

2014 ANNUAL CONFERENCE OF THE INDIAN NATIONAL ASSOCIATION FOR THE CLUB OF ROME "SECURING FOOD FOR ALL – THE CRITICAL NEED FOR COHERENCE IN POLICIES AND ACTION"

NEW DELHI, OCTOBER 30-31, 2014

BACKGROUND PAPER : THE KEY ISSUES OF POLICY COHERENCE

THE FUNDAMENTAL ISSUES

<u>**Overall Situation**</u> - As a nation, India has many goals to fulfil for making a better future for its people. Among all these, perhaps none is of higher priority than enabling secure access to food by every one of its citizens. Other goals, even if they are achieved, would become meaningless unless adequate nourishment is ensured for all.

Food Grain Production - Total food grain production in India today is sufficient to give every person – child, woman or man – the minimum calories needed for being free from hunger, even by international 'standards'. The country's outputs of dairy, fish, poultry and meat which the main sources of protein, and the harvest of vegetables and fruits that supply most of the remaining nutritional requirements, supplemented by some imports of pulses and oilseeds, are likewise more or less adequate to maintain the physical health and personal wellbeing of our population at reasonable levels.

<u>The Hungry & the Malnourished</u> - Yet, there are several hundred million people in India who are hungry. Each year, five million babies are born stunted because of malnourishment. The loss to the nation of the resulting damage to the physical and mental capabilities of our compatriots, if calculated, would be seen already to be astounding.

<u>Growth of Population</u> - As our population continues to grow, seemingly inexorably – by more than 15 million each year – and our soil quality, water availability, energy supplies and the other factors of crop production continue to decline, we cannot yet be sanguine about our nation's ability in the future to feed all its citizens even at today's unacceptably low levels of nourishment.

Impending Catastrophe - Indeed, given the non-linear nature of both the rapidly rising demand curve (growing populations, changing diets, etc) and the steeply declining supply curve (soil capability, scarce water and energy, capital, etc), a sudden catastrophic scenario cannot be ruled out if the current trajectories of both supply and demand do not change radically.

PAGE 1 OF 6



YESTERDAY'S DEBATE : MANAGING THE SUPPLY AND DEMAND FOR FOOD

Measures to ensure our nation's food security clearly need urgent and in-depth attention. Many of these are well known and widely understood; every seminar, roundtable and conference on food or agriculture-related topics trots them out with regular frequency, both on the supply and on the demand side.

Supply Dilemmas - On the supply side, there is broad acceptance for the need to:

- ✓ Increase the productivity of our farms and dairies
- ✓ Expand greatly the production of pulses, oil-seeds and coarse grains
- ✓ Revive wastelands and promote dry land farming where appropriate
- \checkmark Promote more farm mechanisation
- ✓ Conserve water and expand irrigation, particularly sprinkler/drip/micro
- ✓ Rationalize use of agro-chemicals such as fertilizers and pesticides
- ✓ Raise the income of farmers
- ✓ Improve the lives of women in rural and farm communities
- ✓ Strengthen the linkages between the farmer and the market
- \checkmark Reduce losses through better storage and transport infrastructure
- ✓ Build more warehouses for grain stocks
- \checkmark Promote cold storage and cold chains for perishables and short shelf-life items
- ✓ Introduce better education, research and extension facilities
- ✓ Universalize school mid-day meal programs
- ✓ Lower the economic, societal, seasonal and other risks to food supplies
- ✓ Create food banks and introduce crop insurance and microcredit facilities
- \checkmark Facilitate direct trading (eg, e-commerce)
- ... And other such issues that directly affect the output of crops and food.

Somewhat more controversial, though quite loud, are voices that argue for or against:

- Natural (organic, regenerative, etc) agriculture •
- Systems of crop intensification such as SRI •
- Small holder farms technology, microcredit and other supports •
- Local and seasonal markets
- Urban agriculture and banning expansion of cities into good agricultural lands •
- Minimizing consumption of resource-intensive foods such as meat •

... And against or for:

- liberal use of mono-culture, agro-chemicals ٠
- widespread adoption of energy- and water-intensive methods •
- introduction of trans-genic (GM) seeds and other "modern innovations" •
- creation of large, centralised food industries and national delivery networks •
- contract farming to join small farms and for assured supply to food industries •
- scaling up of food imports and exports •
- privatisation of common property resources

PAGE 2 OF 6



Demand Dilemmas - Aside from the obvious need to slow down population growth, the demand side issues of eliminating hunger and malnutrition are even more complex –

But still reasonably clear:

- Raise incomes to enable even the poorest to gain purchasing power and access to the minimum nourishment they need:
 - o Create livelihoods and jobs, both on-farm and off-farm
 - o Tighten the loop between production and consumption of food
- ✓ Reduce the demand for food by those who are already able to get enough or more than enough by:
 - Minimizing post-harvest losses
 - o Greatly reducing food-waste at the consumer end

THE DEBATE NEEDED TODAY : AND ITS UNDERLYING PREMISES FOR TOMORROW

For advocates of particular solutions, whether on the supply or the demand side, the different viewpoints are generally the result of fundamental differences in the premises or perceptions on which they are based. Two of the most important ones relate to different aspects of the fundamental issue of equity and the commitment – or the lack thereof – to a world that is fair.

Issue of Equity - The first of these is the commitment to social justice in spatial or class terms -- in the here and now. It assumes that adequate food is the right of all, urban or rural, rich or poor, powerful or marginalized. This relates to the Equity pillar of the widely accepted concept of Sustainable Development. Recent political upheavals resulting from riots caused by food scarcity or unaffordability demonstrate that **equity** is a central component of sustainability.

<u>Issue of Commitments</u> - The second is the commitment to inter-generational equity or responsibility for our legacy to the future – embodied in the Environment pillar of the term "sustainable development". This translates into differences in the time horizons assumed: some are motivated by the immediacy of today's issues (either for societal concern or for political or personal gain), others worry about what impacts the narrowly-conceived, shortterm decisions made today will have on future generations. Recent declines in crop productivity in places such as Punjab and increases in food imports in countries such as China demonstrate that the health of the *environment* and its resource base is a critical factor in sustainability.



<u>Sectoral Balance</u> - A third commitment is to the sectoral balance needed for a healthy economy. If policies and investments favouring either the agricultural sector or the industrial sector (or indeed the services sector or the natural resource sector) get out of balance, the performance of the economy can only suffer by becoming sub-optimal and less efficient. A balanced *economy* clearly is a necessary condition for sustainability.

The "silver bullets" listed above, of the various activities that can help bring supply of food into some balance with the demand for it, are necessary and extremely important. The many conferences each year that reiterate them testify to the broad recognition of how essential these thrust areas are, particularly in the right combinations. But they are not sufficient. Even if all, or most, of these interventions were to be implemented, it is unlikely that the hunger and malnutrition problem would be fully solved. This is because there are other political, economic and social barriers, not usually dealt with in the current discourse, that undermine the impacts of such well-intentioned policies and actions.

THE STARK NEED FOR POLICY COHERENCE

Existence of Policies - One of the greatest impediments to achieving the primary national goal of securing universal access to adequate food and to eliminate hunger and malnutrition is the existence of policies, some within the agriculture or food sectors, and others in seemingly unrelated sectors that hinder the fulfilment of this goal. Although they may contribute positively to the achievement of some other nationally desirable objectives, an important question to be addressed is whether it is possible to deliver on those other objectives in an alternative manner that does not involve heavy costs to the food security goal.

<u>**Contradictions</u>** - The food-land-water-energy-climate change-etc nexus is, for example, replete with instances of contradictory policies with countervailing outcomes and self-defeating impacts. However, even several of the recent global dialogues called to address these relationships have rarely gone beyond mentioning some simple links, such as those between water and energy, without analysing, let alone synthesizing, the policy implications of these – let alone of the interactions among the larger set of resources involved.</u>

<u>Policies v Actions</u> - Examples of policies and actions that might have historical or social justification on grounds other than raising food security but that grossly distort the pricing of various resources related to it, leading to suboptimal use of these resources and losses to the sector and the national economy include:

- Perverse subsidies such as for energy, water, fertilizer, transport
- Technology choice Short-term benefits vs Long-term costs
- Inter-state tariff barriers

PAGE 4 OF 6



- Job and income generation schemes
- MNREGA and PDS procurement prices

Examples of policies that influence, positively or negatively, the willingness, of farmers or businesses to invest in food production and downstream activities:

- Security of land ownership and tenure; inheritance laws that promote continual fragmentation of farms
- Improving the Ecosystem services such as forest protection laws, watershed management,
- > Incentives for cash crops, bio fuels, agro forestry and other changes in products and production systems
- > Promotion of mechanization, chemicalization and financialization in agriculture and downstream activities
- > Market pricing distortions due to hoarding, exports and other administrative, regulatory or legislative failures

Other examples of policies that impact food security of the population:

- > Economic and fiscal policies that maintain or exacerbate economic disparities, and particularly poverty
- Trade policies in all sectors, not just on importing raw materials needed for producing agricultural inputs and for exporting food products
- Energy, environmental and other policies, or the inadequacy thereof, to mitigate or adapt to climate change and its impacts on food security

In identifying the policy issues that need to be examined and possibly modified, whether they are intra-sectoral within the food security nexus domain or extra-sectoral, their relationships to the three fundamental values of sustainability– commitment to equity, environment and economy – must be carefully made explicit to enable a meaningful public debate.

The goals of food and nutrition security for all can only be attained if we bring a higher level of rationality and systemic insight into our policy and action frameworks.



THE CLUB OF ROME - BROAD AGENDA AND THEME FOR THE SUMMIT

"SECURING FOOD FOR ALL – THE CRITICAL NEED FOR COHERENCE IN POLICIES AND ACTION"

The Club of Rome–India's Annual Conference (Delhi, 30-31 October 2014), will bring together thought leaders to help identify the kinds of existing or proposed policies that have countervailing or counter productive implications (particularly those that are counter-intuitive) for food and nutrition security and to formulate ways to bring some coherence among these and to formulate strategies for rationalizing them.

RULES OF ENGAGEMENT FOR THE SUMMIT

Participation in the CoR Annual Conference is strictly by invitation. The purpose of the Conference is to consider and identify specific policies and actions that can be proposed to government, business, civil society, academic institutions & the media for taking forward and implementing in their respective domains.

To enable us to move the debate forward, invitees are requested to stay as closely as they can within the two basic rules of engagement for such a debate:

- For the issues that have already been widely or intensively debated, the main concern is how to get them internalized into policy, i.e., in this exercise: *identifying the direct interventions that can bring supply and demand for food into balance, such as those listed in Section 2 above, which will need answers to the question:*
 - What proven methods can bring about such outcomes on the scale required?
 - What are the policy changes needed to achieve this?
- The primary focus will be on what is **not** top-of-mind in the mainstream thinking on the subject, but is of the highest importance and urgency, i.e., in this exercise: *identifying policies that facilitate or conflict with the goals of nutrition security itemized in Section 3 above, and on answering the questions:*
 - How does the policy in question run counter to the requirements of national nutrition security?
 - What can be done to bring it into alignment with that overarching goal?

CONTACT DETAILS FOR THE CLUB OF ROME

Those interested to receive an invitation to attend the Annual Conference should write, with an indication of their interest in the subject and a brief outline of the contribution they wish to make to the debate to :-

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