



Future of Food: Markets, Prices, Security

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Introduction

I appreciate the opportunity to participate in the OECD Forum 2009 on the “Future of Food: markets, prices and security” Food is a basic need and everybody have a “Right to Food” as a human right. Food is just too essential to be handled as a tradable commodity in the global economy; instead it should be governed by rules and institutions that make sustainable food security, not commodity sales.....”¹

The perspective offered is that of small-scale farmers with special reference to women as custodians of land / food security and active contributors as users of resources.

Markets

How can freer trade help?

Free trade would encourage investment and stimulate growth. As regards small scale producers they would like to see the playing field leveled by removal of subsidies and import tariffs as well as removal of barriers to access land, water and other infrastructure and access to production inputs, extension services and financial services.

Food Prices

Can a normal price mechanism encourage markets and resources to balance supply and demand?

Indeed if the prices of agricultural goods were solely determined by shortages and surpluses of products we would have a situation where markets and resources would balance supply and demand.

However, the current situations where the prices are distorted by production subsidies as well as import tariffs do not reflect the true picture of supply and demand.

¹ <http://www.grain.org/?seedling?id=162>

Food Security

In 2007, Uganda exported food to the value of \$54,729,771, however at the same time 19% of Ugandan children are undernourished². Despite food being relatively abundant in many cities in developing countries, hunger and malnutrition are common³. Food access and food utilization are inadequate in many developing countries. For many households, food is the only flexible budget item, and food expenditure is reduced to avoid or reduce indebtedness. It can be argued that growing enough food to feed everyone could be an alternative option. The strategy of bulking food tends to make food inaccessible to the poor. To provide food as aid is increasing dependency. The case of Uganda is an indication that most areas have the capacity to produce food for local people but have been distracted by demands for export markets that appear lucrative.

How can food stocks be secured when the global population is continually increasing?

Food stocks can be secured by increasing per capita production. As regards small-scale producers this can be done mostly by removal of barriers to effective production e.g. access to finance, security of land tenure especially for women, access to various technologies and one stop shop for services.

How can food stocks be secured when climate change is uprooting all of our assumptions about agricultural production?

“Despite his artistic pretensions, his sophistication and many accomplishments, man owes his existence to a six-inch layer of topsoil and the fact that it rains” (Anonymous)

There is a need for understanding how small-scale producers are affected by climate change and how these factors can be mitigated. These factors centre around desertification, land degradation and conservation of water. The factors are aggravated by the use of inappropriate technologies coupled with top-down approach that disregards the producers' indigenous knowledge and experience.

This calls for an integrated approach that discourages competition but promotes collaboration among stakeholders in combating desertification and land degradation; introduction of incentives schemes to promote behavioral change that address the effects of climate change; putting small-scale farmers at the centre of policy formulation and implementation; the selection and use of appropriate agricultural/ farming technology to maximize production.

² http://www.wfp.org/country_brief/indexcountry.asp?country=800

³ http://www.kings.peterborough.sch.uk/_files/gandt/sophie_winning_essay.pdf

What role can new technology play in alleviating food shortages and improving security?

It should be noted that there is room for new technology to play a great role in increasing food production. Notwithstanding this the alleviation on food shortages and improvement of food security is dependant on whether the food produced is able to reach all people.

Therefore new technology alone cannot have a direct impact in alleviating food shortages and improving security as it has been proven that increasing food production alone does not guarantee that hunger will be alleviated. There is therefore; a need to address all factors that influence markets, pricing and food security.