

**Record: 1**

**Title:** Only a few green shoots.

**Source:** Economist; 6/7/2008, Vol. 387 Issue 8583, p70-71, 2p, 1 Color Photograph

**Document Type:** Article

**Subject Terms:** \*AGRICULTURE -- International cooperation  
\*AGRICULTURE & state  
\*ENVIRONMENTAL aspects  
\*AGRICULTURE -- Economic aspects  
FOOD & Agriculture Organization of the United Nations -- Congresses

**Company/Entity:** UNITED Nations -- Economic assistance  
NAICS/Industry Codes928120 International Affairs

**Abstract:** The article discusses a United Nations (UN) Food and Agriculture Organisation summit on the world farming crisis. The article describes how UN secretary-general Ban Ki-moon believes farming is in a rapid state of decline across the world, and organized the summit to address the issue. Details are provided regarding the summit's recommendations, which include food aid, reducing the consumption of biofuels, and reducing export bans.

**Full Text Word Count:** 1208

**ISSN:** 00130613

**Accession Number:** 32546643

**Database:** Academic Search Premier  
**Section:** International

**The world food summit****Only a few green shoots****Some good ideas, but too little cash, were among the fruits of a global gathering**

Dateline: ROME

Bosses of the United Nations have some discretion over what to focus on. For Kofi Annan, the previous secretary-general, the big issue was peacekeeping and conflict in poor countries. For the new one, Ban Ki-moon, it seems to be the environment and natural resources. Last year he threw his weight behind a declaration in Bali on climate change. Earlier this year he sounded the alarm about water. Now he wants collective action on food.

This week 40-odd heads of government gathered in Rome under the auspices of Mr Ban and the UN's Food and Agriculture Organisation to talk about the miserable state of world farming and what to do about it. Many donors and governments are responding already. In theory, the summit could have done a lot more because, for the first time in a generation, soaring food prices have convinced everyone that something is profoundly wrong with world farming and needs to change. But how much new insight did this talkfest really add?

Joachim von Braun, the head of the International Food Policy Research Institute (IFPRI), a Washington-based research group financed by governments, says international action should focus on five things. The Rome summit made progress on a couple of them.

First, food aid. Earlier this year, the World Food Programme (WFP), the main agency for handing out emergency relief, pushed the panic button, saying it was running out of money because of dearer grain. At the summit, it announced an extra \$1.2 billion of food aid, thanks partly to Saudi Arabia, which just before the meeting gave the programme \$500m. The donation from a country awash with oil money, had barely been noticed outside the WFP. But it was still a remarkable one. Most announcements of "new money" turn out to be old promises repackaged. This contribution was genuinely new and made a big difference.

Next, biofuels. The conference could have helped rationalise biofuels policy. Some non-governmental organisations want a moratorium on ethanol output, saying this would cut grain prices by 20%. Parts of the UN bureaucracy and some big food companies say they would support something milder, such as international restrictions on the production of corn-based ethanol. Still others argue that biofuels are fine as an idea but are beset by a tangle of subsidies, tariffs and production targets that needs unravelling. The summit made no headway in doing so. Just before it, America's secretary of agriculture, Ed Schafer, claimed that ethanol accounts for only 2-3% of the increase in world food prices—a contentious view (IFPRI says 30%) but one that left the summit irreparably and paralytically split over biofuels.

Third, the conference could have come up with some short-term fixes, beyond food aid, to increase farmers' incentives and to cut world prices. The most obvious fix is to reduce export bans. Around 40 food-exporting countries have imposed some sorts of trade restriction of food: taxes, quotas or across-the-board bans. A study by IFPRI calculates that getting rid of these would reduce world cereals prices by an average of 30%. Summits sometimes dissuade leaders from begging their neighbours, since the neighbours' complaints may have to be faced in person.

But it is not clear the meeting in Rome achieved this aim. Vietnam, Cambodia and India have all promised to reopen some of their rice exports. Japan, a big importer, says it will release about a fifth of its government-controlled rice stockpile. But Egypt extended its ban on rice trade for another year, so it is hard to see a clear pattern of improvement.

This reflects one of the basic difficulties of getting coherent action in this area: countries' interests simply differ. Most developing countries are net importers, but some are net exporters. In Botswana and South Africa, food accounts for a fifth of the consumer price index; in Sri Lanka and Bangladesh it accounts for two-thirds. And while most poor nations are victims or beneficiaries of food inflation, China and India may be regarded as causes, too. Amartya Sen, a Nobel laureate and writer on the politics of famine, says rising demand (for example, from the Asian middle classes) and not failing productivity is the main reason for the current crisis.

It is not surprising that the summit did little about biofuels, export bans or social-safety nets (which it hardly discussed). In any case, as many speakers argued, the value of short-term measures is limited. "The underlying problem", says Lennart Bage, head of the International Fund for Agricultural

Development, "is the decline in agricultural productivity growth. Unless we reverse that, we'll be back in the same situation in a few years' time."

International action for the long term goes beyond the scope of any one meeting. It would probably require a deal on world trade in agriculture, for instance--a distant prospect. But the Rome meeting did make a start on the longest of long-term goals: a second green revolution. Mr Ban said food output needs to rise by 50% by 2030. Countries are issuing, or at least preparing, a long list of promises to help finance research into new seeds, build irrigation canals and spread fertiliser use among small farmers (seeds, irrigation and fertilisers were the main components of the first green revolution in the 1960s). These promises could well be the main achievements of the Rome summit. A couple of weeks ago, the words "seeds and "fertilisers" were rarely uttered by rich-country governments. Suddenly, these old obsessions of development wonks have broken through into the domain of public policy.

### Can it be done again?

Some argue that a second green revolution will be harder to achieve than the first, because genetically modified organisms provide the only hope for new seed, and Europeans are dead against them; because there is not enough water to permit a big expansion of irrigation in, say, Africa; and because oil at \$125 a barrel makes fertilisers too expensive. That seems unduly pessimistic. As Mr Bage points out, the only thing known for sure is that there has been an enormous fall in agricultural investment over 30 years. It seems a bit early to rule out in advance the possible benefits of reversing that decline.

But saying smallholder agriculture needs investment, and actually providing it, are different matters. Over the past three months, pledges of money have surged and two institutions--the World Bank and IFAD, a UN agency--have emerged as the main prospective lenders.

Unfortunately, says Simon Maxwell of Britain's Overseas Development Institute, much of the "new" \$1.2 billion promised by the World Bank, and the \$500m from the Asian and Latin American Development Banks, is not really additional. It is diverted from other programmes, and this raises worries about robbing Peter to pay Paul. Moreover, even the so-called new funding doesn't amount to very much: tens of millions of dollars, which may be enough for some new seeds but is a far cry from the \$15 billion-20 billion a year Mr Ban wants for a green revolution. Mr Ban's efforts to improve farming are laudable and ambitious. So were Mr Annan's efforts to boost peacekeeping.

PHOTO (COLOR)

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