INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE
sustainable solutions for ending hunger and poverty
IFPRI®

2033 K Street, NW
Washington, DC 20006-1002 USA
Tel: +1.202.862.5600
Fax: +1.202.467.4439
Email: ifpri@cgiar.org
www.ifpri.org

For more information, please contact:
Michael Rubinstein, +1 202/862.5670, m.rubinstein@cgiar.org
Michele Pietrowski, + 1 202/862.4630, m.pietrowski@cgiar.org

PRESS STATEMENT

Improving Agricultural Productivity, Markets, and Social Protection: The Key to Global Food and Nutrition Security

by Joachim von Braun
Director General
International Food Policy Research Institute (IFPRI)
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The drastic rise in world food prices in 2007-2008 and the ongoing global financial crunch pushed millions of vulnerable people deeper into poverty and hunger. The food and financial crises have not only seriously undermined the fight against hunger and malnutrition, but they have also threatened market functioning and openness of international trade. To ease the burden on poor people, build resilience to new challenges, and address risks, the international community must act comprehensively and collectively, and take action now. Otherwise, the crises could have adverse, long-term consequences for both individuals and societies.

Priorities for investment and action
Ultimately, progress in achieving global food security should not be measured by declines in food prices, but by significant reductions in the number of poor, hungry, and malnourished people. Policymakers, development practitioners, donors, and private-sector actors need to take three broad, but complementary policy actions to realize this common goal.

(1) Increase investment in agricultural productivity. Enhanced growth in agricultural productivity is essential for achieving and maintaining food security for a growing population, but it has been stagnating in the past decade due to underinvestment. Investments should be made in agricultural research and development (R&D), rural infrastructure and institutions, and information monitoring and sharing. An IFPRI study shows that if global investments in public agricultural research doubled from US$5 to US$10 billion from 2008 to 2013, agricultural productivity and output would increase significantly. If these investments are targeted at the poor regions of the world, overall agricultural productivity would increase by 1.1 percentage points a year and lift about 282 million people out of poverty by 2020.

(2) Facilitate trade and regional and global grain reserves. The global community needs to establish both a physical grain reserve for emergencies, as well as a “virtual food reserve” to prevent future price bubbles from blowing up. The virtual reserve could be implemented by the

Group of Eight plus Five and other large grain-exporting countries and include a high-level technical commission that would intervene in futures markets. A global intelligence unit would signal when prices headed toward a bubble.

(3) Invest in social protection and child nutrition. Investments should be made in protective measures, including conditional cash transfers, pension systems, and employment programs, as well as preventive health and nutrition interventions, such as school feeding and early childhood nutrition programs that target vulnerable groups. Good nutrition is crucial for children's physical and cognitive development, especially in their first two years of life, and has lifelong consequences that can affect an adult's productivity and earnings.

With sound national policies and international cooperation and commitment, however, the global community can win the war against poverty and hunger.

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