high food prices, it is important that our longer-term focus is on improving world security -- and remains so for some years.”

Some 40 heads of state or government attended the three-day meeting to propose political solutions to prevent the rise in commodity prices, the highest in 30 years, from worsening the situation of hundreds of millions suffering from chronic hunger.

Recent record increases in world prices for many staple food crops such as, wheat, rice and maize have sparked fear and riots as price rises on world markets have filtered through to consumers. And this was before the global economic crisis, sparked by the housing loans collapse, raised its head in the United States.

Those who fear have powerful reasons: predictions from the UN Food Agency (FAO) and IFPRI (International Food Policy Research Institute) both suggest that food prices will be high for at least the next 10 years while the World Bank forecasts that it will affect 100 million more poor people around the world, on top of the 850 million already suffering from hunger.

FAO Director General Jaques Diouf appealed to world leaders for \$30 billion a year to re-launch



Kate Holt/Eyewire/ActionAid

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agriculture and avert future threats of conflict over food.

“Today the facts speak for themselves,” he said. “Aid to agriculture fell from \$8 billion in 1984 to \$3.4 billion in 2004, representing a 58 percent reduction in real terms. The share of agriculture in the Official Development Assistance (ODA), he said, fell from 17 percent in 1980 to 3 percent in 2006.

“The issue is political, rather than humanitarian,” Marco De Ponte, Secretary-General of ActionAid International, told IPS. What is really needed is to in-

crease investment in agriculture and to boost the reforming process of the agricultural system at a global level, he said.

Diouf agrees. “The structural solution to the problem of food security in the world lies in increasing production and productivity in the low-income, food-deficit countries,” he said. But contradictions and distortions at international policy level have a role in the current crisis.

“Nobody understands how a carbon market of \$64 billion can be created in the developed countries but that no funds can

be found to prevent the annual deforestation of 13 million hectares,” he stressed.

According to FAO, 37 countries face a food crisis and require external assistance -- 21 from Africa, 10 from Asia, five from Latin America and one from Europe.

Price rises on international markets have been dramatic, and at the national level, consumers have also seen huge increases. Yet, ironically, the world is still producing enough food to feed everyone.

In 2007 the grains harvest (2.1 billion tonne) was a new record, 5 percent more than the previous year. However, only one billion tonne of this harvest is likely to be used to feed people. An important proportion will be used to feed animals (760 million tonne) and around 100 million tonne will be used to produce biofuels.

Although there is enough food for everyone, recently the demand for cereals has outstripped supply bringing global reserves to its lowest level in 25 years.

In an exclusive interview at the WSF in Belem, Brazil, social justice advocate and the International Director of global anti-poverty group ActionAid, John Samuel, said more and more people from the most vulnerable communities are going to bed hungry everyday.

“The number of poor people who do not have a morsel to eat has increased in the last few years and we will see the number spike because of the economic meltdown as people will lose jobs.”

ActionAid had launched a massive campaign, Hunger Free World, in 2007 in 30 countries, when it saw that the prices of food were going out of the reach of the common man.

Samuel goes to the extent of blaming the governments for the food crisis. “There is enough food in the world but it is lying and rotting away in godowns. At the same time, speculation in commodities in international markets pushed the prices beyond the reach of the poor. The governments can control such practices, but they just don’t care.”

Countries like Haiti, Cameroon, Egypt, Bangladesh and Mexico have seen riots take place because of the shortage of food. Speaking at a discussion organised by ActionAid and its partners at the WSF on Friday, 2005 Nobel Peace Prize nominee and one of Kenya’s leading anti-poverty activists, Wahu Kaara said: “Because our nations cannot guarantee us food, there is a massive exodus of people to other countries. Democracy is not working in Africa and has not worked for a majority of us. It has not led to progress for us, has been a tragedy and a disaster.”

That countries have let down their people on other fronts, apart from food, came up during the discussion. Making a forceful plea to change the nature of governance, Tran Dac Loi from Vietnam said: “Democratisation is not an end in itself, it should come with benefits to the society and ensure dignity for the people.”

Candido Grybowski, one of the organisers of the WSF and Director General, Brazilian Institute of Social and Economic Analysis, said that the Latin American region has



Paulino Menezes

gone through a long struggle and has a rich democratic experience as was visible by the presence of the five Presidents who attended the WSF on Thursday.

Reminding people of the Brazilian contribution to the WSF, Grybowski said: “Do not forget that the democratic forces in Brazil created this forum. Even after establishing democracy, we continually have new policies in our political and democratic agenda.”

He acknowledged that the need for democracy is strong in people and all countries dream of having it but “it is a long process. Dictatorial states do not change overnight to democracies. The main thing about democracy is that it should not aim to defeat its opponents, but

to try and persuade them and make them see reason.”

The panellists dwelt a great deal on the role of people and their levels of participation in a democratic setup. Though they acknowledged that it is people who have the ultimate power in a democracy, even the power to change their governments, the irony is that people have not been able to exercise their potential and seek their various rights as the elites have taken control of democratic institutions.

Giving an example, Loi said, “Political parties made by the elite are seen to work only during elections or while making legislation, which is in direct contrast to people’s parties which work at the grassroots. India is called the largest democracy

but its caste system is still prevalent and 30 million people still live in misery even after 60 years of independence. Philippines is considered to be most democratic in the South East Asian region but power still remains with the elite.

Grybowski agreed: “There are many deficits in the way we practice democracy. Half of Latin American societies are invisible. They may vote but they do not count. The learning is that we thought creating governments would be enough but we created governments without policies and without a platform.”

Blaming democracy for a lot of the continent’s ills, Kaara said, “It has balkanised us and divided us into tribes. Even though Kenyans fought for independence from the British, we have not been able to fight for our democracy. Democracy as we see it is through the ballot but it does not give us power.”

For a more functional democracy and one that guarantees rights to its people, the participants suggested fundamental changes, including following different models of growth other than industrial growth and giving more weightage to the well being of people ensuring protection of natural resources. Stress was laid on promoting equality among men and women and also equality among the different races to building up a truly democratic society.

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Why are food prices rising?

The issue at stake for humankind is whether a lifestyle based on high energy consumption is sustainable and compatible with the rest of the planet. Rather than encouraging profound changes in consumption patterns and human behaviour, depletion of fossil fuels and other non-renewable natural resources has prompted a frantic search for alternatives to oil and gas, in order to keep the very cause of the crisis going.

Increased demand

Economic growth in China, India and elsewhere has increased demand for all crops, and for meat. Since a large amount of grain is needed to feed livestock to produce meat, this has resulted in a significant increase in the global demand for grain.

Biofuels: demand and expansion

Decisions by the US and the EU to promote the use of biofuels through various tax and subsidy programmes have also increased the overall demand for some crops, and reduced the amount available for food – both of which have pushed up prices.

The most direct impact happened in the USA. In 2007, almost one-third of its maize production was earmarked for ethanol production, up 20 percent from 2006. This production is highly subsidised and at the same time high ethanol tariffs prevent imports of the more efficient ethanol made from sugarcane.

The American corn ethanol



Willem de Lange/ActionAid

receives a subsidy of \$0.51 per gallon and an equivalent of tariff protection of \$0.54 per gallon. As the USA is the biggest producer of maize, any changes in domestic incentives to switch the production for food or fuel have immediate global impacts.

The other major source of ethanol is sugarcane in which Brazil is the biggest producer. One hectare of corn yields 1,073 gallons of ethanol against 1,849 gallons of ethanol in one hectare of sugarcane.

Production costs are also in favour of sugarcane: the cost of ethanol from corn in USA is

around \$1.25 per gallon against \$0.57 per gallon in Brazil.

However, there is a risk that high demand for ethanol will encourage big farmers to move from food to sugarcane production. The state of São Paulo, Brazil's largest ethanol producer, saw an increase of more than 300,000 hectares of sugarcane plantations in 2007. At the same time, the area used for other crops shrunk by around 170,000 hectares.

Oil and other input prices

The doubling of oil prices from \$60 in April 2007 to over \$110 in early 2008 also impacts on food

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prices. One, the direct increase in the cost of agricultural production, simply because chemical fertiliser is highly dependent on oil prices. Two, transportation costs are an important component of food prices. Finally, the high price of oil has been one of the incentives for the expansion of biofuels.

There have also been substantial increases in the costs of other supplies, such as phosphate and potassium.

Climate change and crop failures

The impact of climate change on agriculture is evident in recent years. Droughts and floods are recurrent in many areas. Out of the 37 countries currently in crisis, 22 had suffered adverse weather conditions, and six had an exceptional shortfall in food production/supplies (Lesotho, Somalia, Zimbabwe, Swaziland, Iraq and Moldova). The others had either a widespread lack of access to food (caused by weather, IDPs, conflict, economic constraints) or severe localised food insecurity. The prospects for Ethiopia, Kenya, Somalia and Zimbabwe are also worrying.

In the longer term, the impact of climate change will probably be to reduce overall food produc-

tion, which may keep prices high in the longer term1 anne to add.

Commodity markets

Although price rise is caused by real factors such as increased demand, the effects are then magnified by the complex working of international commodity markets.

Rising prices have encouraged speculators to make short-term investments in 'commodity futures' – essentially gambling on price rise in the future. The volume of trade in commodity futures and options rose by 30 per cent in 2006 alone.

Last year's volume of coffee transactions on the commodities market, for example, was 20 times greater than the total actually produced. This demand from speculators worked to temporarily push up prices, but the current global economic crisis has caused traders to move out of risky agricultural commodities and into more stable ones such as gold. The result is a downfall of coffee prices, severely affecting the economies of single-crop economies.

Liberalization and de-regulation of agricultural trade and markets

What matters for poor people, both farmers and consumers, is how international price rises

are felt in their local markets. And it depends on how vulnerable is a developing country economy to international fluctuations. Policy changes in many countries over the last 20 years have increased the impact of international markets for both producers and consumers. Trade liberalisation, the abolition of marketing boards, and the ending of subsidy programmes have all made national markets more vulnerable to changes in international markets, and increased import dependency.

Implications for poor people

Although some producers might gain from high prices, overall high prices are almost always bad news for poor people, both rural and urban, who tend to spend a high proportion of their income on food.

A recent report by the UN Food and Agriculture Organisation (FAO) quantifies the impact of high food prices on different groups of poor people. In Bangladesh, they found that all groups would lose out from high food prices. In Malawi, the urban poor were the worst off, and even middle income urban households lost more in percentage terms than the poorest rural households.

Implications for developing countries

Developing countries as a whole face huge increases to their import bills for food. FAO estimates that food imports could cost developing countries 25 per cent more in 2008 than in 2007, and since 2000 their food import bills have doubled.

At the same time, this price rise has also contributed to inflationary pressures, affecting the net income of poor families as well as government budget availability.

Did you know



Food prices rose 52 percent between 2007 and 2008 and fertilizer prices have nearly doubled over the last year. Since 2006, the price of wheat has increased 107 percent, the price of rice has increased 38 percent and the price of maize has increased 76 percent.



FROM THE IPS WIRE

CAMBODIA

Women Take to Fishing As Catches Decline

Cambodia's fishing industry may still be viewed as a male bastion, but as household fish catches decline, putting pressure on food security, women are rising to the challenge and becoming involved in growing numbers.

"The reality is that women have been deeply involved in fisheries for a long time in this country, from catching, to processing, to cooking fish," said Mak Sithirith, executive director of Fisheries Action Coalition Team (FACT), an organisation working with local communities on Cambodia's Tonle Sap lake.

"For women it is a catch-22 situation. If they do not go with their husbands they cannot guarantee food security because the husband cannot catch enough fish. But if they do take part it increases the burden of labour on them."

According to figures released this year by the Ministry of Women's Affairs, Cambodia's female labor force participation rate is high by regional standards, at over 71 per cent of the working age population over 15 years of age.

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BRAZIL

Using Science and Thinking Small to Relaunch Biofuels

Clean and renewable energy sources are the new “El Dorado” in these times of economic crisis and global warming. While most people, it seems, want to have a car, travel and consume endlessly, the planet is giving us signs that it can no longer withstand a production model based on fossil fuels.

Scientists around the globe have been researching viable alternative energy sources for some time now. Brazil, which stood out in 1975 with its National Fuel Alcohol Programme and in 2005 for its pioneering National Biodiesel Programme, is wielding new strategies in its global offensive for fuels based on distilled agricultural products.

Scientific progress is opening space for agro-fuels to become a new commodity to conquer the global market.

To achieve this, Brazil is investing in research that could be the answer to concerns about the negative effects of crop-based fuel production on food supplies and prices, and on the conservation of its Amazon forests.

The National Bank for Economic and Social Development (BNDES) joined the United Nations Food and Agriculture Organisation (FAO) and Economic Commission for Latin America and the Caribbean (ECLAC) to carry out the study, “Sugarcane-Based Bioethanol: Energy for Sustainable Development.”

The study says that to produce some 50 billion litres of grain ethanol per year, 15 million hectares of crops are needed; in other words, one percent of the land area currently farmed on the entire planet, estimated at 1.5 billion hectares.

GENDER

Watch that Gap

It is rather obvious that women are about half the population; it’s just as obvious that in underdeveloped places they carry more than half their share of the burden. So how much of development aid gets to women? The unfortunate answer to that question is another question: who knows.

This needs to change, says Nicola Jones, research fellow at the London-based Overseas Development Institute (ODI). To see that women have their fair share, but first, to find out exactly what is going on and what is not.

“We need to be forming partnerships,” she tells IPS. “South-South and North-South. Civil society organisations, say in Uganda, may not have the capacity to do that monitoring (of how much aid gets to women), and with support they can build up their capacity to do that and hold governments accountable.”

This first step is essential, she says, “but we’re not at the moment seeing a huge amount of emphasis on that. There are some fledgling initiatives, there are loose networks on sharing of information, on sharing of good practices, but there’s not yet an international movement with a standardised approach.”



Candace Feil/ActionAid

SOUTH AFRICA

Community Gardens

A few years ago 66-year-old grandmother Regina Fhiceka and her family of five ate vegetables only once a week. They would survive on maize and bread the rest of the time -- the cheapest food available in the poor township of Philippi, just 15 minutes from the affluent business district of Cape Town.

But then Fhiceka got to hear about a municipal project where people were encouraged to get together to establish community gardens.

Fhiceka and five other women were given land on the outskirts of Philippi where 150,000 people live in squalid conditions. After a few months, Fhiceka’s group had an abundance of vegetables, including tomatoes, cabbage, carrots and beans, and they started selling the surplus.

“I had no choice. I had to start farming because I had no money to buy vegetables from the shops. I also realized that if we farmed as a group, we would have more than enough food to eat and that we could generate an income from selling the rest.”

S&T

New Food Must Go Nuclear

Better crops on the one hand, and nuclear power on the other might be, you would think, at extreme ends of the technological, and for some, even the moral spectrum. But it could be time to make agriculture more nuclear.

A lot of it is, already. Hundreds of millions of hectares of cultivation around the world is already nuclear assisted. And this technology goes back all of 80 years. Now the world needs this as never before, nuclear and agricultural scientists say.

“Currently there are over 3,000 officially released crop varieties that have involved radiation induced mutations, and over 100 countries routinely make use of this technology, which is one of their favourite strategies for crop improvement,” Pierre Lagoda, head of the Food and Agriculture Organisation (FAO) and the International Atomic Energy Agency (IAEA) joint plant breeding and genetics section told IPS in an interview in London.

“These crops, grown all over the world, now form an integral part of our daily diet. They are raw materials in industries, and give countries billions of dollars in additional income for farmers.”

Essentially, the technique treats seeds with x-rays and gamma rays to produce new mutations of crops that are better resistant to difficult conditions and changing climate. Nature would of itself produce new mutations of crops to adapt to changing conditions, but only in time, and a long time at that. But this technique can speed up that change dramatically, here and now.



Paulino Menezes

ETHIOPIA

Putting hope in foreign investment

Tola Melka was planning to throw a traditional party at his shanty home in rural central Ethiopia, anticipating a bumper harvest. He was grief-stricken in late October when unexpected rains totally destroyed his almost ripened teff, a native staple crop used to make spongy bread.

Melka and his wife, Shashe Dima – then pregnant with their sixth child – endured overwhelming hunger due to lack of rain in 2007. Last year too much rain – three consecutive weeks fell at precisely the wrong time – made it even worse.

The government's ambitious target of harvesting 28 million tonnes of cereals in the first three quarters of the 2007/2008 budget year has failed. The nation produced only 16.4 million metric tonnes, according to a performance report presented to the Ethiopian Parliament by the Agriculture ministry.

Authorities seem now determined to change this situation by leasing huge chunks of land to other sovereign states for mechanised farming. Pundits however are wary of the risk; not just the food but the profits from this farming would be siphoned off to consumers and investors in other countries.

HAITI

Send seeds!

The participation of the most vulnerable people is essential for Haiti's development programmes, says Kanayo Nwanze, vice president of the International Fund for Agricultural Development (IFAD), which this year earmarked 10.2 million dollars for aid to help the poorest country of the Americas survive the current food crisis.

More than 240,000 small impoverished farmers will receive a package with seeds for vegetables and cereals, manioc, sweet potato and banana, with the aim of increasing the availability of food in 2009 in this Caribbean nation, thrashed in recent months by a series of storms and hurricanes – which only worsened the food shortages.

"The food price crisis hit Haiti hard, because more than half its food is imported," Nwanze told *Tierramérica*. The Nigerian IFAD official is a biologist, with a doctorate in entomology from the U.S. University of Kansas, and has dedicated many years to agricultural research.

Did you know



In some countries in Africa, yields from rain-fed agriculture could drop by as much as 50 percent by 2020 because of rising temperatures, increasing droughts and floods.

The 10 countries that account for the 69 percent of the world's hungry receive only 20 percent of all agricultural aid. While trillions of dollars are being spent in helping private banks and failed businesses, support for food crop production has decreased from US\$564 million in 1980 to just US\$133 million in 2006.

To fill up a car with 25 gallons of ethanol takes 204kg of corn – enough to feed a single person for an entire year. European and US biofuel subsidies are worth four times as much as all OECD aid to agriculture in the developing world.

Women make up 60% of the chronically hungry. Women farmers produce 60-80% of the food in poor countries but only own 1% of the land.

10 point ACTION PLAN to end hunger

1

National laws to be put in place to enshrine every body's right to food.

2

All countries need to invest in a welfare system so that no one goes hungry – actions such as making sure that every child can have a free school meal are important steps towards this.

3

Give women more status and rights to feed their families. Investing in women's education has been identified as the single most powerful contribution to reducing malnutrition over a 35-year period.

4

Increase local production of food for local use

5

Support women farmers and producers. In developing countries, women grow 60-80% of the food and yet they only own 1% of the land.

6

Adapt to climate change. Poor farmers are on the frontline of climate change and investment of \$US 67 million is needed to help them adapt

7

Regulation of transnational companies that produce or trade in food and crops – in particular national laws need to be strengthened to stop so-called 'agribusinesses' depriving poor people of their access to land, water and seeds.

8

International trade laws need to be changed to protect poor farmers – and developing countries must be allowed to increase their tariffs to protect the local production of staple foods

9

End targets and the production of bio-fuels

10

Speculation in international commodities futures markets – which includes wheat, maize, rice and sugar – has resulted in a huge increase in the cost of food. Some way of protecting food prices must be found so that poor people can still afford to eat.



FROM THE IPS WIRE

INDIA

Reclaiming paddy land in Kerala

After achieving human development indices that approach developed country standards, people living on this verdant strip of India facing the Arabian sea are attempting a 'back-to-basics' return to paddy cultivation.

The Kerala government's 'El-lavarum Padathekku' (Everyone to the paddy field) movement seeks to rehabilitate rice cultivation, once the symbol of prosperity in the state, and bring down the bill for imports of the staple from other parts of the country – now standing at 800 million US dollars annually.

Paddy cultivation in Kerala is set in a unique, natural ecosystem, bounded by coastal plains and backwaters on one side and high mountains of the Western Ghats on the other.

Several factors have been cited for the steady decline of paddy cultivation in Kerala, starting with high wages that resulted from an increase in the bargaining capacity of workers through the formation of strong labour unions and rule by communist parties that implemented the most successful land reforms in the country.

Where Kerala had 900,000 hectares under paddy in 1970, it now has no more than 250,000 ha. Consequently, rice production dropped from 1.4 million tonnes in 1970 to about 700,000 tonnes against a demand of around four million tonnes.