

Perfect Storm?

War, Stagflation, Hunger

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- Thanks to Dr Werner Raza for very helpful suggestions.
But responsibility lies with Jomo alone.

Malnutrition challenges

Malnutrition > food security – challenges:

- macronutrients (hunger)

Hunger **estimates** narrow, conservative

- micronutrient [minerals, vitamins, trace elements] deficiencies (*hidden hunger*)
- diet-related non-communicable diseases

Overweight, obesity

Malnutrition widespread, **costly**

Malnutrition's multiple faces

- > 722m people undernourished in 2020
- > 2 bn suffer micronutrient deficiencies
- Children: 161m. stunted, 51m. wasted, 99m. underweight
- 45% of 6.9 m. child deaths annually linked to malnutrition
- 42 m. overweight children < 5 years
- 2.1 bn overweight, ~700 m. adults obese

Economic costs of obesity

McKinsey Global Institute (2014)



About **1.9 ~ 2.1 billion** people overweight (1/3 obese), i.e., **30% of global population**

Economic costs



Armed conflicts
\$2.1 trillion

Smoking
\$2.1 trillion



Obesity
\$2.0 trillion

Hidden hunger Micronutrient deficiencies

- **Micronutrients**: vitamins, minerals, trace elements
- **Dietary diversity**: sustainable 'food system' solution
- Nutrition **supplements**: very **costly** solution
- Some **low-cost** options, e.g., table salt iodization, fertilizers (soil → plant → human nutrition)

Diet-related **non-communicable diseases**

- Many non-communicable diseases (NCDs),
i.e., not infectious, e.g., related to smoking,
occupational safety, etc.
- Many food or diet-related NCDs
- Now mainly associated with obesity, overweight
- Also associated with excessive sugar, salt
consumption
- Loosely, wrongly termed ‘overnutrition’

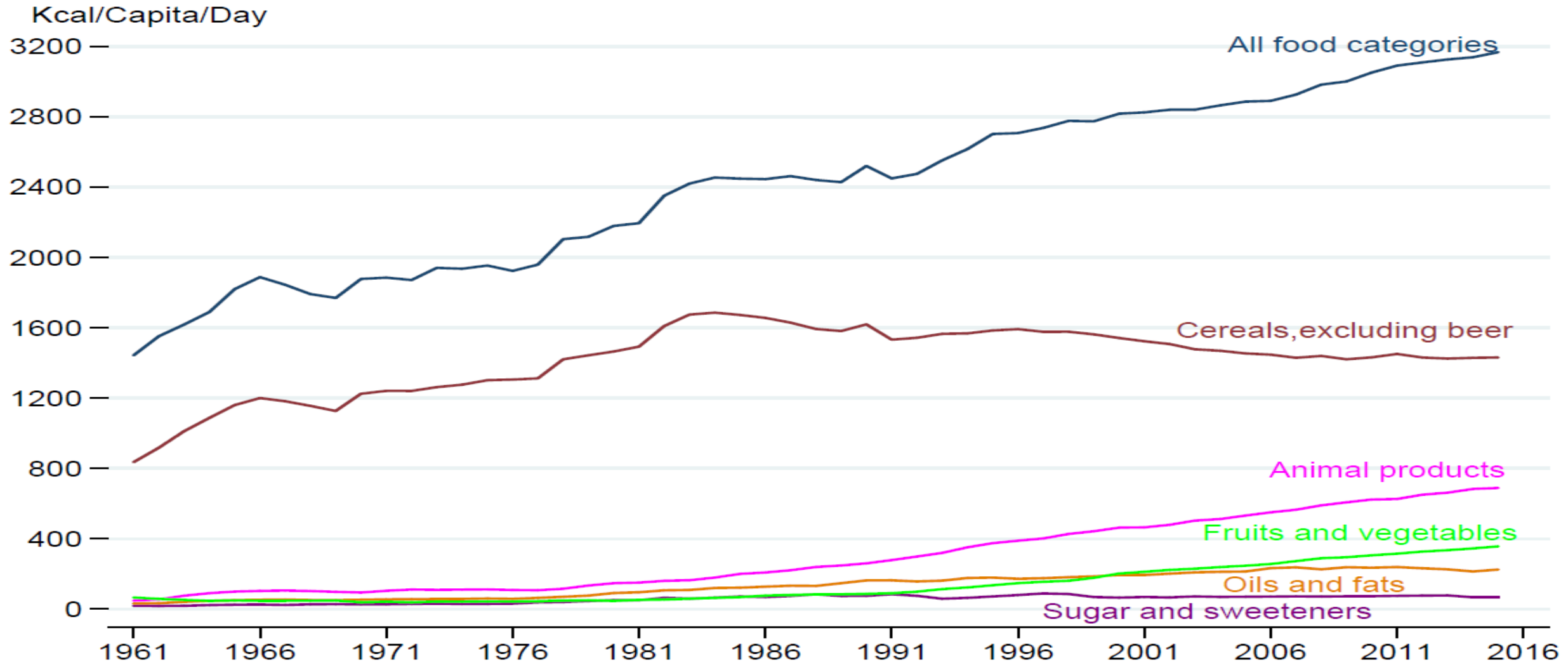
Better nutrition? Why? How?

- Malnutrition costs lives, money
- Healthier diets need **better food systems**
- Health, education, water, sanitation, lifestyles, etc. needed
- Appropriate policies, incentives, governance
- Sustainable food systems central
- Without full employment, decent work, need **social protection floor** to realize right to food

Solution: More varied, not less food

Sources of daily energy supply per capita, 1961 to 2015

East Asia

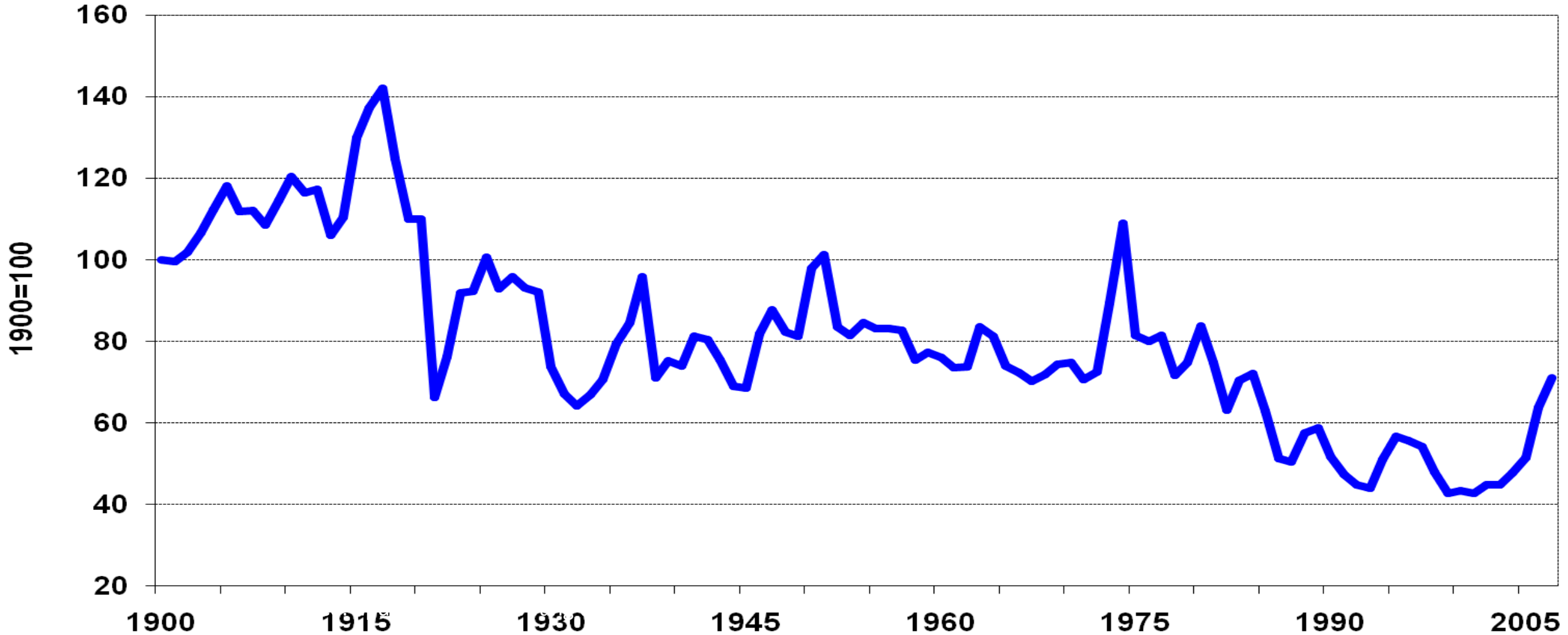


Note: Animal products=Eggs+Meat+Milk(excluding butter)+Fish,Seafood+Aqua products

Source: FAO calculation based on Food Balance Sheet, Food and Agriculture Organization of the United Nations (accessed November 2017)

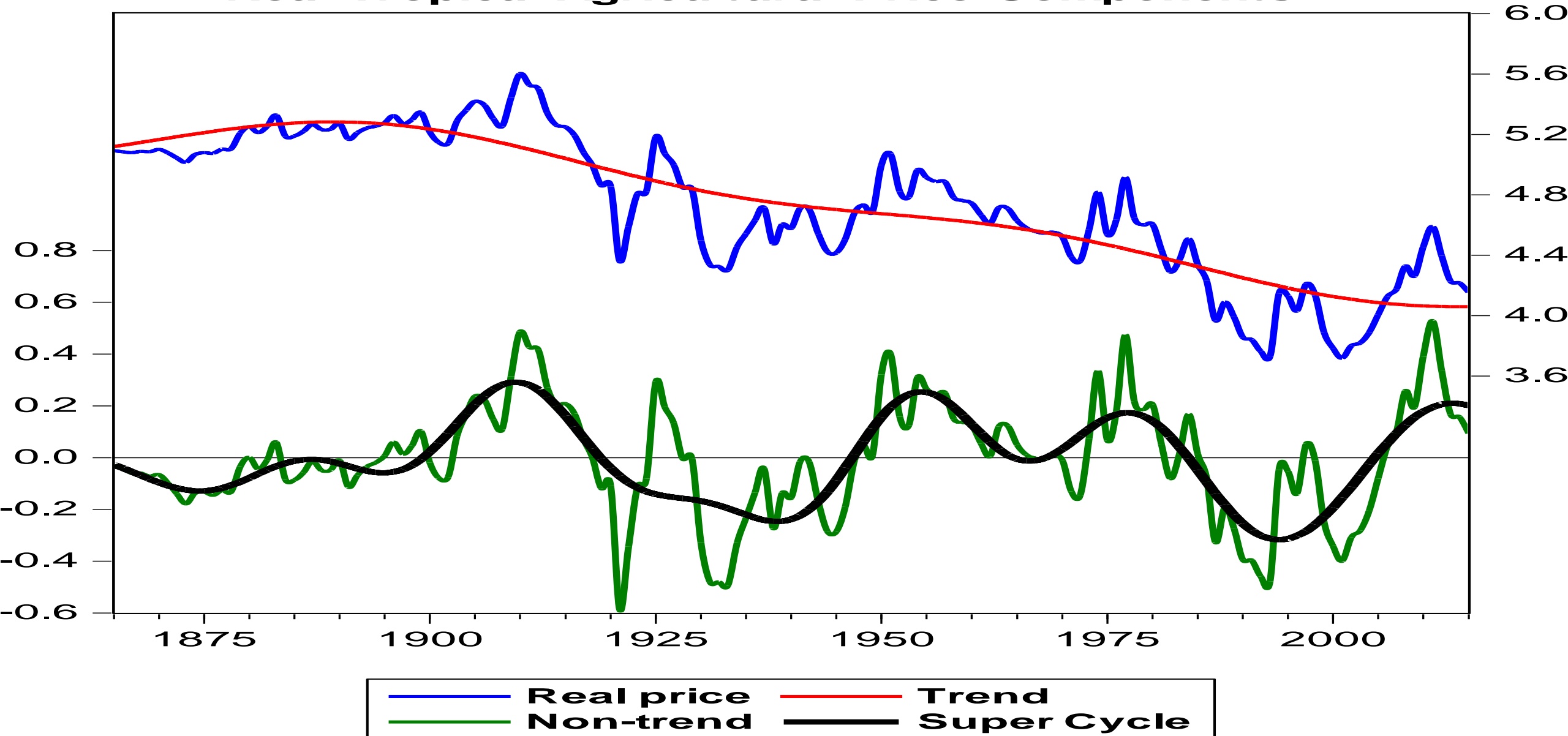
Commodity prices lower post-1970s

Aggregate Real Commodity Price Index, Excluding Oil (GYCPI)

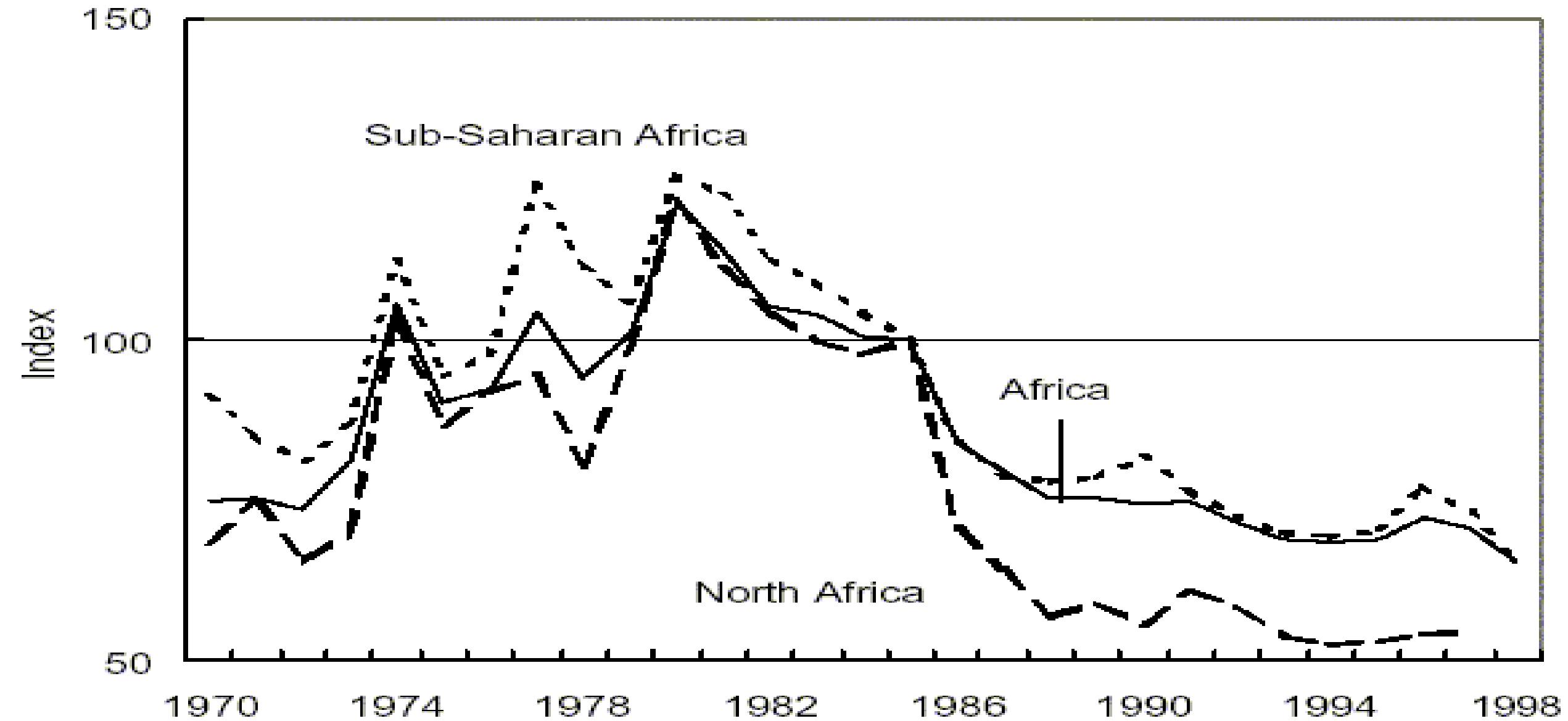


Tropical agricultural prices, 1865-2015

Real Tropical Agricultural Price Components

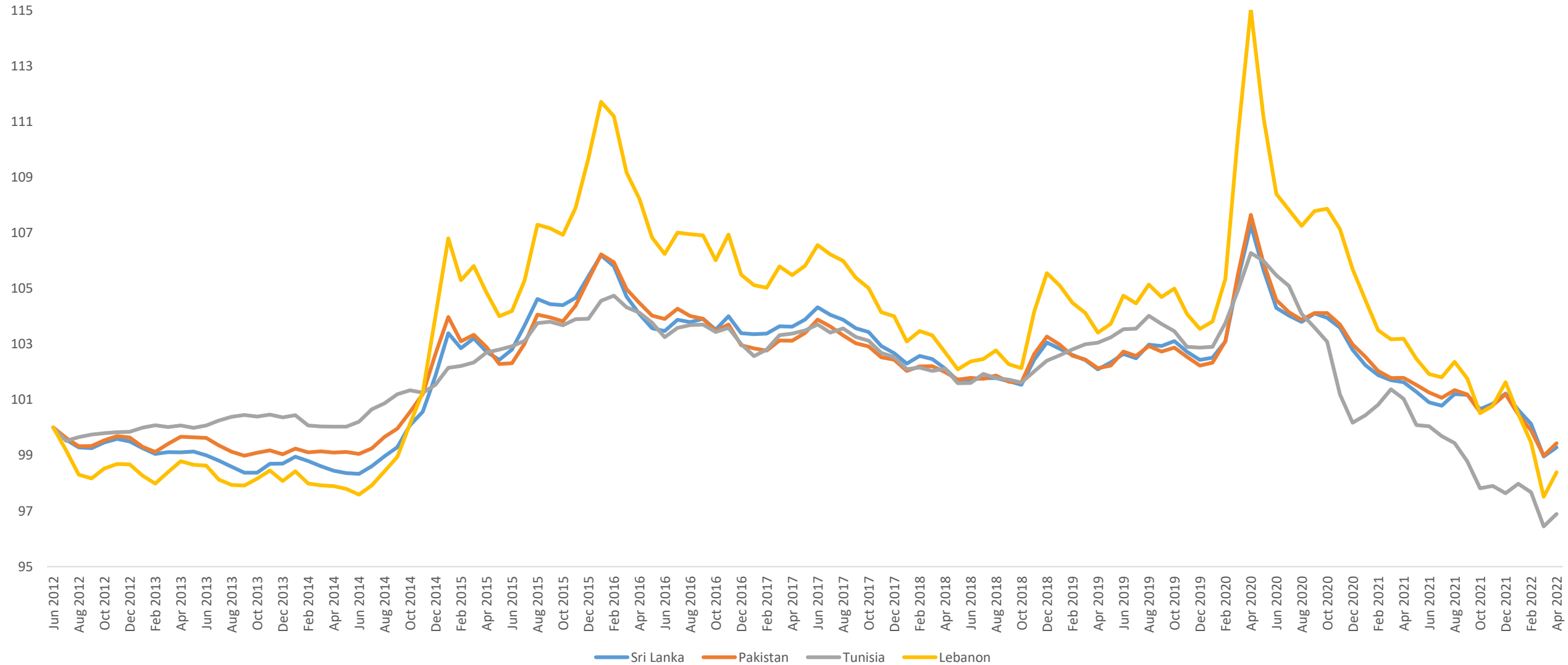


African terms of trade worse



Commodity **terms of trade worse** for most LMICs, with some levels close to 2012-14

Net commodity export terms of trade in stressed economies, June 2012=100



Government initiatives

- Many **private sector** initiatives, progress need government encouragement, regulation
- **Improve infrastructure**, other efforts to reduce food losses, improve **food safety**
- **Improve** farmers' planting, harvest and post-harvest practices
- Public, especially **civil society campaigns** to **reduce food waste, malnutrition**

Food production, supply, loss, waste

- Sustainable agriculture = Agroecology?

Transition?

- Hunger associated with inadequate food supply
- Inadequate food supply not due to inadequate food production, but means, emergencies
- Food losses during production, storage, transport
- Food waste in consumption, e.g., sale, preparation

Undernourishment

- **Inadequate dietary energy** from macronutrients, measured as calories/joules, mainly from carbohydrates, usually cereals
- **Prevalence** of undernourishment (%): estimated undernourished ('hungry') share of population
- **Number** of undernourished: estimated undernourished population
- Generally **slow progress** compared to poverty although poverty measures mainly consider cost of food viz income, to avoid hunger

Impact of Ukraine crisis on global food security

- *Vicious cycles of climate change, conflict, poverty, food insecurity leaving millions very vulnerable*
- Food production, import vulnerabilities and rigidities
- Declining international solidarity
- Climate-induced supply strains
- Grain hoarding, commodity speculation → price crisis
- Identified after 2007-8 food price crisis, but unaddressed
- Careful: opportunistic and shortsighted responses to crisis
e.g., backsliding on food system reform commitments

Stagflation drivers

- Global financial crisis → Great Recession
 - ‘unconventional’ QE + fiscal austerity
- 2014 commodity prices collapse
- C19, war, sanctions → supply-side disruptions
- Supply-side ‘cost-push’ inflation
- Also: ‘global warming’ effects worse in tropics
- Raising interest rates → economic stagnation
- Interest rate hikes deliberate in 1980, 2022
- 1980 ended stagflation, but 2022 worsens it

War, sanctions, stagflation, hunger

- No to WTO waiver (vaccines, tests, treatments, PPE)
- **SWIFT** financial payments system undermined
- War sanctions → siege: deliberate supply cuts
- **Energy supplies** to Europe disrupted
- **Food, fertilizer supplies** cut → med.-term insecurity
- Wheat, fertilizer: protracted higher food prices
- Food, fertilizer for Asia, Africa → **food insecurity**

Urgent action needed

- Support food importing countries, e.g., debt relief
- Tackle commodity speculation,
enhance market, ownership transparency
- Reduce reliance on fertilizers, pesticides,
fossil energy in food production
- Improve national, regional grain reserves,
food security response systems
- Diversify food production, change trade flows

Thank you
Carpe diem

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