

Edited by Paolo De Castro

With Felice Adinolfi, Fabian Capitanio,  
Salvatore Di Falco and Angelo Di Mambro

# The Politics of Land and Food Scarcity



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*Edited by Paolo De Castro  
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Salvatore Di Falco and Angelo Di Mambro*

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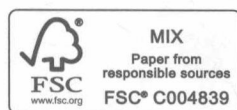
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This book is the product of the joint effort of the following authors: Paolo De Castro, Felice Adinolfi, Fabian Capitanio, Salvatore Di Falco and Angelo Di Mambro.

Their specific collaborations are as follows:

Part I: Paolo De Castro, Felice Adinolfi, Fabian Capitanio, Angelo Di Mambro and Jorgelina Di Pasquale;

Part II: Paolo De Castro, Felice Adinolfi, Angelo Di Mambro and Fabian Capitanio;

Part III: Paolo De Castro, Felice Adinolfi and Salvatore Di Falco.

## FOREWORD

The topic of food security, in other words the possibility of gaining access to food, has returned to centre stage with the recent boom in food prices. That is not to say the problem did not exist before. Hunger has continued, despite the technical progress recorded in recent decades, to torment hundreds of millions of people in the world's poorer areas. Great responsibility falls on the shoulders of wealthier nations, whose commitment in combating hunger in the world has been insufficient both in terms of resources and that of instruments. However, despite the weakness and inefficiency that has often been a hallmark of intervention in the international community, at the end of the 1990s and the start of the new millennium we were able to record some major results in tackling poverty in less developed areas of the planet. The results were also the fruit of a new assumption of responsibility: a possible target would be that of halving the percentage of the world's population in conditions of extreme poverty by 2015.

However, it must be acknowledged that neither the political will nor the necessary financial resources have materialised to reach this target. There has not been the great international mobilisation that would have been necessary.

Moreover, such ambitions had not allowed for entry into a completely new scenario. In the space of a few years many of the convictions that had been formed in the previous decades were swept away. Farm productivity which had made extraordinary progress in the decades of the Green Revolution is today growing at very low rates. Research in the agricultural sector is stagnating and does not offer concrete prospects for the return of a cycle of strong productivity increases. The effect of this evolution is now evident: after a long period – roughly since the end of World War II – of falling prices of agricultural commodities, the world seems to have entered what Paolo De Castro calls the era of scarcity. The increase in population, new dietary styles that are becoming increasingly widespread in the emerging areas of the world and the progressive slowdown in farm productivity have driven us to a new perspective which questions our planet's capacity to satisfy the substantial increase in food demand.

The first effects of this change are right in front of us. The aim of reducing the world population living below the poverty line seems to have disappeared for good and preoccupations are such that even more developed contexts are driven to take measures to prevent the occurrence of any difficulties on a national basis. On many occasions, such actions prove uncoordinated and counter-productive. An example is restrictive measures on exports, which have for some years become an integral part of commercial policies of the big producers of foodstuffs and have had great responsibility in making price rises more acute: attitudes that also give us the idea of an unprepared international community and that today, more than ever, need to build coordinated measures on a global level to tackle one of the great emergencies of our time.

This book tells us precisely what is happening, analyses in depth the motivations and implications of this new era of food scarcity and suggests the horizons within which to seek appropriate solutions. It has the merits not only of providing detail but also of being highly readable, studiously avoiding

technical excesses and allowing the reader to absorb, as in a story, the extensive information embedded in the text.

The expertise and competence of Paolo De Castro, as well as that of his working group which accompanied him in this project, are a clearly visible hallmark which makes this book interesting for a far wider readership than just area specialists, for whom it will nonetheless represent an excellent point of reference, also thanks to the authoritative contributions to the text.

Romano Prodi

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# INTRODUCTION AND ACKNOWLEDGEMENTS

The idea of writing this book first came in May 2011 straight after a meeting organised by the European Parliament on the subject of the security of food supply. The guest of the initiative was Romano Prodi who, with a lucid well-reasoned analysis, partly the fruit of his recent experience as a committed politician and academic in China and Africa, drew a somewhat alarming picture of the international situation and its foreseeable development.

The European Parliament was already well aware that food security is not just a question of distributing resources among rich and poor countries, but goes well beyond this to become a structural issue of global importance. Yet Romano Prodi's speech lent such a sense of urgency that we were led to speed up the debate and promote concrete initiatives straight away, aware of the role and responsibilities falling on Europe's shoulders, still the world's largest importer and exporter of food products.

Thus, a few weeks later, a delegation from the Agriculture Committee of the European Parliament went, for the first time, to the USA to hold discussions with the political authorities in Washington and start up a dialogue on the subject between the two most important players in the world food trade. The aim was to share the reasons behind this great emergency and begin

to identify concrete solutions to be translated both into proposals to be submitted to the international community and into agricultural policy choices.

The facts concerning the growth in demand and supply were, and continue to be, unambiguous: farm production is not keeping pace with demand. The increase in population and even more marked rise in consumption especially in several of the Earth's major areas, such as China, India, Brazil and Russia, are increasing food demand at alarming rates, while the availability of agricultural land and its productivity are declining. This is occurring at such a rate that a practice commonly called 'land-grabbing' has emerged: millions of hectares of land in Africa are being acquired, and not only by foreign investors.

This phenomenon, perhaps more so than others, gives us the idea of major changes under way, which are given extensive airing in this book: the new strategic value of land as a resource and the far-reaching changes affecting the structure of food markets.

With the contribution of the working group that has supported me in this matter, I have sought to explain, hopefully in a readable form, the detailed reasons for, and implications of, this new scenario into which we have been catapulted. I have tried to explain the import of an emergency which, in our latitudes where expenditure counts for less than 15 per cent of overall household expenditure, risks being viewed as remote, while it is actually dramatically close. We are experiencing a rapid expansion in the area of world poverty, and consumer growth is challenging to the extreme the capacity of the whole agri-food business to respond. In 2050 there will be more than nine billion inhabitants on Earth, about a third more than today, and to satisfy food demand we will need to increase agricultural production by 70 per cent compared with the present day. What is more, it will have to be done more sustainably than in the past.

Produce more, polluting less: an objective that is tough to achieve without a committed intervention by the international community and an equally decisive U-turn in public commitment

to research and innovation, which has declined in recent years at alarming rates. In this framework we wish to suggest what avenues might, in our opinion, be pursued to tackle a situation that has assumed the proportions of an imminent global emergency.

The credit for this work, targeting both policy-makers and all those who wish to understand in greater depth the dimensions of this new scenario of food scarcity, should go to all those who have directly or indirectly collaborated. In particular, thanks are due to my co-authors, Felice Adinolfi (University of Bologna), Fabian Capitanio (University of Naples), Salvatore Di Falco (London School of Economics) and Angelo Di Mambro with whom I created this project and saw it through to its conclusion, whose passion and expertise characterised this work.

I wish to thank Policy Department B of the European Parliament, whose studies have been an important source for the animated discussions that led to the drafting of the book.

I cannot avoid thanking all those who accompany my daily work. I am referring to my historical assistant, Dr Antonella Alvisini, Dr Antonella Rossetti who diligently manages my work in Brussels, Bruno Calzia and Marco Barbetta; their contribution has been essential.

Romano Prodi deserves special thanks, not only for his introduction but especially for his decisive contribution in triggering the reflections contained in this book. I am likewise grateful to Franz Fischler, Michael Taylor, Martin Schulz and Joseph Daul who have, with their authoritative points of view, enriched the treatment of the topics handled, giving us essential assistance in interpreting a scenario in which changes are both rapid and complex. Comments and help were also gratefully received from Denis Pantini and Andrea Zaghi (Nomisma), and Geoffroy Enjolras (INRA). The original Italian version was translated into English by Mark Walters (Part I) and Paul Tout (Parts II and III).

Finally, I would like to thank all the staff who provide the daily back-up for my work at the European Parliament, whose industry and patience were essential to the success of this book.

I hope that this work can be really useful both to facilitate the understanding of the scenario in which we are called upon to reform what is historically the most important European policy, and to help implement a new generation of policy framework in agriculture and rural areas by effectively responding to the challenges of our time.

Paolo De Castro, European Parliament, Brussels,  
October 2011



## **PART I**

# **Food insecurity**