

# **SAFEGUARDING** FOOD SECURITY IN VOLATILE **GLOBAL MARKETS**



EDITED BY  
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# Safeguarding food security in volatile global markets

Edited by Adam Prakash

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# Preface

The world is again experiencing a bout of heightened and prolonged price volatility in global food markets. Historically, occurrences are rare and each time they transpire, the world's attention is temporarily galvanized, but concerted follow-up action has always fallen short of momentary expectations. The failure to prevent history from repeating itself is troubling, particularly when contrasted against other global systems that come under threat. When, for instance, financial crises take hold, the depth, breadth and rapidity of a coordinated response by the world's leaders in marshalling resources to remedy imbalances demonstrates that global action is possible. When the world food order falters and millions forego food security, however, the resolve of global leadership fails.

The impasse on inaction must be broken. Shielding food security against the threat of more frequent bouts of turmoil in global food markets must now be put at the top of the political and economic agenda. Hence, there is a clear need for a new policy dialogue.

Opening the policy dialogue is likely to provoke controversy. Not least because of certain new and important realities now facing the global food system. One reality concerns the large-scale financial investment in commodities that are key to food security. Soaring investment activity is exposing price discovery in the food system to a new behavioural dimension, which may underlie excessive price volatility in markets. Biofuels are another prominent reality. During times of global food scarcity, regimes that support the production and demand of grains-based biofuels, which produce dubious environmental benefits, can be construed by many as reprehensible. Finally, changes in climate and global demography that require adaptive responses to food productivity growth to ensure feeding future billions is another reality.

Towards the policy imperative, this volume collates the latest thinking on the potential for achieving food security in volatile global markets. Much rests on the concept of "global governance" - building consensus on optimal policy choice and enhancing policy coordination. Global governance has important implications for shaping a more stable market environment; for instilling greater confidence, predictability and assurance in the international arena; for guaranteeing access to food for low-income countries and for better equipping governments to deal with the challenges ahead.

But governance has a role within geographical boundaries. There are a host of initiatives that countries at risk can promote. These are principally directed towards building resilience and lowering vulnerability through investing in productivity for a diversified set of crops supported by incentive frameworks, instilling greater efficiency in domestic food systems and protecting those most at risk through safety nets. Enacting such measures will not only address the root cause of vulnerability, namely poverty, but would constitute a major step

towards tackling the problem of hunger and malnutrition that still afflicts one billion people in the world today.

This volume is the product of a small team of dedicated individuals who mutually regard the book's importance in the times we face. Acknowledgement is given to the assistant editor, Matthieu Stigler for his technical oversight and management support in producing the book, to Michelle Kendrick for her overall guidance, and to Natalia Ermolaev, Adrianna Gabrielli, Ann Berg and Jim Greenfield for editing and reviewing the content. Acknowledgement is also handed to Fiorella Picchioni for help in putting together the material, and to Claudio Cerquiglini, Rita Ashton, Marco Milo and Josiah Prakash for assistance with graphic design. Finally, credit goes to the contributors, for without their diligence, this volume would not have been possible.

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