



A Catholic Campaign Against Global Poverty



Commonly Asked Questions: Global Food Crisis

What is the global food crisis? The global food crisis is a result of high food costs and lack of availability. It disproportionately affects poor people and families who spend a high percentage of their limited income on food. In the last decade the price of the most basic foodstuffs traded on international markets has increased sharply in every region of the world. For example, the price of wheat has doubled in less than a year, while other staples such as corn and soy are trading at prices well above their 1990s levels. Rice, which is the staple food for about three billion people worldwide, has tripled in price in the last 18 months, and in some countries, prices for milk and meat have more than doubled.

The United States expects food prices to continue to rise through 2009 and then finally stabilize by 2015 at above 2006 levels. This projection indicates the crisis will be long term, and that its greatest impact will be during the coming year unless extraordinary measures are undertaken in many countries.

At present, this crisis is most serious in urban areas, where people must buy all of their food and are at the mercy of volatile markets. However, people in rural areas and others who cannot produce enough to feed their families are also suffering.

What does the global food crisis have to do with my Catholic faith? Catholic social teaching is rooted in the sacredness and fundamental dignity of every human life. The right to life includes the right to food and nutrition to sustain life and to enable a person to develop in dignity. The poverty and hunger that diminish the lives of millions in our own land and in many other countries are threats to human life and dignity and demand a response from believers.

As Catholics, we are also called to be in solidarity with our brothers and sisters worldwide who are suffering because of war, disease, natural disaster and poverty. Pope Benedict XVI recently stated at the World Food Security Summit in Rome: "If you do not feed someone who is dying of hunger, you have killed him" and "everyone has a right to live." For more information about our Catholic faith and how it is related to food security, please see *Catholic Social Teaching and Food* at <http://www.usccb.org/globalpoverty>.



Yarigo Kwandka, a 40 year-old mother of seven, gave birth to twins—a boy and a girl—three weeks ago. Her husband died seven months ago and she has almost no food left to feed her children, including her daughter, seated next to her. She has come to the Missionaries of Charity in Gouandé for medicine for the twins. Photo by Lane Hartill/CRS



What is causing the global food crisis? There are several factors, both cyclical and structural, driving the sharp increase in global food prices:

- **Increased demand for animal protein.** The welcome rise in the standard of living in large countries, such as China and India, has led to dietary changes for hundreds of millions of people. As their diets have become more like those in the developed world, they are consuming more animal by-products, such as meat, poultry, dairy, and eggs. Raising these animals consumes much more grain than simply feeding people a traditional grain-based diet. In addition to the overall increase in demand for grain, some farmers have shifted production from food grain to feed grain.
- **Increased fuel prices.** Record high oil prices have led to higher transportation costs, higher costs of agricultural inputs, such as fertilizer and pesticides, and higher costs of production for commercially produced crops.
- **Food reserves are down globally.** The U.S. Department of Agriculture has reported that global grain reserves are at their lowest level since 1960. Global stocks of wheat, coarse grains — corn, barley, sorghum, millet and oats — and rice have decreased every year since 2001, with the exception of 2004-2005.
- **Use of grain and oilseed crops for biofuel production.** According to the International Grains Council, 6.5 percent of all crops produced globally in 2007-2008 are being used to produce biofuels. In the U.S., as much as 28 percent of the corn crop is going into ethanol production, with plans to increase this amount even further. While experts disagree on the extent of its impact, the use of agricultural land for biofuel production has contributed to increased food prices.
- **More floods, droughts, and natural disasters** around the world in 2008 compared to the previous two years. Drought in major producing areas such as Australia, the Balkans and in the former Soviet Union has reduced food crop production. Creeping mold is affecting crops in South Asia.
- **Food export limits or bans** in certain countries have reduced the available supply of food that other countries can import.
- **Years of under-investment in agricultural productivity** particularly in developing countries. While the food crisis seems to have appeared suddenly, the lack of investment in agriculture and market infrastructure has combined with other factors to create this crisis.
- **Subsidies given to farmers in the United States, European Union (EU) and Japan.** Each year, the U.S., EU and Japan provide billions of dollars in subsidies to producers of certain agricultural products. In the U.S., 70 percent of these payments go to a small number of producers, with smaller-scale farm and ranch operations in the U.S. at a disadvantage. The subsidy payments distort the local and global marketplace and are especially harmful to poor farmers in developing countries.
- **Global financial markets.** Many experts (e.g. International Monetary Fund, United Nations) recognize that in the wake of recent vulnerabilities in the global economy, investors have increasingly sought out products that can guarantee stable or even rising prices. Some of these investors have turned to food markets and bought up food commodities as a way of strengthening their investment portfolios. Such increased activity may help explain why food prices have gone up so much in the past year - much more than in the previous year.



How are people being affected around the world?

- In **Haiti**, protests broke out in the capital Port Au-Prince over the rising cost of food. Haiti's food prices are up about 80 percent since August 2007.
- In **Lesotho** the media has reported children collapsing in school because of hunger. The situation in rural areas is worse since most people do not have jobs and food price inflation has been exacerbated by a drought that affected the country in 2007. There are many families that use 50 percent of their income on food. Rising food costs, more than 24 percent, have put many people over the edge. Price increases are expected to continue in this country, which is among the hardest hit by HIV and AIDS.
- In **India**, the price of agricultural goods is at an all time high for the past three years and is significantly affecting the vast majority of the population. The government has recently banned the export of oils used to prepare food, wheat and non-basmati rice.
- In **Indonesia**, a survey in six municipalities showed that the price for eggs increased by 30 percent and edible oil prices rose up to 20 percent. In Deli Serdang, workers demonstrated in front of the District House of Representatives asking for increased wages so they could afford food. While 30,000 rupiah (\$3.33) would buy vegetables and tempe (tofu) for a family of three for five days several months ago, today the same money only buys four days worth of food.
- In **Zambia**, according to the Jesuit Center for Theological Reflection, a CRS partner that monitors monthly basic needs basket prices, the typical needs basket increased by a third since 2006. Between January and March 2008, these prices increased by 10 percent.
- In **Ethiopia**, visual signs of the effects of the rise in food prices include increasing numbers of women, children, elderly and disabled people living on the streets of Addis Ababa and a 20 percent increase in demand for Missionaries of Charity services in urban centers over the past two years.
- In **Burkina Faso**, demonstrations against the high cost of living were held in three major cities. Property was damaged and over 300 people were arrested. The price for a 50 kilogram bag of ordinary rice increased by 25 percent in just three months. Local cottonseed oil was up by 33 percent while imported oil was up 67 percent during the same period. Food costs that used to consume about 60 percent of a middle class government employee's salary for a typical household of seven now use up to 75 percent.

How long will the increases in prices last? This spike in food prices is not just a short-term crisis. The United States expects food prices to continue to rise through 2009 and then finally stabilize by 2015 above 2006 levels. This projection indicates that the crisis will be long-term, and that the greatest impact will be seen in the coming years unless extraordinary measures are undertaken in many countries.

What are CRS and USCCB doing to ease the impact on the poor? CRS is continuing to distribute food to those who need it, including the desperately poor, orphans and vulnerable children, pregnant women, people affected by HIV and the sick. Additional emergency food distributions are being arranged as conditions require them and resources permit.

In some countries where sufficient food is available, CRS is already undertaking or planning cash voucher programs that enable recipients to buy foods of their choice from the local market. This approach supports local producers and markets, while targeting resources to those who need them most.

In several countries, CRS is also arranging for the distribution of vouchers to purchase seeds, fertilizer and tools that will enable suburban and rural communities to bolster their next harvests. In urban areas, CRS is working mainly through the Missionaries of Charity and other partner organizations to strengthen their response to the significant increase in demand for their services.



CRS will also promote the growing of staple foods all year round and the production of crops that can receive higher prices. Additionally, cash for work activities designed to help farmers invest in better agricultural technologies are under consideration.

CRS and the United States Conference of Catholic Bishops (USCCB) are also advocating that the U.S. government provide adequate funding to meet immediate hunger needs in both the U.S. and abroad. Together, we are also calling for significant increases in U.S. government investment in agricultural development and market infrastructure in developing countries. CRS is supporting local partners to change developing country policies that discourage agricultural development. Finally, CRS and the USCCB are urging the U.S. to reform agricultural subsidy policies that disadvantage small farmers in the U.S. and diminish the ability of poor farmers in developing countries to compete in the global marketplace.

What is the U.S. government doing to help with the immediate and long-term effects of the food crisis? The U.S. Congress has made significant emergency funding for additional food aid available to reach people in need worldwide. President Bush has also requested additional funding for this effort. Action is now needed to address the long-term issues related to the global food crisis.

What can Catholics in the U.S. do to help poor people overseas survive this food crisis?

PRAY: Pray for our brothers and sisters throughout the world who are hungry and too poor to purchase food. Hold a special prayer service for the people affected by this food crisis or include them in your prayer intentions.

ACT: Get in involved. There are numerous activities to engage all age groups.

- Join our advocacy efforts to urge our government to help the world's poorest people overcome this food crisis and implement plans to avert further crises in the future. Join the **CRS Advocacy Network** at <http://actioncenter.crs.org/signup> and the USCCB action alert mailing list at <http://www.usccb.org/sdwp/takeaction.shtml> today.
- Engage your parish or schools' high school-age youth in CRS' 24-hour fasting program, **Food Fast**. Visit <http://www.foodfast.org/> for more information.
- Participate in **Operation Rice Bowl** and make a difference in the lives of those living in poverty. Millions of Catholics in reach out each Lent to assist our brothers and sisters around the world. Through the traditional Lenten practices of prayer, fasting, and alms giving you can also learn about the joys and challenges in the lives of our brothers and sisters overseas. Visit <http://orb.org> for information and materials.

LEARN: Learn about hunger and food security issues around the world.

- Visit https://crs.org/public-policy/food_aid.cfm or <http://www.usccb.org/globalpoverty> to learn more about the global food crisis and what CRS and USCCB are doing to alleviate peoples' suffering.
- Join the USCCB-CRS Catholic Campaign against Global Poverty at <http://www.usccb.org/globalpoverty> today.

GIVE: Help CRS help the poorest people around the world by making a donation to food security and other programs. You can donate:

- Online at <https://crs.org/donate/>
- By telephone 1-800-736-3467
- By mail. Send your donation to: Catholic Relief Services, P.O. Box 17090, Baltimore, MD 21203-7090

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