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THE WORLD FOOD SITUATION

RECENT DEVELOPMENTS, EMERGING ISSUES, AND LONG-TERM PROSPECTS

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During the next quarter century the world will produce enough food to meet the demand of people who can afford to buy it, and real food prices will continue to decline. Nonetheless, if the global community continues with business as usual, prospects for food security will be bleak for millions of people and degradation of natural resources will continue.

The Food Policy Report The World Food Situation: Recent Developments, Emerging Issues, and Long-Term Prospects, by Per Pinstrup-Andersen, Rajul Pandya-Lorch, and Mark W. Rosegrant, presents the authors' best assessment of prospects for global food security over the next quarter century. It reviews recent events as well as key emerging issues that have the potential to significantly affect food security in the coming years.

PROSPECTS FOR GLOBAL FOOD SECURITY

IFPRI's International Model for Policy Analysis of Commodities and Trade (IMPACT) projects that as many as 150 million children in developing countries—one out of four preschool children—would be malnourished in 2020 under the most likely scenario. Child malnutrition is expected to decline in all major developing regions except Sub-Saharan Africa, where the number of malnourished children could increase by 45 percent between 1993 and 2020 to reach 40 million. In South Asia, the number of malnourished children is projected to decline by more than 30 million between 1993 and 2020, but even with this reduction, two out of five children could remain malnourished in 2020.

Between 1993 and 2020, global demand for cereals is projected to increase by 41 percent and for meat by 63 percent. Most of the increase in demand is expected to occur in developing countries. In many of these countries, however, food production is unlikely to keep pace with the jumps in demand. The "food gap"—the difference between production and demand for food—could more than double in the developing world in the next 25 years. This food gap will have to be filled through increased imports. This should not be cause for alarm for the higher-income developing countries, but the poorer countries might not be able to import food in needed quantities. Likewise, even when low-priced food is available in the marketplace, many poor people might not be able to afford the

food they need.

RECENT DEVELOPMENTS AND EMERGING ISSUES

IFPRI's projections represent the likely future world food situation, but how closely these projections will match reality depends on a number of factors that influence food supply and demand. These factors suggest that humanity is entering an era of greater fluctuation and risk in the world food situation.

- Grain prices may be more volatile in the future even though the long-term trend for cereal prices continues to decline.
- Policy decisions, as well as changes in lifestyles and income levels, in China and India— the two most populous countries in the world, with rapidly transforming economies— can affect food security not only for large populations in these countries themselves, but also for the rest of the world.
- With the political changes in Eastern Europe and the former Soviet Union, many projected that these countries would quickly switch from being net importers of grain to being significant net exporters. Although this scenario has not materialized, IFPRI projections show that with appropriate reforms this region could become a substantial net exporter.
- Sub-Saharan Africa is experiencing a fragile economic recovery, but growth rates will have to be substantially higher if they are to make a dent in the region's poverty. More will have to be done to support farmers and reduce population growth if economic growth is to be sustained and food security improved.
- The United Nations recently scaled back its population projections, but the world's population is still projected to increase by 35 percent during the next quarter century, from 5.69 billion in 1995 to 7.67 billion by 2020.
- Weather fluctuations could affect food production in many parts of the world. The resurgence of El Niño is causing widespread weather anomalies, and the long-term effects of climate change on food production are still unclear.
- The world is placing increasing demands on its fixed supply of renewable water resources. Unless properly managed, fresh water may well emerge as the key constraint to global food production.
- Improved soil fertility is essential for low-income countries to increase sustainable agricultural production. Fertilizer use in many areas will have to grow much faster than projected if farmers are to produce enough food and conserve natural resources.
- Food aid and other international development finance to developing countries are falling, threatening poor countries' ability to cope with food emergencies and achieve food security.
- Although many developing countries have opened their markets to foreign trade, many developed countries have not, preventing developing countries from fully benefiting from trade liberalization.
- The movement in North America and Western Europe toward limiting some use of genetic engineering and other tools of modern science for food production and processing could threaten food supplies in developing countries, partly because of reduced exports by developed countries and partly because developing countries might adopt similar policies, constraining agricultural production.

IMPLICATIONS FOR POLICY AND RESEARCH

To reduce poverty and food insecurity, agricultural research and policy should focus on improving agricultural productivity, particularly of small-scale farmers, in low-income countries. At the same time, more emphasis must be placed on research and policy that will help farmers, communities, and governments better cope with expected increases in risks. All appropriate scientific tools, including bioengineering, should be mobilized.

Sustainable increases in agricultural productivity will be possible only if sound government policies are pursued and investments in the rural areas are expanded. Failure to take appropriate steps will result in continued low economic growth and rapidly increasing food insecurity and malnutrition in many low-income developing countries, forgone opportunities for expanded international trade, widespread conflict and civil strife, and an unstable world for all.

TOP of the page