

GROW

FOOD. LIFE. PLANET.

GROWING A BETTER FUTURE SUMMARY



Oxfam

www.oxfam.org/grow

Oxfam was created in 1942 in response to a food crisis. Seventy years on, the world faces another – this time one that threatens us all. The emergency of 1942 was caused by the Second World War; today's crisis is the product of a grotesque global injustice. Nearly one billion people face hunger every day, while the unsustainable patterns of consumption and production from which they are excluded have placed us all on a collision course with our planet's ecological limits.

The warning signs are clear. We have entered an age of crisis: of food price spikes and oil price hikes; of scrambles for land and water; of creeping, insidious climate change. The 2008 spike in food prices pushed some 100 million people into poverty. Price rises so far in 2011 have done the same to 44 million more.¹ These statistics mask millions of individual stories of suffering and heartbreak as families struggle to cope with deepening poverty. Households falling into debt. Mothers going without meals and healthcare. Elderly people abandoned.

Hunger is the bellwether of a deeper malaise. Despite huge increases in productivity and incomes over recent decades, global hunger is on the rise. Despite an overwhelming scientific consensus on climate change and a robust economic basis for swift and decisive action, we continue pumping out more and more greenhouse gases. Despite advances in women's rights and widespread acknowledgement of their key role in ensuring that families eat, women are routinely denied resources, their talents and leadership disallowed.

Paralysis is imposed upon us by a powerful minority of vested interests that profit from the status quo. Self-serving elites who amass wealth at the expense of impoverished rural populations. Bloated biofuel lobbies, hooked on subsidies that divert food from mouths to cars. Dirty industries that block action on emissions. Shipping companies that overcharge for freighting emergency food aid, robbing both taxpayers and the very people for whom the aid is intended. Enormous agribusiness companies hidden from public view that function as global oligopolies, governing value chains, ruling markets, accountable to no one.

1 <http://www.bloomberg.com/news/2011-04-16/zoellick-says-world-economy-one-shock-away-from-food-crisis-1-.html>

This is a summary of the Oxfam report 'Growing a Better Future: Food justice in a resource-constrained world', which outlines the basis for Oxfam's Grow campaign. The report and supporting research, case studies, and information about the Grow campaign are available at www.oxfam.org/grow

Worldwide subsidies for renewable energy are \$57bn compared with \$312bn for fossil fuels.

Governments have largely failed to resist these interests – to prevent the capture of policy making, to stop the plunder of public resources, or to regulate powerful companies. And governments have neglected the needs of poor and vulnerable populations, especially those of women, demonstrating an alarming lack of will to address the drivers of hunger, inequality and ecological collapse.

We now risk a wholesale reversal in human development. New research commissioned by Oxfam for the report 'Growing a Better Future: Food justice in a resource-constrained world' forecasts real price rises for staple grains in the range of 120 to 180 per cent within the next two decades, as resource pressures mount and climate change takes hold.

The CGIAR – world-leading group of agricultural research centres for developing countries – has an annual budget of \$500m, less than half the \$1.2bn spent on R&D by the multinational company Monsanto.

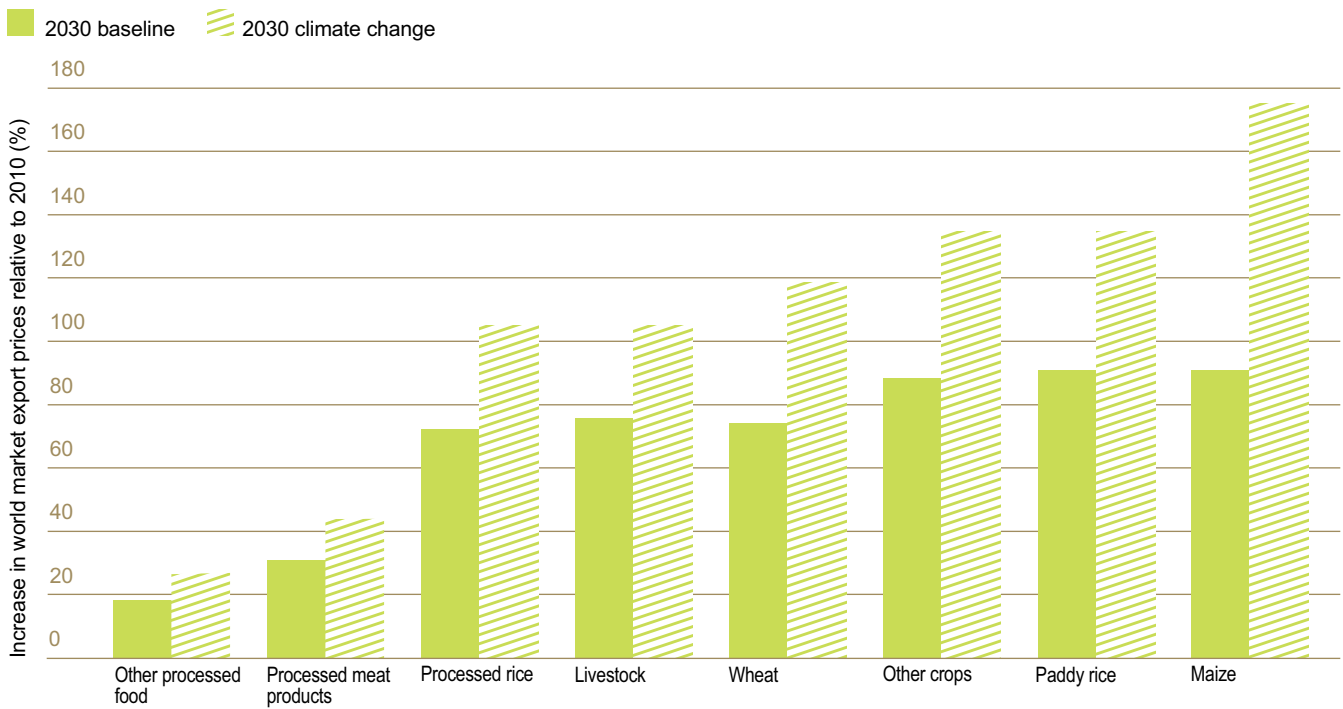
Worldwide support for biofuels costs \$20bn a year.

It is estimated that three agribusiness firms – Cargill, Bunge and ADM – control nearly 90% of grain trading between them.

Only 40 cents of every US taxpayer dollar spent on food aid actually goes to buying food. Procuring freighting of US food aid on the open market could help feed an additional 3.2 million people in emergencies.

Between 1983 and 2006, the share of agriculture in aid fell from 20.4% to 3.7%. During this time rich country governments' support to their own agricultural sectors spiraled to over \$250bn a year – 79 times their agricultural aid.

Figure 1: Real food price changes predicted over the next 20 years



Source: D. Willenbockel (2011) 'Exploring Food Price Scenarios Towards 2030', Oxfam and IDS

Oxfam's Grow Campaign has a simple message: another future is possible, and we can build it together. Over the coming years, decisive action across the globe could enable hundreds of millions more people to feed their families and prevent catastrophic climate change from destroying their (and our) futures. But only if we collectively stop our sleepwalk towards ecological disaster. This campaign is Oxfam's wakeup call.

We must bring hope and opportunity to the nearly one billion people living in hunger today. Simultaneously, we must confront the looming disaster threatened by spiraling demand for food and an impending collision between the ecological systems that sustain life and the economic systems that sustain wealth. And we must remake an international regime that is unable to protect the most vulnerable. There are three challenges we must meet.

Demand for water will increase by 30% by 2030.

The sustainable production challenge

The food system must be transformed. By 2050, there will be 9 billion people on the planet and demand for food will have increased by 70 per cent. This demand must be met despite flatlining yields, increasing water scarcity, and growing competition over land. And agriculture must rapidly adapt to a changing climate and slash its carbon footprint.

The amount of arable land per head has almost halved since 1960.

Agriculture accounts for up to 30% of worldwide greenhouse gas emissions.

The equity challenge

We must also address the appalling inequities which plague the food system from farm to fork. We produce more food than we need. In the rich world, we throw much of it away. In the developing world, nearly one billion of us go without.

Hunger and poverty are concentrated in rural areas. Unlocking the potential of smallholder agriculture – the backbone of the food system – represents our single biggest opportunity to increase food production, boost food security, and reduce vulnerability. Yet women and men food producers are routinely deprived of the resources they need to thrive: of water, technology, investment and credit, among others. Huge swathes of land in Africa and elsewhere are being handed over to investors at rock bottom prices, in deals that offer little to local communities.

Consumers in rich countries may waste as much as a quarter of the food they buy.

In more than half of industrialized countries, 50% or more of the population is overweight.

80% of recent land investments remain undeveloped.

Providing women farmers with the same access to resources as men could increase their yields by 20–30%.

The resilience challenge

The food system is increasingly fragile. Oil price shocks are transmitted to food prices through fertilizer and transport costs. Weather events are disrupting supply. Speculative capital is blowing bubbles in commodity markets. Perhaps most shocking is the role of governments in triggering, rather than averting, food price crises. Policies of narrow self-interest and zero-sum competition such as grain-based biofuel programmes and export bans make a bad situation much, much worse.

We must dramatically scale up our ability to collectively manage risks and build resilience to shocks and volatility. But the institutions needed to protect the most vulnerable are often inadequate or missing.

40% of the US corn crop ends up in gas tanks instead of stomachs.

4 people in every 5 lack access to social protection of any kind.

**In 2010, only 63%
of UN emergency
appeals were funded.**



A new prosperity

Thankfully, the vast transformation needed is already underway – led by individuals, organizations and movements who have taken the future into their own hands. In Brazil, 20 years of activism from civil society and social movements challenged elites, expanded political horizons, and helped to elect politicians with vision and moral purpose. The result was a raft of policies to tackle hunger that delivered remarkable results. Viet Nam has achieved comparable results through land reform and an ambitious programme of investment in smallholder agriculture. In Canada, a concerted public campaign including Oxfam succeeded in untying food aid. Consumers increasingly demand products that are sourced ethically and sustainably. Campaigns on climate change in developed and developing countries have helped galvanize politicians and responsible businesses, upping the pressure on companies that would block ambitious action.

These victories, and others like them, point the way to a **new prosperity** beyond the age of crisis. An era in which we properly value the environment and share the world's resources fairly. Where governments resist vested interests and instead direct public resources toward public goods, regulating markets in the interests of the many. Where businesses cannot profit from plundering our resource base, but instead find healthy returns from developing solutions to the challenges we face. Where everyone has access to the resources they need to feed themselves and their families.

The scale of the challenge is great. A step change is needed if we are to build the new prosperity before the planet is wrecked beyond repair. We need three big shifts: in dealing with crises, in remaking agriculture, and in coming to terms with our environment.

Viet Nam achieved the first Millennium Goal – to halve hunger – five years ahead of schedule.

In 2009 the USA and Europe added more power capacity from renewables like wind and solar than from conventional sources like coal, gas and nuclear.

In 2009 Apple and Nike publicly left the US Chamber of Commerce in protest against its refusal to back US climate legislation.

Build a new global governance to avert food crises

Governments' top priority must be to tackle hunger and reduce vulnerability. They must build resilience by creating jobs, adapting to climate change, investing in disaster risk reduction, and extending social protection. We must manage trade to manage risk by building a system of food reserves; increasing transparency in commodities markets; setting rules on export restrictions; and finally putting an end to trade-distorting agricultural subsidies. Financial speculation must be regulated, and support dismantled for biofuels that displace food.

And we must reform the international institutions we need to respond to shocks. Food aid must be untied, and the international community must move to a system of 100 per cent funding for emergencies via upfront 'assessed contributions'. A new global climate fund to finance adaptation in developing countries must be established and funded.

Build a new agricultural future

The vast imbalance in public investment in agriculture must be righted, redirecting the billions now being ploughed into unsustainable industrial farming in rich countries towards meeting the needs of small-scale food producers in developing countries. For that is where the major gains in productivity, sustainable intensification, poverty reduction, and resilience can be achieved. Donors and international organizations must continue to raise spending on agriculture within overall development assistance and invest in agricultural adaptation. New global regulations are needed to govern investment in land to ensure it delivers social and environmental returns. And national governments must provide public support for small-scale sustainable agriculture, while carefully regulating private investment in land and water to ensure secure access for women and men living in poverty.

Companies too must embrace the opportunities offered by smallholder agriculture: to diversify and secure supply; to meet growing demand from consumers concerned with sustainable development; to develop new technologies. And active states must intervene where companies fear to tread: to direct R&D towards the right technologies for poor women and men producers; to help them sell their produce on decent terms; to support them with training; and to provide access to finance.

Hunger fell by one-third in Brazil between 2000 and 2007.

Build a new ecological future

The race to a sustainable future is on, and there will be huge opportunities for those who get there first. National governments must intervene to speed up and direct the transition. They must invest in public goods such as R&D in clean energy. They must create incentives through subsidies and tax breaks to guide private capital to where it is needed. They must tax undesirables – such as greenhouse gas emissions – to direct economic activity towards desirable alternatives. And they must regulate to stop companies polluting and to encourage them to provide goods and services they otherwise would not.

Ultimately our success or failure in building a new ecological future will depend on political leaders agreeing a fair and ambitious global deal on climate change.

Action for 2011

There is no time to waste, and 2011 provides crucial opportunities.

When the G20 leaders meet in November, they will decide whether and how to manage food prices and govern markets in order to protect against future food crises. They must increase transparency in commodities and futures markets, scale up food reserves, regulate financial speculators, and agree innovative market-based mechanisms to raise climate finance, such as a financial transactions tax or levies on international aviation and shipping fuels.

When the world's climate negotiators reconvene in Durban at the end of 2011, they must get the global climate fund that was agreed in 2010 up and running, put women on its board, and ensure it has enough cash to spend, either from new forms of finance or as direct contributions from governments.

When the Committee on World Food Security meets in October, it must agree to regulate large-scale land acquisitions to ensure that people living in poverty have secure access to natural resources.

As donor governments renegotiate the Food Aid Convention, they must agree to untie food aid, prising it from the clutches of vested interests and at a stroke increasing its efficiency, timeliness, effectiveness and reach.

And there are actions that all governments must take today to build resilience at home and begin the transition towards a new agricultural future. In particular, governments should reduce hunger by providing women with equal access to resources, by promoting sustainable agricultural development, job creation and inclusive growth, and by tackling vulnerability via climate adaptation, social protection and disaster risk reduction.

How we get there

The scale of the challenge is unprecedented, but so is the prize: a sustainable future in which everyone has enough to eat. Reaching the **new prosperity** in time will take all the energy, ingenuity and political will that humankind can muster. To build new governance institutions, invest in smallholder agriculture and reduce global greenhouse gas emissions, we must first overcome the vested interests that have paralysed the political process until now.

The **new prosperity** will have to be built simultaneously from the top down and from the bottom up. From the top, ambitious leaders will drive success. Political leaders will resist special interests, inspire their citizens and mobilise support across government to regulate, correct, protect and invest in the interests of the many. Corporate leaders will break ranks with damaging industry lobbies, strengthening the will of politicians and governments genuinely committed to change. They will embrace progressive regulation rather than seek to undermine it or water it down. They will cease to impose their social and environmental costs on others and will flourish by finding ways to make the most of scarce resources, responding to consumer demands and public pressure.

From the bottom, networks of citizens, consumers, producers, communities, social movements and civil society organizations will demand change from governments and companies – shifting political and business incentives through the decisions they take and the choices they make. Whether through leading low-carbon lifestyles, buying Fair Trade goods, or demanding change in the streets or through the ballot box. Oxfam's campaign will work with these groups, and many others like them, to amass irresistible momentum for change. Together we will challenge the current order and set a path towards a new prosperity.

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