



Spiraling Food Crisis Highlights the Need for Reform A CIDSE Statement, Brussels, 30 April 2008

Soaring food prices have now forced the poor onto the streets in fourteen developing countries, resulting in deaths and widespread social unrest. How many more food riots, fuelled by hunger and frustration, will it take before the international community wakes up to the reality that the status quo is starving the poor?

The Doha Round of World Trade Organisation negotiations, initiated back in 2001, was mandated with establishing fairer trade rules that would help poor countries to develop. Continued disagreement between developed and developing States, however, has seen the Doha Round stalled, prolonged, and stalled again, prompting a proliferation of bilateral trade negotiations between the big trading powers and many developing countries. What is clear, however, is that whether bilateral or multilateral, agricultural trade agreements continue to be dominated by a liberal economic model. The present food crisis proves once again that an unchecked liberal approach to trade is dangerous, as it directs food to where the market will pay the highest price, and not to where people are hungry.

Farmers in developing countries have been suffering from ‘dumping’ - the sale of cheap subsidised agricultural goods below the cost of production, from the US and the EU for decades. ‘Dumping’ destroys local markets and has forced millions to leave agriculture, exacerbating both rural poverty and rural-urban migration. The result is that many developing countries are now dependent on foreign imports for food; this means that with the current rise in global food prices, the poor, and in particular the urban poor, can no longer access basic food staples.

The rural poor in many developing countries have been suffering from hunger for decades. Now the urban poor – who are crucial for political stability - have been able to bring this injustice to the attention of the international community. Recent events emphasise once again the need to reflect on how our way of life is impacting on the ability of the poor to feed themselves. The current level of energy consumption in the North, for example, is unsustainable. Efforts to develop new energy sources, using agricultural produce to meet our high demands, are creating competition in international markets between the production of food, and production of energy crops. Furthermore, an increasing global population, continued migration from rural areas to the cities and greater wealth in some developing countries is being accompanied by higher levels of meat consumption. This further threatens balanced agricultural production since animal farming requires significantly more land and feed resources.

Immediate action is necessary to provide food aid to those who are suffering. Beyond that, however, CIDSE underlines the need for a radical shift in agricultural policies. As a network of development agencies based throughout Europe and North America, CIDSE and its member organisations have been working for many years with farmers and rural communities in the South to promote sustainable agriculture and rural livelihoods in order to ensure food security. Based on this experience, CIDSE has been advocating at the national and international levels for changes to the system of international trade rules to promote sustainable development and food security in developing countries.

To overcome the current crisis it is crucial to place sustainable small-scale farming at the heart of any agricultural and development policy. Increasing support to small scale farmers – including through increasing their access to credit, agricultural and natural resources and market information - will improve local production and food security in developing countries. This would also allow farmers in developing countries to expand and diversify where possible, providing rural communities and developing nations in general with the opportunity to benefit from higher global prices, rather than suffer the consequences of them. CIDSE calls for investment in people and their capacities rather than abandoning them to the uncertainties of the world market.

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