

GLOBAL AGRICULTURAL DEVELOPMENT – WEEKLY NEWS BRIEF

July 31 – August 7, 2008

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- Agriculture Development practices (corporate, IGO, NGO, gov't) with focus on South Asia/Sub-Saharan Africa
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Key Articles

- **Testimony of the Honorable Eva M. Clayton, Alliance to End Hunger**, May 14, 2008
Contributing factors and International responses to the global food crisis; testimony to the House Committee on Financial Services.
<http://www.alliancetoendhunger.org/resources/hunger-crisis/documents/EvaClaytonTestimonyonfoodcrisis5.14.08.pdf>
- **U.S. Foreign Assistance: Reform to Lead in the 21st Century**, by Lael Brainard and Noam Unger, *Brookings Institution*, June 16, 2008
In a recent op-ed, [Lael Brainard](#) and [Noam Unger](#) explore how the current global food crisis showcases America's weakened foreign aid capacity and argue that the U.S. must modernize and reform its foreign aid system in order to lead effectively and offer real solutions to global poverty. The article was published in a recent Los Angeles Times online forum on food diplomacy.
http://www.brookings.edu/opinions/2008/0616_foreign_assistance_reform_brainard.aspx
See also: *Transforming Foreign Assistance for the 21st Century*, Executive Recommendations, Brookings-CSIS Task Force, by Lael Brainard and Patrick Cronin
http://www.brookings.edu/~media/Files/rc/articles/2006/fall_foreign_assistance_reform_brainard/fall_foreign_assistance_reform_brainard.pdf
- **Africans frustrated at trade talks collapse**, by Loucoumane Coulibaly, *Reuters UK*, July 30, 2008
African farmers greeted the collapse of world trade talks with frustration on Wednesday and their countries said it would make it even harder to fight poverty. Africa critically needs to realise development and get itself out of poverty through the establishment of fair trade rather than aid. Africa's opportunity to achieve fair trade has therefore been gravely undermined by the lack of progress in these negotiations,"
<http://uk.reuters.com/article/gc08/idUKL067645820080730>
Contact Reuters: +44 20 7542 9484
- **Soaring prices linked to high AIDS risk**, *Times of India/Reuters*, August 6, 2008

Rising food prices around the world are likely to drive poor women to trade sex for basic goods like fish and cooking oil, raising the risk of new AIDS infections, UN officials said on Monday. Climbing food prices — due to increased use of biofuels, the growing demand for grains to feed a booming Asia, droughts and market speculation — caused 50 million more people to go hungry last year compared to the year before, the United Nations said.

http://timesofindia.indiatimes.com/World/Inflation_may_increase_AIDS_risk_UN/articleshow/3330644.cms

Contact the Times of India: 91- 124 - 418 7000

- ***Africa struggles with soaring food prices***, by Michael Fleshman, *WorldPress*, August 5, 2008
The protests against soaring food prices that swept dozens of countries around the world earlier this year have shaken governments and international aid agencies. They have also prompted a flurry of activity to lower the cost of basic staples and expand farm production.
<http://www.worldpress.org/Africa/3217.cfm>
- ***Economist Realtime Debate: "There is an upside for humanity in the rise of food prices,"*** the *Economist*, August 5, 2008
Pro position by Homi Kharas, Senior Fellow at the Brookings Institute; Moderated by John Parker, Globalization Editor at *The Economist*; Con position by Joachim von Braun, Director General of IFPRI
http://www.economist.com/debate/index.cfm?source=most_commented&action=hall&debate_id=10
- ***Playing to the Gallery***, by Narendar Pani, *Times of India*, August 4, 2008
By all accounts India let the talks collapse on the issue of the Special Safeguard Mechanism for agriculture. Even if this mechanism were in place there is no guarantee that India would rush to use it. Indeed, given the current inflationary pressures on food products, and the political impact they have already had, New Delhi may well want a surge in imports rather than try to stop them. The high premium placed on symbols of political sovereignty is not a peculiarity of Nath's strategy. Nath may not have the sense of drama that Tamil politicians enjoy, but he too has framed his opposition to the Special Safeguard Mechanism in terms of protecting the poor of the world.
http://timesofindia.indiatimes.com/Editorial/Playing_To_The_Gallery/articleshow/3322015.cms
Contact the Times of India: 91- 124 - 418 7000
- ***South Asian summit set to push terror fight, food security***, *Sydney Morning Herald*, August 3, 2008
Officials said SAARC leaders were expected to set up a 370-million-dollar fund for infrastructure development in the region while they will also set up a food bank to ensure food security in the region.
<http://news.smh.com.au/world/south-asian-summit-set-to-push-terror-fight-food-security-20080803-3p2b.html>
Contact the Sydney Morning Herald: (02) 9282 2833
- ***Conservation no longer a farming priority***, *BBC News*, August 2, 2008
The EU's response to the food crisis is to encourage greater production - meaning conservation is much less of a priority, finds the BBC's Paul Henley.
<http://news.bbc.co.uk/2/hi/europe/7538102.stm>

- ***Harvesting Money in a Hungry World***, by Victor Davis Hanson, *New York Times*, August 1, 2008
THE latest round of global agricultural trade negotiations that began seven years ago in Doha, Qatar, collapsed in acrimony this week in Geneva... The result is a growing revolution in the way we envision the economics of agriculture, and it should be reflected in the efforts of all nations to ensure much freer trade in food.
<http://www.nytimes.com/2008/08/01/opinion/01hanson.html?ex=1218254400&en=c07df26da03c37c1&ei=5070&emc=eta-1>
Contact the New York Times: 212-556-1234
- ***The Doha round...and round...and round***, *The Economist*, July 31, 2008
From the start, the round's chief ambition was to straighten out some of the kinks in agricultural trade. This ancient activity, which accounts for only 8% of world merchandise trade, is the most heavily distorted by misbegotten policies. It is, therefore, in agriculture that an agreement could do the most good. But it was also in agriculture that the agreement came unstuck.
http://www.economist.com/finance/displaystory.cfm?story_id=11848592
See also: http://www.economist.com/opinion/displaystory.cfm?story_id=11848231
- ***New E Africa food crisis warning***, *BBC News*, July 23, 2008
Rising food prices are putting millions of people in East Africa at risk of severe hunger and destitution, the UK-based charity Oxfam has warned. Droughts, war and poverty have put an estimated nine to 13 million people in the region in urgent need of humanitarian assistance, it says.
<http://news.bbc.co.uk/2/hi/africa/7522060.stm>

New Reports

- ***The Data Report 2008***, by DATA (Debt AIDS Trade Africa), ONE Foundation
The 2005 Gleneagles Summit marked a turning point for those concerned with Africa's future. It marked a moment in time when G8 leaders stopped to acknowledge that Africa's problems are a concern to us all; that Africa's future is of interest to us all; and that ensuring we do all we can to shape that future will require true partnership.
<http://www.one.org/report/en/index.html>
- ***USDA Agriculture and Trade Reports: Food Security Assessment, 2007***, July 2008
According to USDA's Economic Research Service, the food security situation in 70 developing countries is projected to deteriorate over the next decade. The estimates also indicate that the number of food-insecure people for these countries rose from 2006-07, from 849 million people to 982 million. Food and fuel price hikes, coupled with a slowdown in global economic growth, hinder long-term food security progress. In *Food Security Assessment, 2007*, the Economic Research Service estimates and projects the number of food-insecure people globally, regionally, and in each of the 70 developing countries studied. Food-insecure people are those consuming less than the nutritional target of 2,100 calories a day. The report also measures the food distribution gap (the amount of food needed to raise consumption of each income group to the nutritional requirement) and examines the factors that shape food security.
<http://www.ers.usda.gov/Publications/GFA19/GFA19.pdf>

- ***The Time is Now: how world leaders should respond to the food price crisis***, OXFAM America, June 2008
Global food prices are up 83 per cent compared with three years ago. The resulting food price crisis constitutes an unprecedented threat to the livelihoods and well-being of millions of rural and urban households who are net food buyers. Around the world, Oxfam International and many of its partners have seen soaring prices force people to eat less food or less nutritious food and drive poor households to cut back on health care, education, and other necessities.
http://www.oxfamamerica.org/newsandpublications/publications/briefing_papers/the-time-is-now

Food Crisis Developments

- ***Hunger in South Sudan kills 12 people in past week***, by Mayen Benson, *Reuters Africa*, August 6, 2008
A global food crisis has taken its toll in Sudan's semi-autonomous south with 12 people dying from hunger in the past week as prices soar and deliveries are hampered by heavy rains, a local official said on Wednesday.
<http://africa.reuters.com/wire/news/usnMCD634511.html>
Contact Reuters: +44 20 7542 9484
- ***Zimbabwe food crisis appeal launched***, *Reuters/British Red Cross Society*, August 6, 2008
The International Federation of Red Cross and Red Crescent Societies has launched an appeal to help more than 260,000 people in Zimbabwe who are facing chronic food shortages.
<http://www.alertnet.org/thenews/fromthefield/216872/64bdbeb7e31911d64a059a1a5f0e5566.htm>
Contact Reuters: +44 20 7542 9484
- ***Food shortages warning for Nepal***, *BBC News*, August 5, 2008
The government of Nepal and the UN have warned that hundreds of thousands of people in the country are facing severe food shortages.
http://news.bbc.co.uk/2/hi/south_asia/7542212.stm
- ***New Zealand says world dairy prices set to fall***, *International Herald Tribune/AP*, August 5, 2008
International dairy prices are likely to decline next year from record peaks as demand falls and production increases, New Zealand's Ministry of Agriculture said Tuesday.
<http://www.iht.com/articles/ap/2008/08/05/business/AS-New-Zealand-Dairy-Prices.php>
Contact International Herald Tribune: (33 1) 41 43 93 22
- ***Heavy rains pound North Korea, damage farmland-media***, *Reuters*, August 4, 2008
North Korea can barely feed its 23 million people even with a good harvest, and a U.N. agency said last week parts of the country were experiencing their worst levels of hunger in nearly a decade, bringing it to the brink of a humanitarian crisis.
<http://www.reuters.com/article/latestCrisis/idUSSEO279924>
Contact Reuters: +44 20 7542 9484
- ***Food Security in China, Successes and Challenges***, by Ajmal Qureshi, *Harvard International Review*, August 3, 2008

At times, one is astonished by how little appreciation there is for the concept of food security in the affluent world. In the midst of plenty, there is a tendency to forget what hunger means and how it afflicts millions of impoverished people in many parts of the world. In the historical famine of 1984-1885 in Ethiopia, also called the Great Famine, about one million people died of starvation and many of those deaths could have been prevented. The Great Famine was the worst of its kind in Ethiopian history. It also left a scar on world history. The rest of the world was criticized for its apathy in not providing sufficient aid in time. Ever since, the issues of hunger, poverty, and malnutrition have stayed on top of the global agenda.

<http://www.harvardir.org/articles/1750/>

Contact the Harvard International Review: Tel: (717) 632-3535

- ***Appetising openings beyond commodities***, by Ruth Sullivan, *Financial Times*, August 3, 2008
As the prices of commodities such as wheat, corn, and soybeans slip from record highs investors are beginning to look for other opportunities in the sector, and the focus is moving to companies involved in food and agriculture.
<http://www.ft.com/cms/s/0/8065817c-601e-11dd-805e-000077b07658.html>
Contact the Financial Times: +44 (0) 20 7873 3000
- ***Farmland demand eases out lifestyle farmers***, by Elaine Moore, *Financial Times*, August 2, 2008
High demand for farmland has pushed lifestyle farmers out of the market, but agents said on Friday that demand from prospective investors looking for a tax-efficient slice of the good life was as strong as ever.
<http://www.ft.com/cms/s/0/38828066-6024-11dd-805e-000077b07658.html>
Contact the Financial Times: +44 (0) 20 7873 3000
- ***Brazilian Beef Clan Goes Global as Troubles Hit Market***, by Lauren Etter and John Lyons, *Wall Street Journal*, August 1, 2008
With grain prices high, the meat business in much of the world is reeling. Cattlemen are losing money fattening their herds on pricey feed. Meatpackers are struggling to turn a profit.
http://online.wsj.com/article/SB121755487242603243.html?mod=googlenews_wsj
Contact the Wall Street Journal: (212) 416-2000
- ***Our Food, Our Future***, *BBC Radio 4 Program*, from July 28, 2008
From the butter mountains of a decade ago, millions are now facing starvation around the world as food prices rocket. The series will explore the facts and the myths surrounding the debate and the implications for food production in the future.
<http://www.bbc.co.uk/radio4/ourfoodourfuture/>
- ***Pridiyathorn: Agricultural sector set to drive growth***, by Vichaya Pitsuwan, *Bangkok Post*, July 26, 2008
Thailand's economy is in a transition stage where the agricultural sector will eventually replace the industrial sector as its main driver, according to M.R. Pridiyathorn Devakula.
http://www.bangkokpost.com/260708_News/26Jul2008_news01.php
- ***Struggling economies***, *Bangkok Post*, July 22, 2008
They also planned to pursue "concrete cooperation" in the areas of production, transportation and preservation of food, with the participation of the private sector.

<http://www.bangkokpost.com/topstories/topstories.php?id=129017>

Agriculture Development practices (corporate, IGO, NGO, gov't) with focus on South East Asia/Sub-Saharan Africa

- ***Incentive for Farmers to be announced soon: Farzana***, *Associated Press of Pakistan*
Farmers would be provided more incentives soon aiming at enhancing agri-production and make the country self-sufficient in food, PPP MNA Farzana Raja said Wednesday.
http://www.app.com.pk/en/_index.php?option=com_content&task=view&id=47661&Itemid=2
- ***Africa finance chiefs vow transparency on investment***, by Daniel Magnowski and Vincent Fertey, *Reuters*, August 2, 2008
The China Development Bank said it was "anxious" to work in agriculture and plans further farming investments on the continent, where it has granted loans worth several hundred million dollars, mostly to processing companies in East Africa.
<http://africa.reuters.com/business/news/usnBAN230526.html>
Contact Reuters: +44 20 7542 9484
- ***Turning Russia's rich soil into riches***, by Daniel Fisher, *BBC News*, August 1, 2008
There are almost 100 million acres of farm land lying deserted and unfarmed in one of the world's most fertile areas - land that could feed millions of people.
<http://news.bbc.co.uk/2/hi/europe/7528850.stm>
- ***Moscow to seize grain export controls***, by Javier Bias, *Financial Times*, July 31, 2008
Russia plans to form a state grain trading company to control up to half of the country's cereal exports, intensifying fears that Moscow wants to use food exports as a diplomatic weapon in the same way as Gazprom has manipulated natural gas sales.
<http://www.ft.com/cms/s/0/debdb184-5f3f-11dd-91c0-000077b07658.html>
Contact the Financial Times: +44 (0) 20 7873 3000

Small scale farms and agriculture productivity

- ***New Paraguay leader's first challenge: land reform***, by Peter Orsi, *Washington Post/AP*, August 3, 2008
Land reform is the single biggest issue in this tiny nation of just under 7 million people, where 1 percent of the population controls 77 percent of the arable fields.
<http://www.washingtonpost.com/wp-dyn/content/article/2008/08/03/AR2008080300606.html>
Contact the Washington Post: 703.469.2500
- ***Rash of Farmer Suicides in India***, *NewsHour with Jim Lehrer*, June 26, 2007
Farming has become so difficult in India, thousands of farmers have taken their own lives. The NewsHour reports on the challenges facing Indian farmers.
<http://vvi.onstreammedia.com/cgi-bin/visearch?user=pbs-newshour&template=template.html&query=India+farmer&keywords=India+farmer&category=blank>

See also: ***On India's Farms, a Plague of Suicide***, by Somini Sengupta, *New York Times*, Sept 19, 2006

Across the country in desperate pockets like this one, 17,107 farmers committed suicide in 2003, the most recent year for which government figures are available. Anecdotal reports suggest that the high rates are continuing.

<http://www.nytimes.com/2006/09/19/world/asia/19india.html>

Biofuels

- ***EPA to announce ethanol mandate decision***, *Reuters*, August 6, 2008
The U.S. Environmental Protection Agency said Wednesday it will announce a ruling on Thursday on Texas' request to cut the federal mandate requiring 9 billion gallons of ethanol and other renewable fuels to be blended into gasoline this year.
<http://www.reuters.com/article/environmentNews/idUSWBT00951820080806>
Contact Reuters: +44 20 7542 9484
- ***Gov't proposes bio-diesel in petrol***, *Times of India*, August 4, 2008
In a bid to cut the nation's spiralling oil import bill, government is likely to make it mandatory to dope petrol and diesel with 20% bio-diesel by 2017. India in 2007-08 paid \$69 billion for importing crude oil. With prices firming up, this is likely to jump to \$120 billion in current year. The GoM suggested that bio-diesel and bio-ethanol be given declared good status by attracting a uniform 4% CST.
http://timesofindia.indiatimes.com/Business/Govt_proposes_bio-diesel_in_petrol/articleshow/3322205.cms
Contact the Times of India: 91- 124 - 418 7000

Food Aid

- ***Canadian frigate to escort food aid to Somalia***, by Daniel Wells, *Reuters Africa*, August 7, 2008
Canada is deploying a frigate off Somalia to escort U.N. World Food Programme (WFP) ships carrying vital aid and protect them from pirate attacks, the Canadian government said on Wednesday.
<http://africa.reuters.com/top/news/usnBAN729410.html>
Contact Reuters: +44 20 7542 9484
- ***Food aid on the back burner as WTO talks collapse***, *IRIN/ReutersAlertNet*, August 4, 2008
As countries grapple with high food prices, attempts to draw attention to an inefficient food aid delivery system have been pushed to the back burner after the World Trade Organisation (WTO) talks collapsed last week.
<http://www.alertnet.org/thenews/newsdesk/IRIN/3f69f5f9daa09ac556face06fa75bf68.htm>
Contact IRIN: +1 917 367 2422
- ***IMF head says Africa food relief must target poor***, *Washington Post/Reuters*, August 1, 2008
African governments trying to help their populations cope with rising food prices should carefully target measures to help poor families and avoid waste, IMF Managing Director Dominique Strauss-Kahn said on Friday.
<http://www.washingtonpost.com/wp-dyn/content/article/2008/08/01/AR2008080100742.html>
Contact the Washington Post: 703.469.2500

Market Access

- **'Consensus may take two years,'** *Times of India*, August 5, 2008
The impasse overshadowed the progress made on other agriculture issues as well as on industrial goods and services trade issues. "We must address the issue of special safeguards mechanism to move forward," Pillai said. India's commerce and industry minister Kamal Nath said on July 31 that the US created the impasse on the safeguard mechanism, countering the US view that India and China refused to accept a compromise formula.
http://timesofindia.indiatimes.com/Business/India_Business/Consensus_may_take_two_years/articleshow/3326052.cms
Contact the Times of India: 91- 124 - 418 7000
- **Rice export ban to stay till November-end,** *Times of India*, August 5, 2008
Export ban on rice and other foodgrains would continue till November-end and the review would be done only after arrival of the new rice crop, said commerce secretary G K Pillai at a CII function. In order to play safe on the matter of food security, the government does not want to take any decision in haste.
http://timesofindia.indiatimes.com/Business/India_Business/Rice_export_ban_to_stay_till_November-end/articleshow/3326070.cms
Contact the Times of India: 91- 124 - 418 7000
- **Agro deals possible, post-Doha,** *International Herald Tribune*, August 4, 2008
Agro trade deals possible, post-Doha. In the context of high global agricultural prices, a potential Doha agreement would have had little near-term effect. Banning export subsidies and other domestic price supports would have done little, since the amounts governments currently spend on trade-distorting subsidies are well below the proposed WTO limits -- even after the expiration of a proposed five-year phase-in period. However, over the medium-term the agreement that was almost within reach would have transformed the nature of agricultural trade and policy
<http://www.iht.com/articles/2008/08/04/business/4oxan-AGRO.php>
Contact International Herald Tribune: (33 1) 41 43 93 22
- **Fresh WTO talks must wait until after US election: economists,** *Sydney Morning Herald*, August 3, 2008
The audacious attempt in Geneva to break apart a seven-year log jam in the so-called Doha Round of trade opening talks, hit deadlock between India and the US over the so-called special safeguard mechanism. This enables countries to impose a special tariff on certain agricultural goods in the event of an import surge or price fall. Stiglitz was scathing of Washington's insistence that extra duties should be imposed only if imports surged by 40 percent. "Nobody in agriculture has a 40-percent margin," he said. "A 40-percent decline in price would have put most developing countries into bankruptcy. The issue was one of very survival."
<http://news.smh.com.au/world/fresh-wto-talks-must-wait-until-after-us-election-economists-20080803-3p76.html>
Contact the Sydney Morning Herald: (02) 9282 2833
- **Bleak outlook after collapse of Doha,** by Jonathan Wheatley, *Financial Times*, August 3, 2008

Celso Amorim, Brazil's foreign minister, is visibly tired. But, he admits: "Sometimes frustration is worse than tiredness. And I cannot help but feel very frustrated." The failure of the talks, Mr Amorim says, will have dire consequences, including the death of more people from starvation and the destabilising of more governments by runaway inflation

<http://www.ft.com/cms/s/0/1b15c322-6181-11dd-af94-000077b07658.html>

Contact the Financial Times: +44 (0) 20 7873 3000

- ***Brazil's Lula to seek rapid revival of trade talks***, *Washington Post/Reuters*, August 2, 2008
Brazil wants to restart collapsed global trade negotiations and believes an agreement can be reached within two months, President Luiz Inacio Lula da Silva said on Saturday. Brazil, one of the world's leading farm exporters, was a key player in the round as a leader of developing countries.
<http://www.washingtonpost.com/wp-dyn/content/article/2008/08/02/AR2008080200847.html>
Contact the Washington Post: 703.469.2500
- ***Upcoming Elections Pose Difficulty for Further Doha Talks***, by Jerry Hagstrom and William New, *Atlantic Monthly*, July 30, 2008
World Trade Organization Director General Pascal Lamy Tuesday formally declared the collapse of the meeting of 30 trade ministers on the Doha round of trade talks, as Trade Representative Schwab said the proposed special safeguard mechanism on agricultural imports was the main problem.
http://www.nationaljournal.com/congressdaily/cda_20080730_3326.php

Food Crisis and Poverty

- ***The linkage between water scarcity, poverty***, by David Luninze, *Tanzania Daily News*, August 5, 2008
Food production is likely to be adversely affected particularly in semi-arid regions. Increasing numbers of the rural poor are coming to see entitlement, access and opportunity to water for good production and domestic purposes as a more critical problem than access and opportunity to primary health care and education.
<http://dailynews.habarileo.co.tz/analysis/index.php?id=6360>

Developments in Agriculture, Science, and Technology

- ***Green genes***, *Economist*, August 4, 2008
ALMOST ten years ago, a jury acquitted Lord Melchett, a British aristocrat who headed Greenpeace, of the wilful destruction of a field of genetically modified (GM) crops in Norfolk. Though police caught Lord Melchett and 27 other activists in the field, the jury was unwilling to convict. Talk of "Frankenfood" and "genetic pollution" sowed popular fear of GM crops.
http://www.economist.com/world/international/displaystory.cfm?story_id=11871937
- ***EU Rules Risk Creating Soybean Shortage***, by Matthew Dalton, *Wall Street Journal*, July 31, 2008
Europe's unease about genetically modified crops is threatening to create continent-wide shortages of soybeans, a crucial source of protein in the diet of Europe's livestock.
http://online.wsj.com/article/SB121745163550198203.html?mod=googlenews_wsj
Contact the Wall Street Journal: (212) 416-2000