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The State of Food Insecurity in the World 2009

Economic crises – impacts and lessons learned

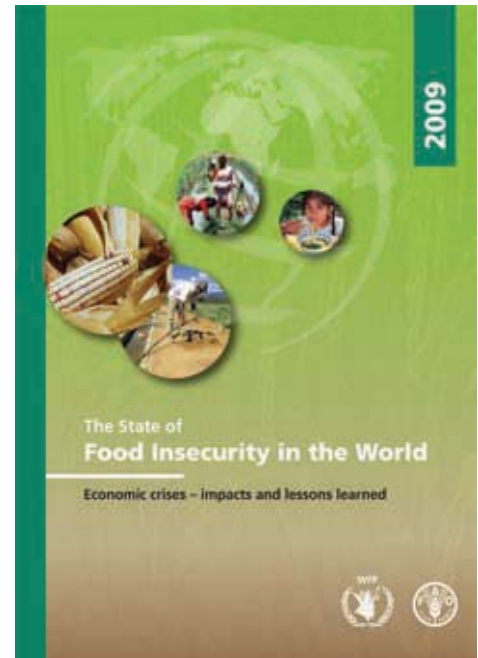
2009 has been a devastating year for the world's hungry, marking a significant worsening of an already disappointing trend in global food security since 1996. The global economic slowdown, following on the heels of the food crisis in 2006–08, has deprived an additional 100 million people of access to adequate food. There have been marked increases in hunger in all of the world's major regions, and more than one billion people are now estimated to be undernourished.

Falling international food prices in 2009 have proved to be a false hope.

Any benefits of the decline have been more than cancelled out by the global economic crisis, which has reduced employment opportunities and income. What is more, while international prices were almost back to their pre-crisis levels in mid-2009, domestic staple foods still typically cost 19 percent more in real terms than two years earlier. Thus, the increase in food insecurity is not a result of poor crop harvests but because high domestic food prices, lower incomes and increased unemployment have reduced access to food by the poor.

KEY MESSAGES

- **Even before the food and economic crises, hunger was on the rise.** The World Food Summit target of halving the number of undernourished by 2015 will not be reached if the trends that prevailed before the crises continue.
- **As of 2009, FAO estimates that 1.02 billion people are undernourished worldwide.** This is the highest number since 1970, the earliest year for which comparable statistics are available.
- **To cope with crises, poor people reduce dietary diversity and spending on education and health care.** These coping mechanisms were strained during the food crisis, and the poor will now be forced to draw on their meagre assets even more deeply.
- **A healthy agriculture sector can provide an economic and employment buffer in times of crisis.** Experience suggests that the economic crisis may cause investment in agriculture to decline in the short-to-medium term. This outcome must be avoided so that agriculture, especially in the poorest countries, can serve as an engine of growth and poverty reduction.
- **Safety nets must address the short-term impacts while providing long-term solutions.** Recipients should ultimately graduate from the programmes by gaining access to modern inputs and adopting new technologies.
- **A right-to-food approach has an important role to play in eradicating food insecurity.** To lift themselves out of hunger, the food-insecure need better control over resources, access to opportunities, and improved governance.



October 2009

ISBN: 978-92-5-106288-3

56 pp.

210 × 297 mm, paperback

Also available in:

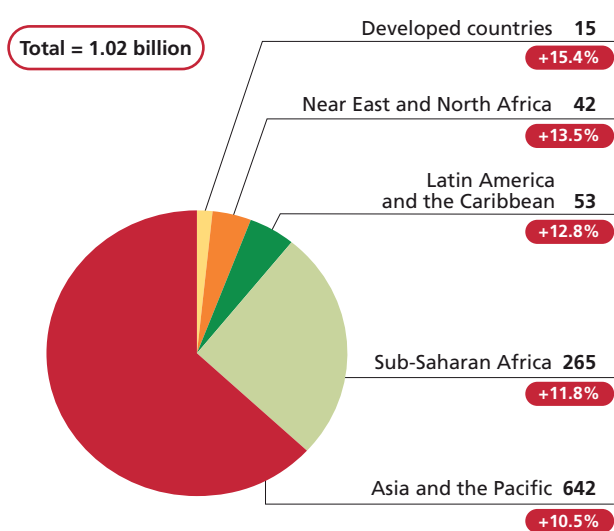
Arabic, Chinese, French, Russian, Spanish

Subject categories:

Food security, Agriculture, Development economics

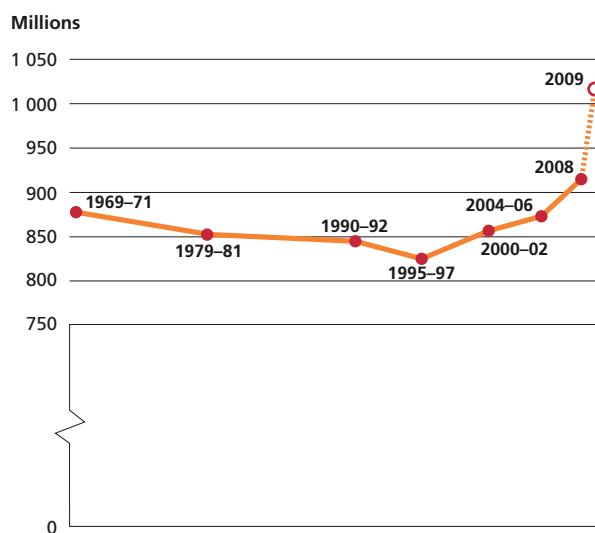
The State of Food Insecurity in the World raises awareness about global hunger issues, discusses underlying causes of hunger and malnutrition and monitors progress towards hunger reduction targets established at the 1996 World Food Summit and the Millennium Summit. The publication is targeted at a wide audience, including policy-makers, international organizations, academic institutions and the general public with a general interest in linkages between food security, human and economic development.

Undernourishment in 2009, by region (millions) and increase on 2008



Source: FAO.

Number of undernourished in the world, 1969–71 to 2009



Source: FAO.

The primary victims of the sharp increase in food insecurity are the urban poor. They produce little or no food and are thus particularly hurt by food price increases. In addition, they will be more affected by the economic crisis (e.g. through loss of employment) because urban areas are more integrated with the world economy. Rural dwellers will also be affected, however, because they often support urban residents who migrate back to agriculture in the face of unemployment. The rural landless are also victims of increased food insecurity.

Coping mechanisms are under very great strain. Months of unusually high food and fuel prices have stretched the coping capacities of many poor families to the limit. Many have been forced to borrow money or sell productive assets such as livestock to avoid declines in consumption. Coping mechanisms also include shifts in food expenditure from nutrient-rich foods such as meat to cheaper energy-dense foods such as grains, negatively affecting health and productivity.

What policy responses are available? People suffering from food insecurity need immediate assistance through safety nets and social protection programmes. However, the number of undernourished had been increasing even before the crises, revealing the fragility of the present food system. The only sustainable solution to the

problem of hunger lies in increasing the productivity of the poor and food-insecure, especially in food-deficit countries. Stable and effective policies, regulatory and institutional mechanisms, and functional market infrastructures that promote investment in the agriculture sector are paramount.

A “business-as-usual” approach is not enough. To lift themselves out of hunger, people will need secure access to modern inputs and other resources, good rural infrastructure, and improved governance at the international, national and local levels. Effective institutions are needed, based on the principles of the right to adequate food that call for transparency and accountability, the empowerment of the poor and their participation in the decisions that affect them.

Keeping agriculture on the policy agenda. The global food crisis propelled food security and agriculture back to the top of the policy agenda. In the face of the global economic downturn, there is a risk that the focus will shift away from the plight of poorer countries struggling to feed their populations. The international community must not forget its commitments to the one billion people suffering from hunger. *The State of Food Insecurity in the World 2009* therefore calls for increased investment in agriculture to eradicate food insecurity and poverty in a sustainable manner.