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Key Articles

Financial Meltdown Worsens Food Crisis: As Global Prices Soar, More People Go Hungry, Washington Post (front page), October 26, 2008

While the world's attention has been focused on rescuing investment banks and stock markets from collapse, the global food crisis has worsened, a casualty of the growing financial tumult. Oxfam, the Britain-based aid group, estimates that economic chaos this year has pulled the incomes of an additional 119 million people below the poverty line. Meanwhile, the contrast between the rapid-fire reaction by Western authorities to the financial crisis and their comparatively modest response to soaring food prices earlier this year has triggered anger among aid and farming groups.

<http://www.washingtonpost.com/wp-dyn/content/article/2008/10/25/AR2008102502293.html>

Amid the Turmoil, Don't Forget the Poor, by *Kofi Annan, Michel Camdessus and Robert Rubin*, Financial Times, October 30, 2008

There are two lessons that history and our personal experience teach us. One is that when crises occur, the least responsible are usually the worst affected and the least able to cope. The second is that crises can provide the momentum for reform and radical change. These moments are fleeting and need to be grasped to put arrangements in place that will prevent their recurrence. In today's globalised world, that means new arrangements that are more effective, efficient and equitable

<http://www.ft.com/cms/s/c9c35622-a6a6-11dd-95be-000077b07658.html>

US Presidential Candidates Support Expanded Trade with Developing World, VOA News, October 23, 2008

Both candidates in the U.S. presidential election say they would like to expand trade with the developing world by opening the country's markets to foreign goods. Witney W. Schneidman, an unofficial advisor on Africa to the campaign of Barack Obama, says Senator Obama favors establishing what is called an Add Value to Agriculture Initiative, which would work with land-grant institutions, private philanthropies and businesses to promote innovation in global food production. The initiative would, among other things, work for improved irrigation methods, seeds and fertilizers for farmers in the developing world.

<http://www.voanews.com/english/Africa/2008-10-23-voa22.cfm>

Background on Obama's "Add Value to Agriculture Initiative": from ***Strengthening Our Common Security by Investing in Our Common Humanity***;

http://www.cgdev.org/doc/blog/obama_strengthen_security.pdf

Add Value to Agriculture Initiative (AVTA): Agriculture provides a livelihood for the majority of the world's poor, and it is the sector that will be hardest hit by climate change. In order to increase the incomes of subsistence producers, decrease the pressure on shrinking arable lands, and minimize the vulnerability of commodity exports to global price shocks, an Obama

administration will launch the AVTA Initiative. Barack Obama is committed to spurring research and innovation aimed at bringing about a Green Revolution for Africa, by partnering with land grant institutions, private philanthropies and business to support agricultural processing through increased investment in research and development for improved seeds, irrigation methods, and affordable and safe fertilizers. As president, Barack Obama will also make critical investments in providing the package of tools needed to allow poor farmers to succeed in the agricultural market, including by providing training in regulation and quality control standards and by increasing finance and financing instruments for rural enterprises as well as access to markets.

To Counter Problems of Food Aid, Try Spuds, The New York Times, October 26, 2008

With governments having trouble feeding the growing number of hungry poor and grain prices fluctuating wildly, food scientists are proposing a novel solution for the global food crisis: Let them eat potatoes. Grains like wheat and rice have long been staples of diets in most of the world and the main currency of food aid. Now, a number of scientists, nutritionists and aid specialists are increasingly convinced that the potato should be playing a much larger role to ensure a steady supply of food in the developing world.

<http://www.nytimes.com/2008/10/26/world/26spuds.html>

We blew it on global food, says Clinton, Washington Post/Associated Press, October 24, 2008

Today's global food crisis shows "we all blew it, including me when I was president", by treating food crops as commodities instead of as a vital right of the world's poor, Bill Clinton has told a UN gathering. The former president, addressing a high-level event marking October 16's World Food Day, also saluted US President George W Bush - "one thing he got right" - for pushing for a change in US food-aid policy. He chided the bipartisan coalition in the US Congress that killed the idea.

<http://www.washingtonpost.com/wp-dyn/content/article/2008/10/23/AR2008102302498.html>

Logistics in Africa – Network effects: Connectivity and commitment pay dividends in African transport, The Economist, October 16, 2008

ASIDE from a few niche industries such as cut flowers, which are air-freighted from Kenya and Ethiopia to auctions in the Netherlands, African trade has not changed much since the end of the colonial era. Unprocessed raw materials go out; finished goods come in. The trade imbalance is vividly illustrated by the ships sent from Asia to pick up empty containers left at African ports. But several companies are trying to make the best of Africa's creaking infrastructure to construct transcontinental logistics networks.

http://www.economist.com/business/displaystory.cfm?story_id=12432456

Redefining multilateralism, By Robert B. Zoellick, International Herald Tribune, October 24, 2008

September and October are shaping up to be hard months in a precarious year. A meltdown in financial, credit and housing markets. The continuing stress of high food and fuel prices and the dangers for poverty and malnutrition. Anxieties about the global economy.

<http://www.ihf.com/articles/2008/10/24/opinion/edzoellick.php>

See Also: *A World in Crisis Means A Chance for Greatness*, By Robert B. Zoellick, Washington Post, October 26, 2008

Aspiring US politicians dream of being FDR, but rarely do the times and the person converge. The next president will have the chance to be a 21st-century FDR. For either Barack Obama or John McCain, the first duty will be to restore confidence. Hundreds of billions of dollars have

been allotted to fix the financial breakdown. But fears have gripped the country. The new president needs not only a bold program but also the resolution to reassure.

<http://www.washingtonpost.com/wp-dyn/content/article/2008/10/23/AR2008102302984.html>

North Korea Faces Worst Food Crisis in Decade, The New York Times, October 24, 2008

North Korea is facing its worst food crisis in a decade, with a large shortfall expected this year, according to a new report released by the United Nations on Thursday. At the same time, the number of children suffering from diarrhea has increased sharply. Millions of people in the country are facing “severe deprivations” not seen since the mid-1990s, the report said, with the shortfall of food expected to reach more than one and a half million tons this year.

<http://www.nytimes.com/2008/10/24/world/asia/24nations.html?partner=rssnyt&emc=rss>

In Brazil, Biofuels Dream Is Already Reality, Washington Post, October 29, 2008

The problems confronting the U.S. biofuel industry stand in sharp contrast to the experience of the world's other major ethanol producer -- Brazil. Together, Brazil and the United States lead a rising market, poised to produce a record 16 billion gallons this year. Yet biofuels have gained the kind of mainstream acceptance in Brazil that the U.S. industry can still only hope for in the United States.

<http://www.washingtonpost.com/wp-dyn/content/article/2008/10/28/AR2008102801368.html>

The world's poor stand to lose the most, The Age (Australia), October 23, 2008

Editorial written by Andrew Hewett, executive director, Oxfam Australia; Tim Costello, chief executive, World Vision Australia; Claire Mallinson, national director, Amnesty International Australia; Dr Julia Newton-Howes, chief executive, CARE Australia; Ian Wishart, national executive director, PLAN Australia; and Steve Shallhorn, chief executive, Greenpeace Australia-Pacific.

Governments are spending billions to save stricken companies. From another quarter comes a plea for them to offer as much in aid for struggling nations.

<http://www.theage.com.au/opinion/the-worlds-poor-stand-to-lose-the-most-20081023-57cd.html?page=-1>

History offers some clues to solving our food crisis, Houston Chronicle, October 27, 2008

It might be the first world crisis facing our new president. Fifty years ago this fall, President Harry S. Truman called on Americans to avoid meat one day a week to free up grain to feed millions of starving people in a war-ravaged Europe. Today, we're about to elect a new leader — and, like Truman, whichever man we pick will confront a global food emergency.

<http://www.chron.com/disp/story.mpl/editorial/outlook/6080976.html>

Currency of compassion halts global food crisis, Atlanta Journal Constitution, October 30, 2008

Author is Wess Stafford, president and CEO of Compassion International, a nonprofit child development agency

While the United States is reeling from the stock market's plunge and the credit crisis, there are severe worldwide consequences to America's economic woes that have been almost entirely ignored. Most people have not given any thought to the millions of victims of our economic situation: the children in the poorest areas of the world now supported by U.S. donors. While financial struggles may reduce the number of donors to organizations such as mine who are working to release children from poverty, the still-greater impact is being felt as the result of rising food and fuel prices.

<http://www.ajc.com/services/content/opinion/stories/2008/10/30/stafforded.html>

New Reports/Policy Briefs

Helping Women Respond to the Global Food Price Crisis, International Food Policy Research Institute, October 2008

The current food price crisis has received widespread attention, but discussions to date have largely overlooked the gender dimensions of the crisis. More than 15 years of rigorous research on gender and intra-household resource allocation suggest not only that men and women will be affected differently by the global food crisis, but also that, as both consumers and producers, they will have different stocks of resources with which to respond to rising prices.

<http://www.ifpri.org/pubs/bp/bp007.pdf>

Rising food prices in Sub-Saharan Africa : poverty impact and policy responses, World Bank Policy Research Working Paper, October 2008

This paper aims to review the evidence on the potential impact of higher food prices on poverty in sub-Saharan Africa, and examines the extent to which policy responses will benefit the poor. The paper shows that rising food prices are likely to lead to higher poverty in sub-Saharan Africa as the negative impact on net poor consumers outweighs the benefits to poor producers. A recent survey shows that the most common policy response in sub-Saharan African countries is reducing taxes on food while outside the region price controls or targeted consumer subsidies are the most popular measure. Sub-Saharan African countries also have a higher prevalence of food-based safety net programs which are being scaled up to respond to rising prices. The review suggests that the benefits from reducing import tariffs on staples may accrue largely to the non-poor. Social protection programs show more promise, but geographic targeting is likely to be crucial in ensuring that benefits reach the neediest. The paper also argues that anti-poverty interventions ought to retain their focus on rural areas where poverty remains highest even after taking into account the adverse impact on the urban poor due to the rise in food prices.

<http://www->

[wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2008/10/01/000158349_2008100111809/Rendered/PDF/WPS4738.pdf](http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2008/10/01/000158349_2008100111809/Rendered/PDF/WPS4738.pdf)

Soaring Food Prices: A Threat or Opportunity in Asia? The University of Manchester, University of Delhi, and the United Nations' International Fund for Agricultural Development (IFAD), December 2008.

The escalating cost of rice and other foodstuffs across Asia could cause the reversal of policy reforms, social unrest and deepening poverty for over 3 billion Asians. A team of experts from The University of Manchester, University of Delhi and the United Nations' International Fund for Agricultural Development say the rising costs of basic Asian staples of rice and wheat are a root cause of lower economic growth and higher income inequality. The team recommends:

1) A review of World Trade Organisation rules on trade barriers; 2) A re-examination of subsidies to and tariff protection of biofuel production in light of their effects on food security; and 3) Regional procurement of food aid by Government aid agencies to reduce transportation costs and boost local agricultural markets.

Report not released yet; press release on forthcoming report:

Three billion Asians face food crisis threat;

<http://www.manchester.ac.uk/aboutus/news/display/?id=4097>

Foreign Aid: What Works and What Doesn't, by Carol C. Adelman and Nicholas Eberstadt (Experts Committee Member), American Enterprise Institute for Public Policy Research, October 2008

The U.S. foreign aid system is broken and must be overhauled. That was the conclusion of the congressionally mandated Helping to Enhance the Livelihood of People around the Globe (HELP) Commission, on which we served and whose final report was released in December 2007. Our commission's consensus was no surprise: in Washington today, there are few other policy conclusions that elicit such universal and bipartisan agreement. Indeed, over the years, scholars and policymakers have acquired a better understanding of whether, where, and how foreign aid can promote growth and improve public services. With very few exceptions, those insights have yet to result in a new "business model" for U.S. foreign aid. Yet a new business model is manifestly required if development assistance is to avoid endlessly repeating past mistakes—or if it is to capitalize upon important emerging opportunities.

http://www.aei.org/docLib/20081027_23618DPONo3g.pdf

Scaling Up Through Aid: The Real Challenge, by Artraud Hartmann, Senior Lecturer, University of Applied Sciences in Berlin, Germany, and Johannes F. Linn, Executive Director, Wolfensohn Center for Development, Brookings Institution, October 2008.

At the Gleneagles Summit in 2005, leaders of the G8 group of nations committed to increase aid to poor nations by \$50 billion per year. During the same year, in a meeting in Paris, donors promised to coordinate their interventions for more effective delivery. These commitments are now often referred to as the promise of donors to "scale up aid." Increasing aid flows and improving coordination are indeed important goals and, in fact, goals that donors seem to have trouble meeting. The international donor community met this fall in Accra and will meet in Doha in November 2008 to review progress with this aspect of scaling up aid, and it is hoped that they will recommit to meet the ambitious targets set three years ago.

http://www.brookings.edu/~media/Files/rc/papers/2008/10_scaling_up_linn/10_scaling_up_linn.pdf

Bailing out the world's poorest, World Bank Policy Research Working Paper, October 2008

While the 2008 financial crisis is global in nature, it is likely to have heterogeneous welfare impacts within the developing world, with some countries, and some people, more vulnerable than others. It also threatens to have lasting impacts for some of those affected, notably through the nutrition and schooling of children in poor families. These features point to the need for a differentiated social policy response, aiming to provide rapid income support to those in most need, while preserving the key physical and human assets of poor people and their communities. The paper points out some mistakes in past crisis responses and identifies key design features for safety net programs that can help compensate for the likely welfare losses in the short-term while also promoting longer-term recovery.

http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2008/10/29/000158349_20081029084618/Rendered/PDF/WPS4763.pdf

Reaching Middle-Income Status In Ghana By 2015: Public Expenditures and Agricultural Growth, International Food Policy Research Institute, October 2008

Using district-level data on public expenditures from 2000 to 2006, and household-level production data from the 2005/06 Ghana Living Standards Survey, this paper estimates the returns to different types of public investments across four agro-ecological zones of Ghana. IFPRI then assesses the amount of public agricultural expenditures required to raise agricultural growth to 6.9 percent per year until 2015, as this is the target growth needed for Ghana to achieve its goal of middle-income status.

<http://www.ifpri.org/pubs/dp/IFPRIDP00811.pdf>

Improving Farm-to-Market Linkages through Contract Farming: A Case Study of Smallholder Dairying in India, International Food Policy Research Institute, October 2008

Contract farming is emerging as an important form of vertical coordination in the agrifood supply chain in India, and its socioeconomic consequences are attracting considerable attention in public policy debates. This study is an empirical assessment of the costs and benefits of contract farming in milk using information generated through field surveys in the western state of Rajasthan.

<http://www.ifpri.org/pubs/dp/IFPRIDP00814.pdf>

Foreign Affairs Articles

Arrested Development: Making Foreign Aid a More Effective Tool, by J. Brian Atwood, M. Peter McPherson (Leaders Group Member), and Andrew Natsios, November/December 2008

USAID has become ineffective because it is underfunded, understaffed, and losing influence. The next president should revive it by either making it autonomous or elevating it to a cabinet-level department.

<http://www.foreignaffairs.org/20081001faessay87609/j-brian-atwood-m-peter-mcpherson-andrew-natsios/arrested-development.html>

The Politics of Hunger: How Illusion and Greed Fan the Food Crisis, by Paul Collier, November/December 2008

Politicians have it in their power to solve the food crisis, but they must be willing to end the biases against big commercial farms and genetically modified crops and do away with farm subsidies.

<http://www.foreignaffairs.org/20081001faessay87605/paul-collier/how-to-solve-the-food-crisis.html>