



BEYOND UKRAINE

THE UNTOLD STORY OF THE FOOD CRISIS

SUMMARY OF A WORKSHOP FOR JOURNALISTS

JULY 2022

Behind the daily news reports of “food price spikes” sparked by the war on Ukraine is a centralized, crisis-prone food system that’s long been vulnerable to shocks. In this online [workshop for journalists](#) (23 June 2022), leading figures and writers on food systems unpacked the critical factors stoking the flames of global hunger. This summary outlines some of their main points and offers journalists follow-up story ideas.

Speakers included four [IPES-Food](#) experts:

- [Raj Patel](#) (Author/Filmmaker/Academic)
- [Sofía Monsalve Suárez](#) (FIAN International)
- [Ricardo Salvador](#) (Union of Concerned Scientists)
- [Mamadou Goïta](#) (Institute for Research and Promotion of Alternatives in Development Afrique)
- They were joined by investigative journalist [Thin Lei Win](#)

The video of the workshop can be found [here](#).

The IPES-Food report “Another Perfect Storm” is available [here](#) [\[EN/FR/ES\]](#)

How is the food crisis being covered?

“This is a food price crisis — not a crisis of production necessarily. We’re at historically high levels of calorie and food production.” — Raj Patel

The facts

- The war on Ukraine has roiled the global market in wheat — alongside vegetable oil, fossil fuels and fertilizer. This has driven up food prices to unprecedented levels and is causing rising hunger and poverty.
- But even before the war food prices saw record increases, exacerbated by the COVID-19 pandemic and high fossil fuel prices.
- Contrary to the headlines, this is not currently a food *production* crisis — the world is producing historically high levels of calories per person.

The story

Even if the conflict in Ukraine ended tomorrow, there would still be a global food crisis — because of *conflicts* (creating widespread food insecurity), dependence on *chemical inputs*, *COVID* (still driving hunger), *climate change*, and *capitalism* (grain traders are making money off rising food prices).

Availability vs. affordability

“When people see news headlines of food shortages, they think that means we don’t have enough food, but that just isn’t true. It’s that people cannot afford the food.”

— Thin Lei Win

The facts

- It’s not true that the world is facing a food shortage currently — crop yields have been increasing since the 1960s.
- Hunger is the result of political decisions and distribution. For example, Myanmar is a food surplus-producing country, yet minority groups are going hungry because of government policies.
- Data is often misleadingly used to show that food supplies are running short because of the war — e.g. “Russia and Ukraine account for a third of world’s wheat exports.” However, only around 25% of global wheat production is for export: the vast majority is produced and consumed locally. Articles stating that “Russia and Ukraine account for a third of wheat” can be alarmist and misleading to readers.

The story

It’s important for journalists to question what is really causing food insecurity. This is a crisis of food *prices*, of affordability, poverty and debt. There may be 20 million tonnes of grain stuck in Ukrainian siloes, but do we know whether hungry, import-dependent countries would even be able to afford to buy that grain if it were released?

How is the crisis unfolding in West Africa?

“Most west African countries are self-sufficient in food production in millet, sorghum and maize. But they are growing dependent on some of the new import products that have been coming into their food system, like wheat.” — Mamadou Goïta

The facts

- International spikes in wheat prices are mainly affecting people in cities in West Africa who have grown reliant on imported foods, like wheat.
- However, most West African countries are self-sufficient in the most important staple foods — millet and sorghum, and local markets and prices are stable.
- There are some food reserves at the regional level and farmers have their own stocks of cereals.
- But there is neither clear data on farmers’ stocks, nor on the stocks of grain trading corporations.

The story

While national statistics can seem alarming, the reality in West Africa is less so, as countries in the region have built up some grain reserves and they are largely self-sufficient in locally-grown grains.

Success stories in anti-hunger programs

“The main feature of effective anti-hunger programs is democracy.” — Sofia Monsalve

The facts

- An example of a successful anti-hunger program is Brazil’s “Fome Zero” (“Zero Hunger”) initiative, which more than halved Brazilian food insecurity levels between 2004-2013.
- Fome Zero recognised food as a right, enhanced access to food, strengthened social security for people at risk of hunger, and set up federal, state and municipal level democratic bodies to shape and implement food policy.
- The program also gave a significant boost to small-scale farmers, creating local links between social institutions and family/agro-ecological farms (e.g. connecting farmer cooperatives with school canteens).
- Unfortunately, the Bolsonaro government has since dismantled this program, returning Brazil to FAO’s hunger map.

The story

There are workable solutions to the hunger crisis that we’re in. Anti-hunger programs are crucial, and they work best when rooted in democratic participation of grassroots organizations and farmers.

How does speculation determine prices?

“The major speculators are the large aggregators and brokers of grain. This is not seen as food — these are seen as raw commodities in the global processed food economy.” — Ricardo Salvador

The facts

- The majority of the raw ingredients in processed food are treated as commodities — undifferentiated, global, fungible products.
- The processed food industry tries to buy massive quantities of cheap agricultural commodities in advance. They plan forward, trying to lock in a low price, and bargaining on the supply, conditions, and price far in advance. This leads to speculation.
- The major speculators are the large financial aggregators and brokers.
- Evidence suggests financial speculators are jumping into commodity investments and gambling on rising food prices. Since the Ukraine invasion began, there have been increased inflows of capital into agricultural commodity futures and investment funds linked to wheat and maize, risking excessive speculation distorting markets and prices.

The story

Speculation on food commodities is likely exacerbating food price spikes and volatility, pushing the world's most hungry and impoverished people deeper into hunger. Through commodification, food becomes a vehicle for making money, rather than feeding people.

How can journalists cover commodity speculation?

- While reporting on speculation is complex, it *is* possible. For their “Hunger Profiteers” investigation, Thin Lei Win and team spoke to various sources (regulators, observers, experts, and industry insiders), gathered data, did FOI requests, and went back to experts to verify it.
- The best place for public data is the two regulators: the CFTC in the USA, and ESMA in Europe.
- The trickiest issue is the threshold of evidence. There is no consensus on the role of excessive speculation, and the financial industry relies on this lack of consensus to resist regulation. But this is not just any commodity, this is food, a basic human necessity, and the effects of excessive speculation have profound implications for people's survival. The burden should be on the industry to prove that excessive speculation is *not* taking place.

Food security and debt

“We are facing a crisis of countries defaulting on their debts — forcing governments to implement austerity policies and undermining social security systems. Debt cancellation is a must.” — Sofia Monsalve

The facts

- In addition to record high food prices, we also face a crisis of countries defaulting on their debts (54 countries at risk).
- The burden of debt payments is forcing countries to implement austerity measures, like cutting social security funding, which further threatens their ability to reduce hunger or build more resilient food systems.
- Debt encourages countries to produce cash crops for export to generate foreign exchange, not food for domestic consumption.
- G7 countries are offering to extend credit or aid, but not restructure or cancel existing debt.

The story

Simply extending credit lines to countries facing massive debt, on top of food price inflation and climate change shocks, is not anywhere near enough to escape the vicious cycle. If indebted countries are going to be able to feed themselves by rebuilding food production, social security systems, and food stocks, they need radically different terms of debt, or debt cancellation.

How farmers are responding

“Farmers don’t have a whole lot of say or power. Where the power resides is with agribusiness.” — Ricardo Salvador

The facts

- As prices continue to increase, an ideal situation would be that it would incentivize farmers to reduce their dependency on expensive fossil fuel-based inputs (e.g. fuel and synthetic fertilizers). But this kind of agroecological transition requires big investments in skills, training, and infrastructure.
- But history shows that, when agribusiness sectors are under pressure, they tend to shift risk and costs to the public sector: i.e. to increase public subsidies to maintain the system.
- Compared to farmers, agribusiness (those selling inputs to farmers, and those buying from farmers) holds enormous power — the agri-food sector is the sector of the economy with the most corporate concentration.

The story

Even as prices and the costs of inputs rise, farmers are often prevented from diversifying food production and shifting food production practices — ‘locking-in’ the current fragile system.

Solutions to address the food crisis and climate change

“We have to move to agro-ecological perspectives for our food production — there are so many options that are offered to adapt our production system to the reality of climate change.” — Mamadou Goïta

The facts

- Many West African countries have wisely opted to focus on agroecological production, reducing reliance on fertilizer imports.
- This is proven to be more resilient to climate change and fluctuating markets.
- For example, Mali — in which many farmers have maintained/adopted agroecological methods — is self-sufficient in its main cereal production, even though it is exposed to drought.
- West African governments are trying to advise and subsidize farmers on options to boost organic fertilizer production.

The story

We need to re-localize food systems, which means cutting reliance on fossil fuel/chemical inputs, building regional food reserves, and supporting local/regional markets to boost trade in abundant local staple crops. This can also help boost resilience to climate changes.

Take home points for journalists

“There’s a major debate going on, about transformation of our food systems, and it is an extremely exciting and important place to be for journalists.” — Thin Lei Win

- It’s easy to be drawn to numbers, but we need to understand the context of where these numbers are coming from and what’s behind them, and provide a fuller picture in our stories.
- It’s important to understand the difference between **chronic** and **acute** hunger.
- Don’t take arguments about the need to increase production/yield at face value. Food shortage is not yet an issue (but with climate change it could become one).
- We’re seeing a food *price* crisis, and prices are created by people and systems. Speculation might be a reason why prices have gone up, so too might profiteering by grain companies and agri-food companies — this needs investigating.
- Often a lot of discussions around food systems lack nuances (e.g. meat debates). There’s an imbalance in consumption levels between different world regions, we cannot assume that everybody eats the same.
- There’s a plethora of global governmental initiatives being announced on the food crisis. Journalists need to be holding governments accountable and asking difficult questions — is another one needed, what’s it doing that has not been done before, is it addressing the root problems, and what will really be achieved?
- Food systems — including farming, transportation, processing, consumption and waste — account for a third of man-made greenhouse gas emissions. Corporate and government plans to reduce emissions that do not include food systems are bound to fail. There are major debates ongoing about food systems transformation. Journalists need to be covering the conversation and need to keep pushing on how we are going to reduce emissions from food systems and build resilience.

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