

Another Food Summit

Martin Khor

The Food Security Summit brought together more than 30 heads of government and scores of Ministers in Rome in the first week of June to discuss the crisis of rising food prices.

At the same time, demonstrations and riots against high fuel and food prices were taking place in many countries around the world.

The presence of many political leaders, such as France's President Nicolas Sarkozy, Italy's Premier Silvio Berlusconi, Brazil's President Lula da Silva, Iranian President Mahmoud Ahmadinejad and Zimbabwe's President Robert Mugabe, added some glamour as well as some controversy to the event.

The United Nations was represented by Secretary-General Ban Ki-moon and the heads of many agencies.

Diverse and often contradictory remarks on what is causing the food price crisis and how to resolve it were made.

At the end, because of these conflicting views, only a weak declaration was adopted, with no mention of the role of unfair trade such as high subsidies in rich countries, or financial speculation driving prices up, or the importance of changing agricultural systems in view of the climate change problem.

The most controversial issue throughout was biofuels and its role in restricting the growth of food supplies and in the rise in prices. Many leaders, including Ban, proposed the adoption of standards or criteria for the sustainable production of biofuels.

But because of an inability of the governments to agree on how to deal with the issue, the declaration only spoke of the challenges and opportunities of biofuels and called for in-depth studies and the need to exchange experiences.

Ban called for food aid to vulnerable countries in the short term, and increase in food production by small farmers in developing countries in the longer term.

The FAO director-general Jacques Diouf gave the most colourful speech, criticising developed countries for spending US\$11 bil-US\$ 12bil subsidies on biofuels to "divert 100 million tonnes of cereals from human consumption to satisfy a thirst for fuel for vehicles".

He said nobody understands how the rich countries could distort world markets with US\$372bil in 2006 on agricultural subsidies, or how a single country could have US\$100bil of food wastage annually, and excess consumption by the world's obese costs US\$20bil annually, while the world spent US\$1.2 trillion on arms purchase in 2002.

"How can we explain that it was not possible to find US\$30bil a year to enable 862 million hungry people to enjoy the right to food?" he asked.

At the conference's end, Diouf announced that US\$5bil had been pledged by a few agencies and governments, mainly for emergency food aid. Whether more funds will come later for the more difficult task of helping farmers grow more food in developing countries remains to be seen.

At the conference, the leaders pointed to the factors causing the crisis, including the steep oil price increase, financial speculation in the commodities market, low food stocks, drought and effects of climate change.

The subject of biofuels, and the extent to which it caused the crisis by switching the use of crops from food to fuel, was the most controversial issue.

Several countries, including Egypt, India and Madagascar warned against the expansion of wrong biofuels, while Brazil defended its ethanol and the United States said biofuels contributed only 3% to food-price inflation.

Egyptian President Hosni Mubarak called for an international code of conduct to slow down biofuels production and to assess its environmental and social dimensions.

Slovenia's President Danilo Turk said the European Union wanted sustainability criteria on biofuels production and called for the swift transition to the so-called "second generation biofuels" that do not compete with food production.

On the other hand, Brazil's Lula said that "ethanol is not the villain" and referred to those governments that blamed ethanol production as having "fingers soiled with oil and coal" and "the same governments that extend trade-distorting subsidies".

Lula claimed that ethanol production in Brazil does not compete with food production nor does it encroach on the Amazon.

Malaysia highlighted the effects of bio-energy and climate change as causes of the food price crisis and spoke of the need to mitigate the risks of over-dependence on food imports. He announced Malaysia's initiatives to boost local food production, especially in rice.

The President of Argentina, Cristina Fernandez de Kirchner, spoke of the structural roots of the crisis - the protectionist policies of developed countries and the imposition of policies of the international financial institutions that prevented developing countries from producing food for themselves.

She also pointed to the oligopoly of the food systems and control over patents by multinational corporations that aggravate the problem, along with speculative investments in the global market.

Mubarak (whose country is one of those experiencing food riots) proposed an International Emergency Dialogue, where food exporters and importers can work out an international strategy to solve the food crisis in the short and long terms.

Japan's Prime Minister Yasuo Fukuda said his country has released tonnes of rice into the global market to help cool the pressure on the short supply, and urged other developed and net food producers to do the same. □□□

—*Third World Network Features*