



Statement of
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before the
Committee on Foreign Relations of the United States Senate
on
“Responding to the Global Food Crisis”
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Good morning Chairman Biden, Senator Lugar, and members of the Committee. Thank you for holding this hearing and for inviting me to appear before you this morning to discuss Oxfam America’s perspectives on the causes, consequences and solutions to the global food crisis.

Oxfam America is an affiliate of Oxfam International, a non-profit humanitarian aid and development organization working in more than 120 countries around the globe. Oxfam America takes no US government funding. Our support comes from American citizens and organizations that support our mission to end hunger, poverty and social injustice.

An Overview of the Global Food Crisis

The recent spike in food prices has caught the world by surprise. It was not long ago when low commodity prices were viewed as the bigger challenge and food prices were expected to decline steadily.

For example, as recently as 2006 the US Department of Agriculture’s Economic Research Service (ERS) stated that “Retail food prices are projected to increase less than the general inflation rate,” and the ERS projected farm income to decline.ⁱ Likewise, international market observers expected low and even declining agriculture commodity prices. The UN Food and Agriculture Organization said, “Farmers and countries that depend on commodity exports have to contend with the long-term decline and short-term volatility of real commodity prices on international markets.”ⁱⁱ

Instead, agricultural commodity prices have risen steadily over four years, and accelerated dramatically in the last year. The international food price index increased by 9 percent in 2006, but accelerated to a 40 percent increase in 2007.ⁱⁱⁱ Food prices have continued this dramatic rise in the first three months of 2008.

Price volatility in agricultural commodities is not uncommon. What is unusual, however, is the confluence of the hike in world prices of nearly all major food and feed commodities. This means there is no safety valve for consumers seeking cheaper alternatives. There are also indications that these high prices may be sustained over time – meaning that the shock of higher commodity prices may not be a short-term problem, but a longer term stress that needs a strategic and comprehensive response.

The Consequences of High Food Prices

Some of the first warnings about the high food price crisis came not directly from people facing food insecurity, but from the humanitarian agencies trying to assist them. In January, the UN World Food Program (WFP) put out a special appeal for Afghanistan noting that millions of Afghans could no longer afford to buy the wheat that is a staple in that country. Since November 2007, the price of bread in Kabul has increased over 90 percent, from \$0.11 to \$0.21. As a result, 1.4 million people in rural areas and 1.1 million in urban areas have been pushed into high risk for food insecurity.

Later, the WFP made an emergency appeal for an additional \$755 million, saying that high food prices had made it impossible to fulfil its 2008 plan to provide food assistance to 73 million people in need. The WFP's original budget was \$2.9 billion. Although new pledges have been made, the WFP's need has not yet been met. As an example of the strains being felt, the WFP has recently announced that it will suspend a school feeding program for 450,000 children in Cambodia in May, unless additional funding is found.^{iv}

Other humanitarian agencies are experiencing similar strains and making difficult decisions. Last week, World Vision International announced it has discontinued feeding programs for more than 1 million people due to increased food costs and lack of funding.^v CARE has cut the size of its rations in Somalia.^{vi}

Higher prices are affecting markets across the world, increasing the costs of staples and generating spontaneous protests and civil unrest. Dozens of countries have experienced "food riots" in recent months.

While higher agricultural commodity prices are affecting developed and developing countries, the impact of higher food prices varies greatly in each. Two factors tend to moderate the impact of higher agricultural commodity prices on consumers in the US, and conversely magnify their impact for poor people in developing countries.

First, most American consumers don't buy agricultural commodities. American consumers rarely buy wheat, for example. In fact, most households buy wheat flour only occasionally. Instead, we buy bread. And although bread may be made of wheat, the value of the raw commodity in the final product is actually quite small, perhaps 20 percent. This contrasts with poor consumers in developing countries, who often buy food in much less processed forms, as wheat flour or maize kernels. For these consumers, commodity price increases are felt more directly in their purchasing power.

The second factor that tends to moderate the impact of high agricultural commodity prices for American consumers is the fact that, on average, American households spend only about 10 percent of their disposable income on food. Of course, for some American households, such as those who are poor or on fixed incomes, food purchases can make up as much as 25 or 30 percent of household expenditures. In fact, food price inflation in the US is at 5 percent and expected to rise to 8 percent this year prompting a record number of Americans to request federal food assistance.^{vii}

This is no small matter in the US, and the situation is only magnified in most other countries where food makes up a larger portion of household incomes. Poor people in developing countries may spend 50-80 percent of their income on food. So, when commodity prices increase, the capacity of people in developing countries to respond is much less. In order to feed their families, they must make extremely difficult choices such as reducing food consumption, switching to a less nutritious diet, foregoing medicines or health care, removing their children from school (since they are unable to pay school fees), selling important assets – like livestock or land, or some combination of these actions.

These are the awful choices that many poor people are being forced to make today as high food prices are impacting their lives, their families, and their livelihoods.

High food prices, hunger, and poverty

After a very long and steady decline over the course of decades, the number of people facing chronic hunger globally took a disappointing turn upwards in the last few years.^{viii} By some estimates, 1.2 billion people could be chronically hungry by 2025 – 600 million more than previously predicted.^{ix}

It might seem obvious that lack of food is the cause of hunger. And while that's true, it's actually much more complicated. The truth is that the world does not lack food. Globally, we produce more than enough calories and nutritious food to sustain humanity. While there are droughts and other circumstances that create acute food scarcity, more often hunger is caused by other factors.

The World Bank recently studied the connection between food prices and poverty and reported the recent food price increases will expand absolute poverty by 4.5 percent. Projected across the globe, this is an increase of more than 100 million people in poverty.^x

Approximately 1 billion people – one-eighth of the world's population – survive on an income of less than \$1 a day. More than 2.5 billion people scrape by on less than \$2 a day. Approximately 850 million are malnourished.^{xi} This is a vast pool of vulnerable people, spread out across the world. For these people and their families, hunger is a constant worry and a looming possibility.

Food Insecurity, Poverty, and Global Security Concerns

Where incomes are not rising at the same rate as food inflation, high food prices seem certain to cause an increase in food insecurity and pose risks of widespread food crises in many developing countries. There is a clear connection between social unrest and rising food prices in many parts of the world. In April, World Bank President Zoellick warned that 33 countries around the world face potential social unrest because of the acute hike in food and energy prices. For these countries, where food comprises from half to three quarters of consumption, there is no margin for survival.^{xii}

The United Nation's Global Information Early Warning System identifies 37 countries "in crisis" and "requiring external assistance." Twenty-one of these are in Africa. Not surprisingly, food riots have erupted in the majority of these countries over the past few months. Closest to home, Haiti recently experienced food riots leading to the dismissal of Prime Minister Jacques Edouard Alexis.

To illustrate the importance of addressing this issue, one need only look at the impacts of high food prices on a country like Pakistan, a strategically important US ally. Of the 56 million people living in urban areas in Pakistan, about 21 million are now deemed food insecure by the WFP^{xiii}. In response to the food crisis, Pakistan recently banned flour exports to Afghanistan and the government has introduced ration cards for food for the first time since the 1980s. While banning flour exports was understandable for Pakistan, it greatly exacerbates neighbouring Afghanistan's food insecurity. Shortly thereafter, on January 17th, the WFP made an appeal for 89,000 metric tons of food including wheat, beans, cooking oils and table salt to help over 2.5 million Afghans^{xiv}.

Further amplifying the effects of high food prices (as well as one factor creating the rapid increase in food prices) is the dramatic increase in global oil prices. Many nations now face the impacts of high energy costs and high food prices, leading to further instability and potentially reversing years of progress in many developing countries. Keep in mind that all but a few of the world's poorest countries depend on foreign oil imports to drive their economies, and world oil price vulnerability – and recent price increases – eat away at limited foreign exchange reserves and national budgets.

As the price of oil escalates, the gains of a range of anti-poverty measures are being quickly

eroded. Ethiopia, for example, currently spends six times as much on oil than it has received in debt relief from the Heavily Indebted Poor Countries Initiative. The International Energy Agency estimates that for every \$10 increase in the price of a barrel of crude oil, the economy of a Sub-Saharan African oil importing nation is affected more than 10 times as much as the U.S. economy. As a result, rising energy costs are systematically erasing any gains achieved from significant debt forgiveness initiatives and commitments to tackle poverty and hunger. Combined with record commodity prices, the effects can be paralyzing for some nations, in particular those countries referred to as "low income food importing developing countries." Those countries which are also net energy importers are typically hit the hardest.

The Causes of Food Price Increases

Many experts have noted that there is a confluence of forces driving food prices upward. My co-panelist, Ambassador Sheeran has described it as a "perfect storm." I will just mention a few and then briefly address one.

Factors contributing to high food prices include:

- rising demand for higher-protein foods in fast growing developing countries like India and China;
- changing weather patterns and production problems for some commodities and some regions, notably droughts in wheat producing regions including Australia, North Africa, and Ukraine;
- high energy prices that raise food production costs, food transport costs, and agriculture input costs (e.g., fertilizer and fuel for mechanized machinery and pumps for irrigation);
- possible speculation emerging from a large movement of investor capital out of equities and into commodities futures and related instruments;
- growth in biofuels production and consumption.

While experts argue about their relative importance, each of these factors appears to be having an impact. The biofuels issue is of particular importance since much of the growth in biofuels production has been driven by policy decisions in Washington and Brussels. For this reason, I will address it briefly.

In 2008 the US will convert approximately one-quarter (23.7percent) of our corn production into biofuels. That's an increase from 20 percent last year and 14 percent the year before. In short, we're rapidly diverting larger portions of our corn supply to fuel, leaving less for food. Dedicating 3.1 million bushels of corn for ethanol this year will take more than one-tenth of the global corn supply off the market for food and feed.

The US is a massive producer of corn, harvesting more than 40 percent of the world's corn supply.^{xv} The US is also a massive exporter of corn, supplying nearly twice as much corn as all the other exporters combined. USDA's Economic Research Service noted that since 2002/3, nearly 30 percent of the global increase in cereals demand came from US corn ethanol.^{xvi} So, reduced supply and/or higher prices in the US corn market can have significant implications for the global corn supply and global prices for food and feed.

Although ethanol mandates and subsidies directly impact corn prices, they also have implications for other agricultural commodities. This is because higher corn prices encourage farmers to commit more acreage and agricultural inputs to corn production. This leaves less acreage and agricultural inputs available for other crops, especially soybeans, which are often planted in alternate years with corn. As a result, production for other commodities like soybeans is lower and prices are higher. In 2007, US soybean plantings decreased by 15.7 percent to about 63.3 million acres from 2006 levels.^{xvii} Additional demand for soybeans is also generated through US government encouragement for biodiesel production driving prices up 40 percent from to \$10.80 per bushel from 2006 to 2007.^{xviii}

Last month, the World Economic Outlook identified increased biofuels consumption as a major driver of food price increases:

“Rising biofuels production in the United States and the European Union has boosted demand for corn, rapeseed oil, and other grains and edible oils. Although biofuels still account for only 1.5 percent of the global liquid fuels supply, they accounted for almost half the increase in the consumption of major food crops in 2006-7, mostly because of corn-based ethanol produced in the United States. Biofuel demand has propelled the prices not only for corn, but also for other grains, meat, poultry and dairy through cost-push and crop and demand substitution effects”^{xix}

Finally, the International Food & Policy Research Institute (IFPRI), one of the premier organizations tracking food and hunger issues, estimates that biofuels will drive up corn prices by between 27percent and 72percent by 2020, depending on the scenario analyzed. Other commodities (oil seeds used for biodiesel) would rise by 18 percent to 44 percent. IFPRI stated, “In general, subsidies for biofuels that use agricultural production resources are extremely anti-poor because they implicitly act as a tax on basic food, which represents a large share of poor people's consumption expenditures and becomes even more costly as prices increase...”^{xx}

Solutions to the Global Food Crisis

While there are no simple solutions to the global food crisis – just as there are no easy answers for dealing with the energy crisis – there are steps that need to be taken to deal with the immediate effects of the crisis, to better understand the factors that are creating this crisis, and to begin to make longer term, strategic investments as part of a long-term solution

Short term, emergency responses

Oxfam America suggests three important short term responses to the global food crisis.

First, the Congress should respond to the request of the World Food Program and that of President Bush by immediately providing the \$770 million requested to meet essential food aid needs. The President recently communicated to the Congress his desire to see the necessary funds provided to meet these emergency needs and to avert cutbacks in the World Food Program's food aid efforts. This is a critical emergency stop gap measure. Likewise, the US Agency for International Development has requested \$350 million in supplemental funds for this fiscal year. But that request was made months ago. In the meantime, food prices have spiked upwards. USAID now estimates it will need an additional \$260 million just to maintain existing commitments – due to food price increases and the depreciation in the dollar.

Second, current food aid needs to get to the people who need it much more quickly and with much greater efficiency. To achieve this, a change is needed in current aid policy to permit US agencies greater flexibility in providing food aid assistance. Current law requires that US food aid consist of US commodities that are purchased in the United States and shipped overseas on US flagged vessels. This constraint on US food assistance results in higher costs for food aid due to the high cost of purchasing commodities in the US (in US dollars) and the added cost of shipping them overseas. Higher energy prices have amplified transportation costs, further exacerbating the problem. In addition, the requirements of current law delay the delivery of desperately needed aid. And, it works to the detriment of policies and programs designed to promote local agricultural production and greater self-sufficiency on the part of developing countries.

Many commentators have pointed out the flaw in current law, and some, including President Bush, have requested that a change in current law be made to permit as much as 25 percent of US food aid to be purchased locally. Oxfam America believes that this would be a substantial improvement over current policy. This change would expedite the delivery of food aid and save as much as 50 percent of the food aid budget – funds urgently needed to address rapidly growing needs. In short, this fix would make limited food aid go much further than can be achieved under current law.

Finally, as has recently come to light, a program designed to provide nutritional assistance to school children in developing countries will be severely impacted by proposed cuts in the pending farm bill as recently agreed to by Senate and House conferees. This food assistance program, named for former Senators McGovern and Dole, is another important part of the US food aid safety net and funding for it should be restored. An opinion piece in the Washington Post by the two Senators raised this issue and included their request to move funds from farm subsidy programs to restore funding for this important program. Again, we would concur in that recommendation.

Intermediate solutions

We have a responsibility to carefully assess the impact of our policies on those who face poverty and hunger and to take actions to make the lives of poor people less difficult. In living up to this commitment, there should be no reason to pit food security against energy security.

The 2005 Energy Policy Act mandated 7.5 billion gallons of renewable fuels to be mixed into gasoline by 2012. Actual ethanol production is at least four years ahead of that schedule, with expected production of more than 7 billion gallons this year. But this is just the beginning of the planned expansion of corn ethanol. The 2007 Energy Independence and Security Act, mandates 36 billion gallons of biofuels by 2022. While the majority of this amount is meant to be “advanced biofuels”, 15 billion gallons would be corn ethanol. This would double current corn ethanol production and implies a much larger diversion of corn from food and feed.

In addition, the pending farm bill would continue incentives for corn to ethanol production. The 2008 Farm Bill Conference Report would lower the blender’s tax credit from 51 cents per gallon to 46 cents per gallon to offset a production credit for cellulosic ethanol of \$1.01 per gallon. The Farm Bill would also extend the import tariff of 54 cents per gallon until 2010. Additional provisions include other tax incentives, supports and investments in research, production and cellulosic technology. Despite minor reductions to the blender’s credit, US support to ethanol is predicted to approach \$100 billion for the 2006 to 2012 period and will likely rise if the new Renewable Fuels Standard is met^{xxi}. The large majority of this support – about 75percent – will be directed to corn ethanol^{xxii}.

If the connections between corn ethanol production and increased food prices are accurate, then the policies associated with incentives for corn to ethanol production need to be reevaluated in light of the global food crisis. Therefore, Oxfam America recommends that a blue ribbon panel be established to quickly investigate this issue and that the panel bring recommendations back to the Congress by the end of this calendar year to guide decisions regarding incentives and subsidies for ethanol production already on the books and those likely to be added should the farm bill become law in its current form. Clearly, an accelerated strategy is needed to do the research and development necessary to quickly transition to the so-called “next generation” of cellulosic biofuels. Oxfam believes that the US Congress should promote research and development for alternative and renewable sources of fuel that do not lead to increased food insecurity in the developing world.

Long-Term Solutions

The global food crisis cannot be addressed for the long run by simply increasing food aid to countries that find themselves in a humanitarian crisis. Food aid is an essential part of an emergency response mechanism. However, the ultimate solution is to help developing countries improve their capacity to feed themselves, to market their agricultural products, and, through these strategies, lift themselves out of poverty.

First, we need to increase aid for agricultural production. More than 70percent of the poorest people live in rural areas and depend on agriculture for their livelihood. Sixty percent of the workforce in Africa works in agriculture. And despite agriculture’s clear importance and close

nexus with poverty, it has been a backwater for economic development and commercial activity – particularly in developing countries. Aid donors neglected the agriculture sector for decades, with bilateral aid for agriculture slipping from 18 percent of foreign assistance in 1980 to about 4 percent today.

Unfortunately, many developing countries and poor farmers have little capacity to improve and expand agricultural production because they lack working capital, access to information and technology to improve farming practices, access to agricultural inputs like fertilizer and improved seeds, storage facilities, and markets. All of these factors require a financial and physical infrastructure that will take time and resources to build. Helping developing countries make these investments is a very important element in resolving the current crisis posed by high food prices and should be a key component of a global response.

The evidence is building that improving the agriculture sector is key to reducing poverty. World Bank's World Development Report 2008: Agriculture for Development underscored the importance of growth in the agricultural sector for reducing global poverty and improving food security, especially in sub-Saharan Africa. The World Bank report finds that investments in agriculture have a poverty reduction impact 2 to 4 times higher than GDP growth in other sectors.

Like other aid donors, the US has neglected agriculture in developing countries. US assistance for agricultural development is at an all-time low at about \$283 million. Only \$91 million of this is for Africa. This is down from \$589 million, including \$172 million for Africa in FY05.^{xxiii} To begin to rectify this situation, Oxfam America recommends that the US Congress set the funding level at a minimum of \$600 million for USAID's agricultural development program, including at least \$300 million for development assistance (DA) funding. This should be separate from MCA funds or food aid programs.

But if we are to have any hope of actually making progress in improving the plight of developing nations, we need to modernize our overall aid system to make it more efficient and focused on ending poverty. So our second priority must be to undertake a fundamental reform of the laws, strategy, structure, and practice of US foreign assistance so it can meet the challenges of the 21st century. The current system is broken: too many agencies are involved in delivering foreign aid and there is a lack of coherent strategy and leadership.

Oxfam believes foreign aid is most effective when it focuses on long-term poverty reduction as its primary mission. In the last few years, we have seen US foreign assistance increasingly focus on short-term security and political objectives, rather than long-term development goals. US foreign assistance should focus on strengthening responsible and effective states and helping active citizens to foster equitable economic growth through their own efforts. Funding should be used strategically to strengthen the ability of poor countries and poor people to feed themselves. Our current system is woefully unprepared to take on the challenge of promoting small producers and rural communities, strengthening national and local governments, civil society groups, and basic infrastructure.

Until we modernize the structure, laws, strategy and implementation of our foreign assistance, the US will have a limited ability to promote the self-sufficiency, economic growth, and stability that comes with the certainty that there will be food on the table, adequate shelter, and the means to obtain health care for one's family, and education for their children, and a sustainable livelihood.

Third, we need to ensure that farmers in developing countries have access to global markets and the opportunity to participate in global trade in a fair and equitable manner. The Doha Round of trade negotiations – explicitly launched to assist developing countries benefit from trade – offers an historic opportunity to align trade policies with the goal of development and poverty reduction. At the moment, the negotiations are horribly deadlocked, with continued US farm subsidies posing a major obstacle to successful negotiations. Reforming and reducing US trade-distorting farm subsidies could offer a double-benefit of helping developing countries and unblocking the global trade negotiations. Unfortunately, the Farm Bill that recently emerged from the conference

committee is a major disappointment and would actually create new trade-distorting subsidy programs while expanding existing subsidies.

While the global trade talks have been stalled since December 2006, the US can take actions without waiting for a global trade agreement by improving our “general system of preferences” and other trade policies. We could, for example, take the example of the European Union which has opened its market to duty-free and quota-free trade for all imports from least-developed countries (except weapons). Least developed countries (LDCs) account for a mere 0.5 percent of US non-oil imports. Taking this step could offer a significant benefit to poor countries while having very marginal economic costs to the US. Unfortunately, the current US tariff and quota system hits the poorest countries the hardest, and preference programs intended to remedy this exclude very poor countries, such as Bangladesh and Cambodia, as well as a number of products that are of greatest economic significance to the developing world. Even the African Growth and Opportunity Act (AGOA), the most extensive US preference program, excludes agricultural products that African countries can produce competitively.

Oxfam recommends that Congress support the Partnership for Development Act (NPDA), which would provide duty-free and quota-free access to the US for all LDCs, additional benefits for sub-Saharan African countries, and aid for trade to help those countries take advantage of these benefits in addition to other trade preference programs set to expire in 2008.

Conclusion

Food price increases have delivered a shock to consumers and governments around the world. The impact of these prices is now being felt and is creating significant turmoil, especially in developing countries that depend on food imports and have large, vulnerable populations. Not only is the current crisis a humanitarian concern, but as evidenced by events over the past several months, it has important ramifications for the security and stability of a large number of nation states. As such, it has important national security ramifications for the United States as well.

How we respond as a nation will speak volumes about how we want to see ourselves and have others view us in a global context.

In the short term, the US must rapidly respond to appeals for food aid from individual countries and the World Food Program, and reform current US food aid policy to make our food assistance programs more efficient, timely, and cost-effective.

In the medium term, the US must revisit and revamp, if necessary, “food to fuel” mandates and supports, with respect to how these policies affect global commodity prices and markets. Further, an accelerated effort to transition from corn-based ethanol production to more advanced cellulosic ethanol is essential to address both domestic energy needs and any inadvertent impacts on world food prices.

Over the long term, the US must make a greater commitment to investing in agricultural productivity in developing countries, reforming US Foreign Assistance to be poverty-focused, reaching a pro-development conclusion to the Doha round and providing better access to the US market for least developed countries.

The combined effect of rising food and energy prices runs the risk of wiping out all progress made in reducing developing country debt in recent years. This would be a huge step backwards, reversing years of progress in reducing poverty, and increasing global security risks.

I will close, Mr. Chairman, by suggesting that just as many Americans are concerned about the state of the US economy, the price of gasoline, and the cost of food, so, too, are people around the globe. Fortunately, most Americans can ‘get by’ by “cutting back”, by reducing household expenditures, and by tightening their belts. That is not the case for the billions around the world who live on less than two dollars a day. When 60-80 percent of your disposable income is needed

to put food on the table – if you even have a table – increased food prices can literally be a matter of life or death.

As the world's most prosperous nation, we have an obligation to lead in helping others. Americans would expect the United States to help those in need. In fact, we have long been the most generous nation in providing humanitarian and other assistance in times of need. The current crisis is a time for leadership, Mr. Chairman. Clearly, the United States has the resources to respond to this crisis. The question is, "Do we have the will to lead?"

That ends my testimony. I will be glad to answer any questions that you may have.

ⁱ "Agricultural Baseline Projections: Baseline Presentation, 2006-2015", Economic Research Service, USDA, updated February 10, 2006. <http://www.ers.usda.gov/Briefing/Baseline/present2006.htm>, last viewed May 5, 2008

ⁱⁱ UN FAO, "The State of Agricultural Commodity Markets, 2004". See: <http://www.fao.org/docrep/007/y5419e/y5419e00.htm>

ⁱⁱⁱ "Rising Food Prices: What Should Be Done?", Joachim von Braun, International Food Policy Research Institute, April 2008. <http://www.ifpri.org/pubs/bp/bp001.asp#read>

^{iv} "WFP says high food prices a silent tsunami, affecting every continent", World Food Program, April 22, 2008. <http://wfp.org/english/?ModuleID=137&Key=2820> last viewed May 4, 2008

^v World Vision press release: http://www.worldvision.org/worldvision/pr.nsf/stable/20080428-food-crisis?open&lid=food-crisis-release&lpos=day_txt_food-crisis

^{vi} "Hunger stalks globe as aid groups forced to cut", Missy Ryan, Reuters, May 2, 2008.

^{vii} "As Jobs Vanish and Prices Rise, Food Stamp Use Nears Record", By ERIK ECKHOLM, New York, Times, March 31, 2008

^{viii} "The State of World Food Insecurity in the World: 2006" UN Food & Agriculture Organization.

^{ix} Runge, Ford C. and Senauer, Benjamin "How Biofuels could Starve the Poor" *Foreign Affairs*, May/June 2007.

^x "Implications of Higher Global Food Prices for Poverty in Low-Income Countries", Maros Ivanic & Will Martin, The World Bank Development Research Group, April 2008.

^{xi} Sources: "Millennium Development Goals Report 2007" United Nations and "The State of Food Insecurity in the World", 2006, UN Food and Agriculture Organization.

^{xii} "Sovereign Wealth Funds Should Invest in Africa, Zoellick Says Outlines plan to advance development in face of market turmoil, high food and energy prices," Press Release No:2008/255/EXC, April 2, 2008.

^{xiii} "XXXX" *IRIN Asia* January 8, 2008 Accessed at: <http://www.irinnews.org/Report.aspx?ReportId=76138>, IRIN.

^{xiv} "AFGHANISTAN: Bread price hike affects millions," *IRIN Asia*, February 28, 2008. Accessed at: <http://www.irinnews.org/report.aspx?ReportId=76870>.

^{xv} "World Agriculture Supply and Demand Estimates", USDA (WASDE-457), April 9, 2008.

^{xvi} "Global Agricultural Supply and Demand: Factors Contributing to the Recent Increase in Food Commodity Prices", Ron Trostle, USDA Economic Research Service, May 2008. p. 17.

^{xvii} USDA, ERS. Accessed at: <http://usda.mannlib.cornell.edu/ers/89002/Table02.xls>

^{xviii} *Ibid.*

^{xix} World Economic Outlook, April 2008. International Monetary Fund. P. 60. See: <http://www.imf.org/external/pubs/ft/weo/2008/01/index.htm>

^{xx} "The world food situation: new driving forces and required actions", Joachim Von Braun, International Food Policy & Research Institute, December 2007.

^{xxi} "Biofuels at What Cost?: Government Support for Ethanol and Biodiesel in the United States, 2007 Update," Global Subsidies Initiative of the International Institute for Sustainable Development.

^{xxii} *Ibid.*

^{xxiii} Thanks to Emmy Simmons' unpublished paper. Source: USAID/EGAT/AG. No non-emergency food aid funding or Millennium Challenge Corporation funding is included.