

**FOOD SECURITY IN THE AMERICAS –  
SITUATION AND POLICY OPTIONS**

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### **DEFINITION**

Food security originated as a concept in the mid-1970s at a time of global food crisis. The initial focus of attention, reflecting the global concerns of that period was primarily on food supply problems, mainly assuring the availability and, to some degree, the price stability of basic foodstuffs at the international and national levels. The concept gradually evolved to include a new emphasis on consumption, demand and access to food. It is now understood as the nutritional status of an individual and the risk of that adequate status not being achieved or becoming undermined. According to the Food and Agriculture Organization of the United Nations (FAO), food security exists when all people, at all times, have access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life.

There are different stages of food insecurity ranging from food secure situations to full-scale famine. There is a widely accepted distinction between chronic food insecurity, generally associated with problems of continuing or structural poverty and low incomes, and transitory food insecurity, which involve periods of intensified pressure caused by natural disasters, economic collapse or conflict.

By the mid-1990s, food security was recognized as a significant concern and the international community reacted to it in setting a number of goals to increase food security globally. At the 1996 World Food Summit (WFS), governments set the goal of halving the number of undernourished people in the world by 2015. In September 2000, the United Nations Millennium Declaration also set out a series of time-bound targets (Millennium Development Goals or MDG). One of the first MDG targets is to halve, between 1990 and 2015, the proportion of people who suffer from hunger (the MDG 1 hunger indicator).

## FOOD SECURITY SITUATION IN THE AMERICAS

According to various reports published in 2008, Latin America has been rather successful in reducing hunger. Backed by relatively high levels of national income, strong economic growth and strong productivity growth in their respective agriculture sector, five countries in South America (Argentina, Chile, Guyana, Peru and Uruguay) have all reached the WFS and MDG targets. Costa Rica, Jamaica and Mexico have joined Cuba on the list of countries that successfully reached both the WFS and MDG hunger reduction targets in 2003–2005. However, elsewhere in the region, progress has not been as equally successful. On the other hand, El Salvador, Guatemala, Haiti and Panama continue to experience difficulties in reducing the prevalence of hunger.

Despite facing persistent high levels of political and economic instability, poverty and hunger, Haiti has seen a small reduction in undernourishment since 1990–1992. However, with 58 percent of the population suffering from chronic hunger, Haiti faces one of the highest levels of undernourishment in the world. According to the FAO, it is also the only country in the Americas to be in the list of countries most at risk of deteriorating food security due to high food prices.

After many years of low commodity prices, soaring food prices have triggered worldwide concern about threats to global food security. In its 2008 report on the State of Food Insecurity in the World, the FAO reports that after more than a decade of steady progress toward the WFS goal, Latin America also experienced increases in hunger as a result of rising food prices.

**Table 1 – Prevalence of Undernourishment in Total Population (%) in the Americas**

Country Groups	1990–1992	1995–1997	2003–2005
United States and Canada	<5	<5	<5
Central America and Mexico	8	8	6
The Caribbean	26	28	23
South America	12	10	8
<b>Latin America and the Caribbean</b>	<b>12</b>	<b>11</b>	<b>8</b>

Source: Food and Agriculture Organization of the United Nations.

## POLICY OPTIONS

The World Bank identifies three broad classes of policy interventions to improve food security:

- **targeted safety nets** such as cash transfers to vulnerable groups, food for work programs, emergency food aid distribution or school feeding programs;
- **measures to lower domestic food prices** through reduced tariffs and taxes on key staple foods, the use of grain buffer stock, consumer subsidies, or disincentives to export grain (ban or export tax); and
- **measures to stimulate a medium-term food supply response** such as increased investments in the agricultural sector or trade policy reforms in order to open markets to reliable source of food supplies.

In the last two years, governments have introduced various measures, such as price controls and export restrictions to contain the negative effects of high food prices. According to a survey of 77 countries carried out by the FAO, a majority of countries reduced cereal import taxes and applied price controls and consumer subsidies in an attempt to keep domestic food prices below world prices. About 25% of the countries imposed export restrictions and a similar proportion increased domestic supply by drawing on food grain stocks. Policy responses varied around the world and the FAO reports that Latin America and the Caribbean showed the lowest number of policy interventions.

According to the FAO, many of these actions have been ad hoc and are likely to be ineffective and unsustainable. Some have had damaging effects on world price levels and stability. Some short-term policy options may limit the scope for longer-term solutions: policy responses that seek to control markets through mandated grain prices, export restrictions, forcible procurement, or direct government involvement in marketing activities are likely to lower the food supply response over the medium term. For example, the FAO reports that in a number of countries applying export controls, some farmers have reduced plantings of cereals in 2008 because of artificially low domestic prices for their products coupled with high farm input prices, particularly for fuel.

The last two years have shown that government policies to insulate domestic economies from the external price shock had limited impact. In the long run, high food prices may represent an opportunity for agriculture (including for smaller farmers) throughout the developing world, and farmers' gains could fuel broader economic and rural development. Therefore, international bodies suggest strategic approaches to address the impact of high food prices on hunger including measures to enable the agriculture sector to respond to these high prices; targeted safety nets and social protection programs for the most food-insecure and vulnerable population; increased cooperation from developed countries in agricultural investments; and finally, food aid.

On the other hand some groups have supported the concept of "food sovereignty" given the assumption that the current answers to the problem of food insecurity do not appear to work properly. As eluded above, the mainstream policy advice is asking for investments in the agricultural sector and in rural areas at national and international levels as well as greater trade liberalization. Developing countries have been encouraged to open up their markets for agricultural products, but since the majority of poor and hungry people are rural small holder farmers, greater opening of their markets can quickly drive them out of production. Before putting them into a global competition, they first need to get necessary support to be able to compete in open markets. Since it will take many years before they might be able to make use of market opportunities at the international level, those farmers first have to be supported in the marketing of their products both locally and at regional markets. Opening markets may decrease prices and take away any incentive and marketing opportunity of these small farmers. The standard economic answer to the situation is specialization and support for structural changes away from agricultural production that is not competitive. From an overall economic perspective, this might be correct in the long-run, but it may also imply that other job opportunities for hundreds of millions of small holder farmers may not be available in the medium-term. It is the essence of the hunger and poverty problems: other economic options than agriculture are not available in the short-term perspective. To break this cul-de-sac jobs for the increasing rural population have to be created through local and/or regional agricultural processing.

Given these observations, the concept of food sovereignty has gradually emerge to encompass the "right" of countries to protect and regulate domestic agricultural production and trade in order to achieve sustainable development objectives; and to determine the extent to which they want to be self reliant. It is a movement that claims the "right" of peoples to define

their own agriculture systems independently from the international market forces. Nevertheless, there is currently no full-fledged “food sovereignty model” in the sense that there is not a readymade set of government actions available to shape a “food sovereignty” policy. Despite the fact that the concept of food sovereignty is still under development, it has received increased recognition notably in Latin America.

At the World Food Summit in 1996 the concept was widely supported among non-governmental organizations (NGOs). Farmer organizations linked to Via Campesina – an international farm organization – have also fully adopted the concept of food sovereignty as the basis for their policy. In Canada, it has also been used by some farm organizations as a justification to maintain policies that isolate certain productions from fluctuating international markets (namely the production under supply management). The concept received some early support in 1988 among governments when a group of developing countries used it in the negotiations on agriculture during the Uruguay Round. The three elements of this concept mentioned by the sponsoring governments were national self-determination of what was produced and how it was produced: a guarantee of sufficient supply at adequate prices and availability; and, incentives to rural and national development on the basis of increasing production, consumption, and the income of producers. Since then, the concept has sometimes been used in the trade negotiations particularly in meetings in which the introduction of a development strategy has been discussed. Nevertheless, with the exception of Ecuador, which enshrined food sovereignty in its constitution in 2008, food sovereignty has not been yet fully endorsed by any country.