

# **World food security and NL development policy: the importance of long-term commitment**

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SKOV seminar

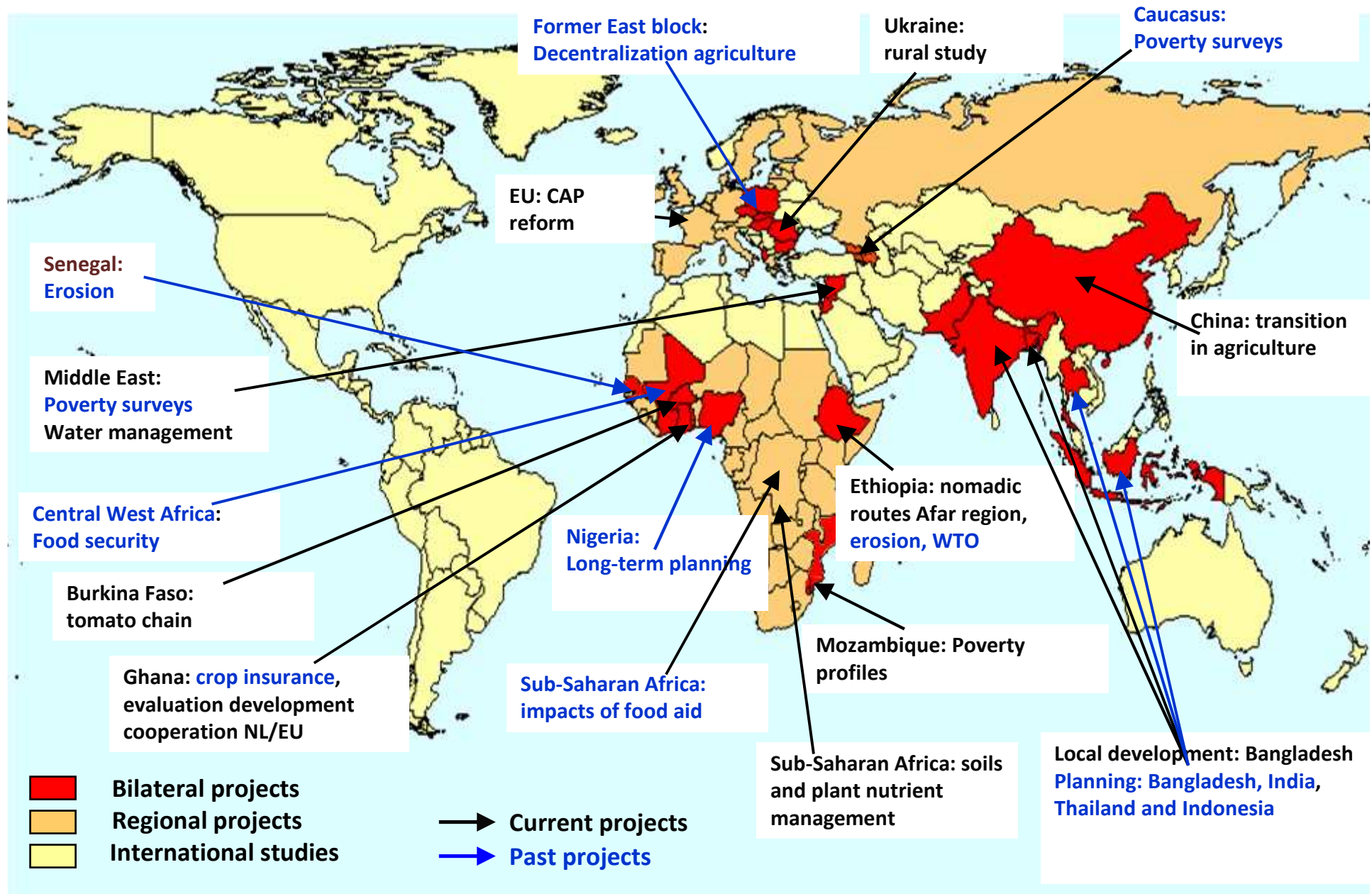
Wageningen 13 mei 2014

## SOW-VU: mandate

- Foundation located at VU University, Amsterdam
  - Established in 1977, as follow up of a world food study started in 1972 for the Club of Rome
- Aim:
  - To do research into causes of poverty and malnutrition
  - To formulate and evaluate policies on food, agriculture and development so as to help alleviate poverty and malnutrition
- Multidisciplinary, quantitative approach involving
  - Economics
  - Earth sciences and hydrology
  - Agronomic and ecological sciences
  - Nutrition sciences
  - Mathematics, statistics and systems analysis



# SOW-VU: current and selected past projects



# **World food security, Africa and NL development policy: the importance of long-term commitment**

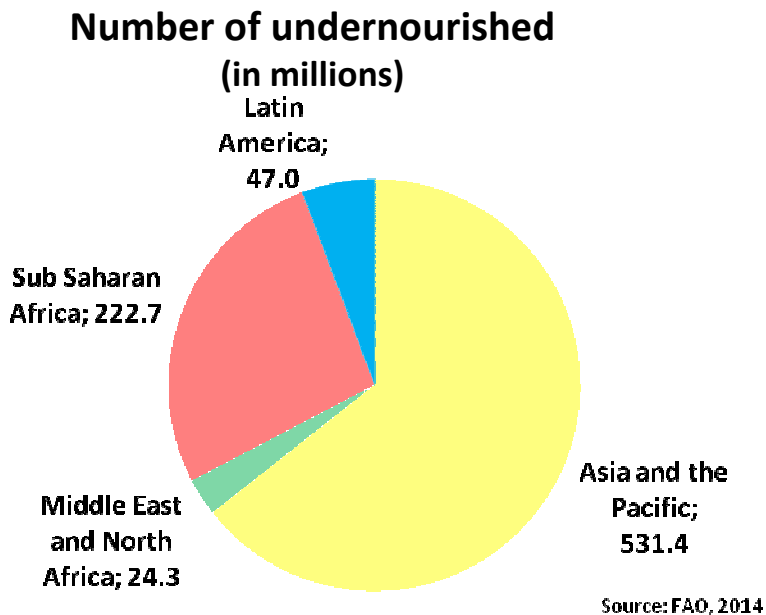
## Outline of presentation

1. World malnutrition
2. World demography
3. Economic growth
4. Food security strategy for NL

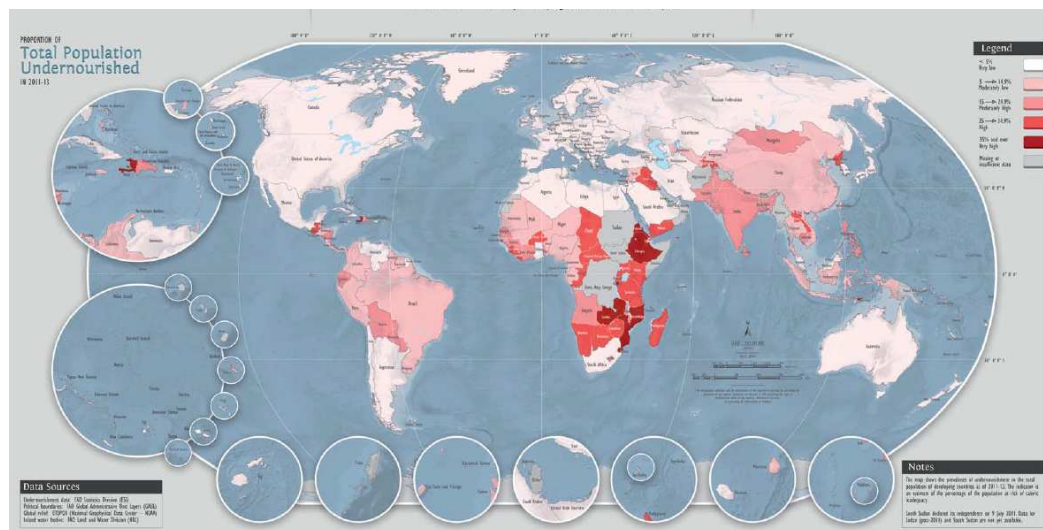
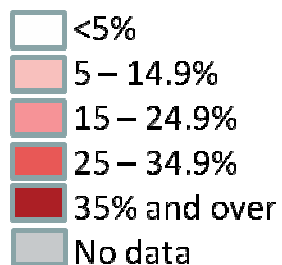
# 1. World malnutrition:

## today most of the undernourished live in Asia

### ... but percentages remain highest in Africa

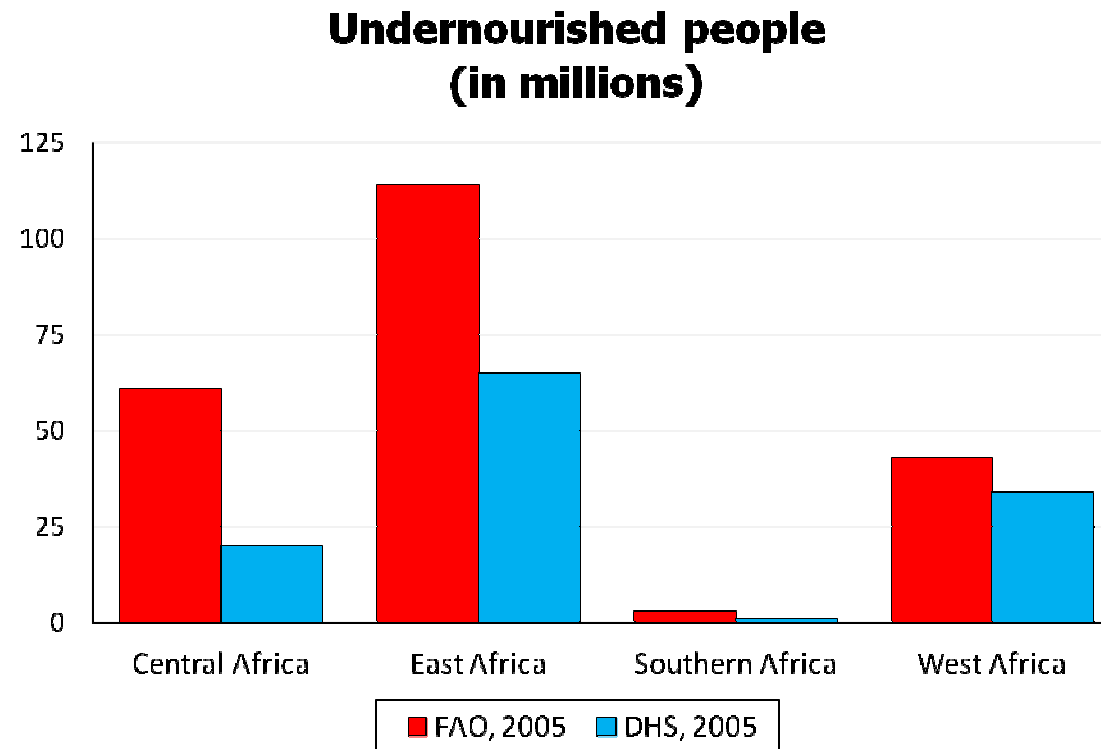


## Percentages undernourished



## World malnutrition (2)

In our view FAO even overrates malnutrition for Africa



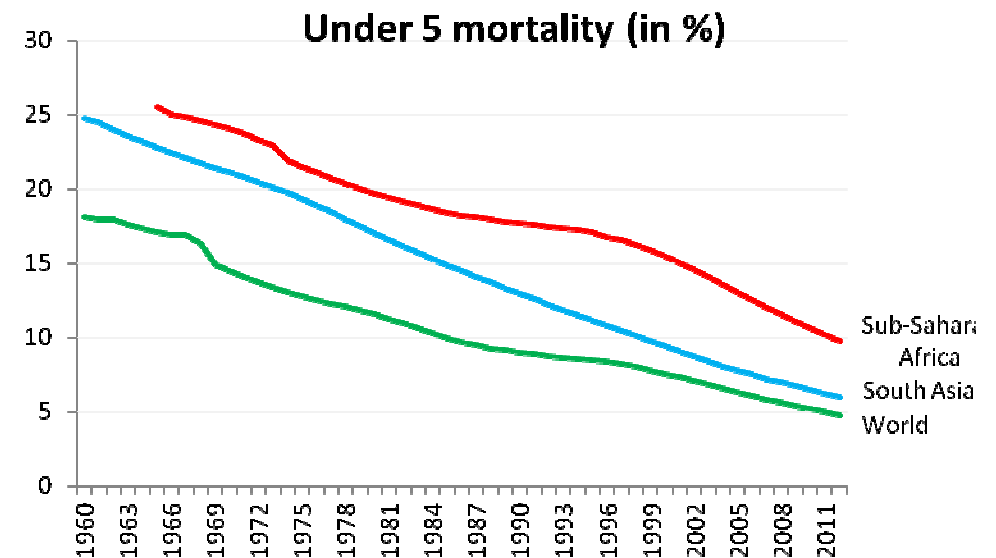
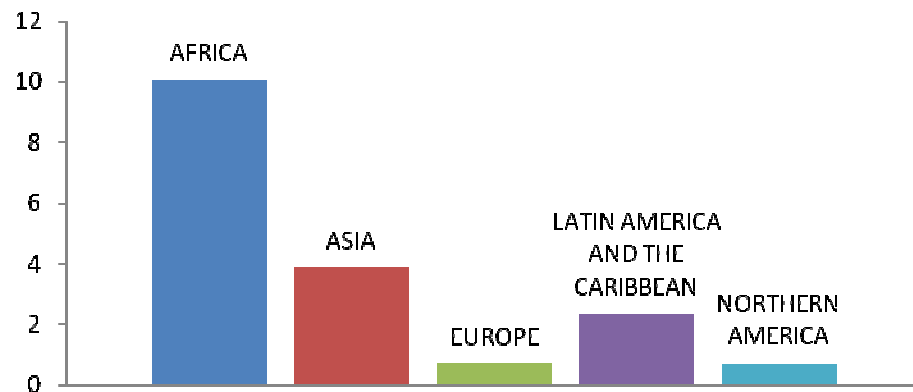
Source: C.F.A. Van Wesenbeeck, M.A. Keyzer en M. Nubé (2009): Estimation of undernutrition and mean calorie intake in Africa: methodology, findings and implications. *International Journal of Health Geographics*

URL: <http://www.ij-healthgeographics.com/content/8/1/37>

## World malnutrition (3)

- In Africa malnutrition finds expression in high child mortality:
  - harsh climatic and sanitary conditions cause of death

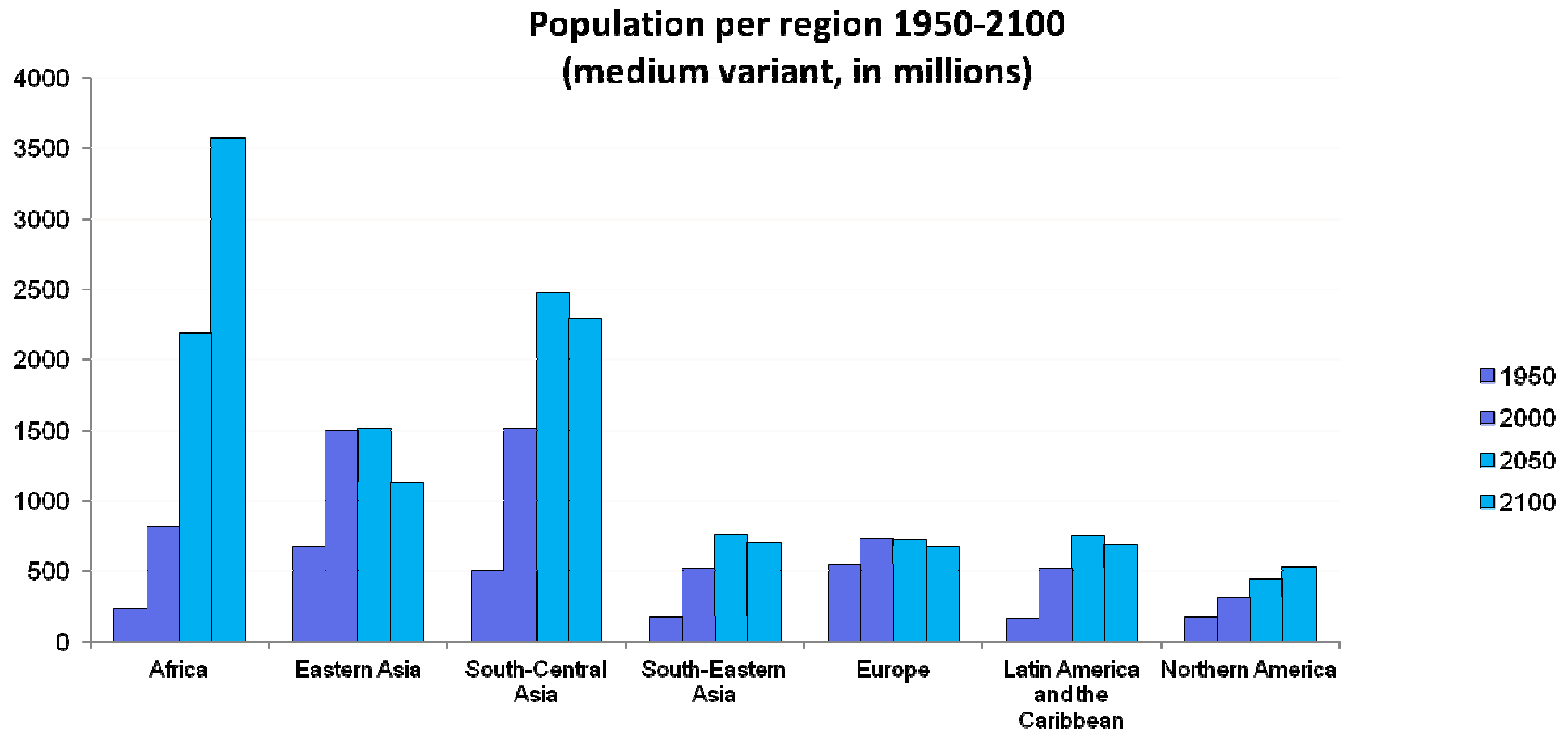
**Under 5 mortality (in %)**



- Fortunately, child mortality has been receding, also in Africa
  - MDG 4: reduce child mortality between 1990 (9%) and (2015) to 3%
  - 4.8% worldwide by 2012

## 2. Demography

- Because of high fertility rates over past 50 years Africa's share in world population will rise fast until 2100

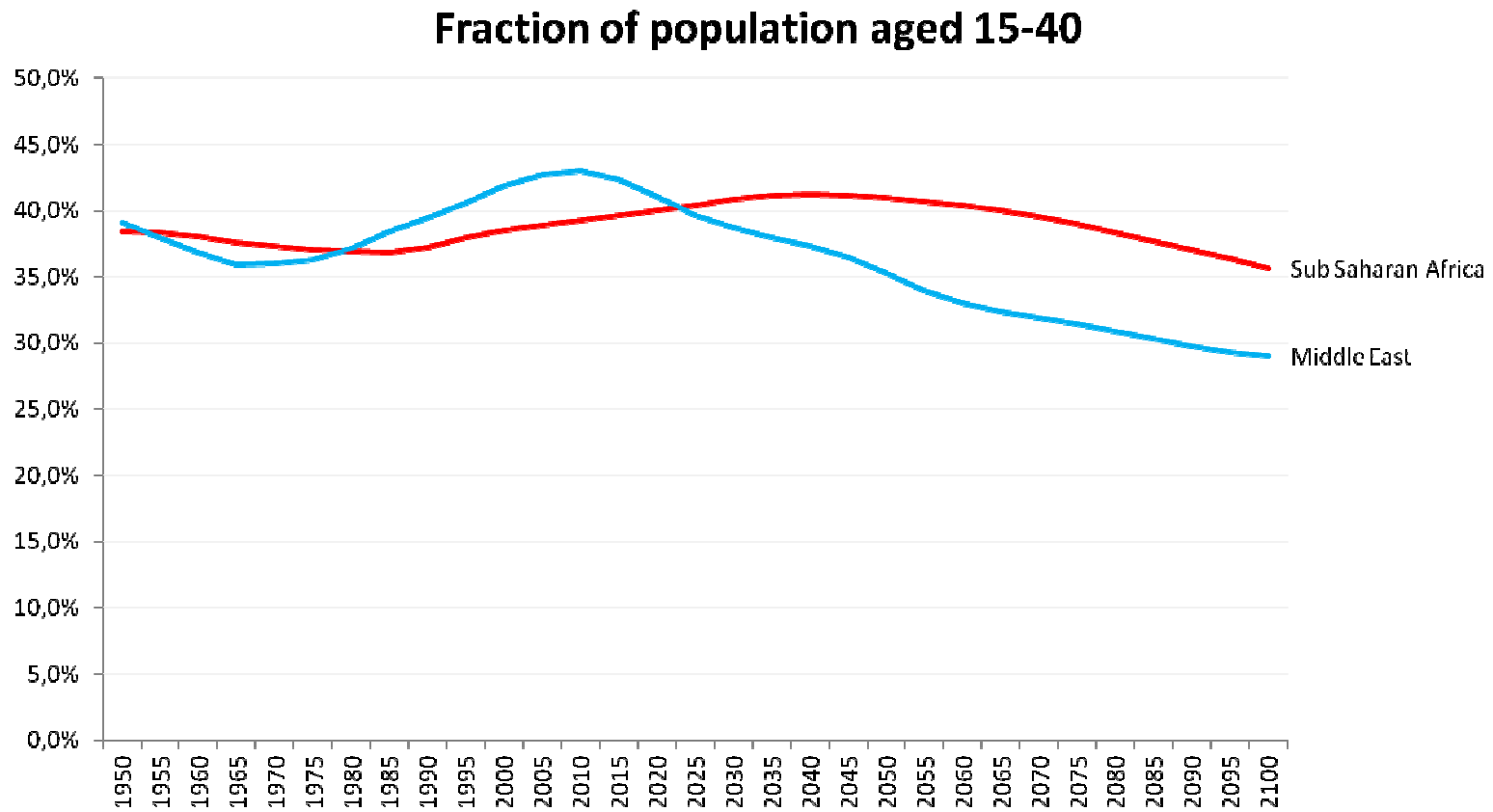


Source: United Nations Population Division, 2013



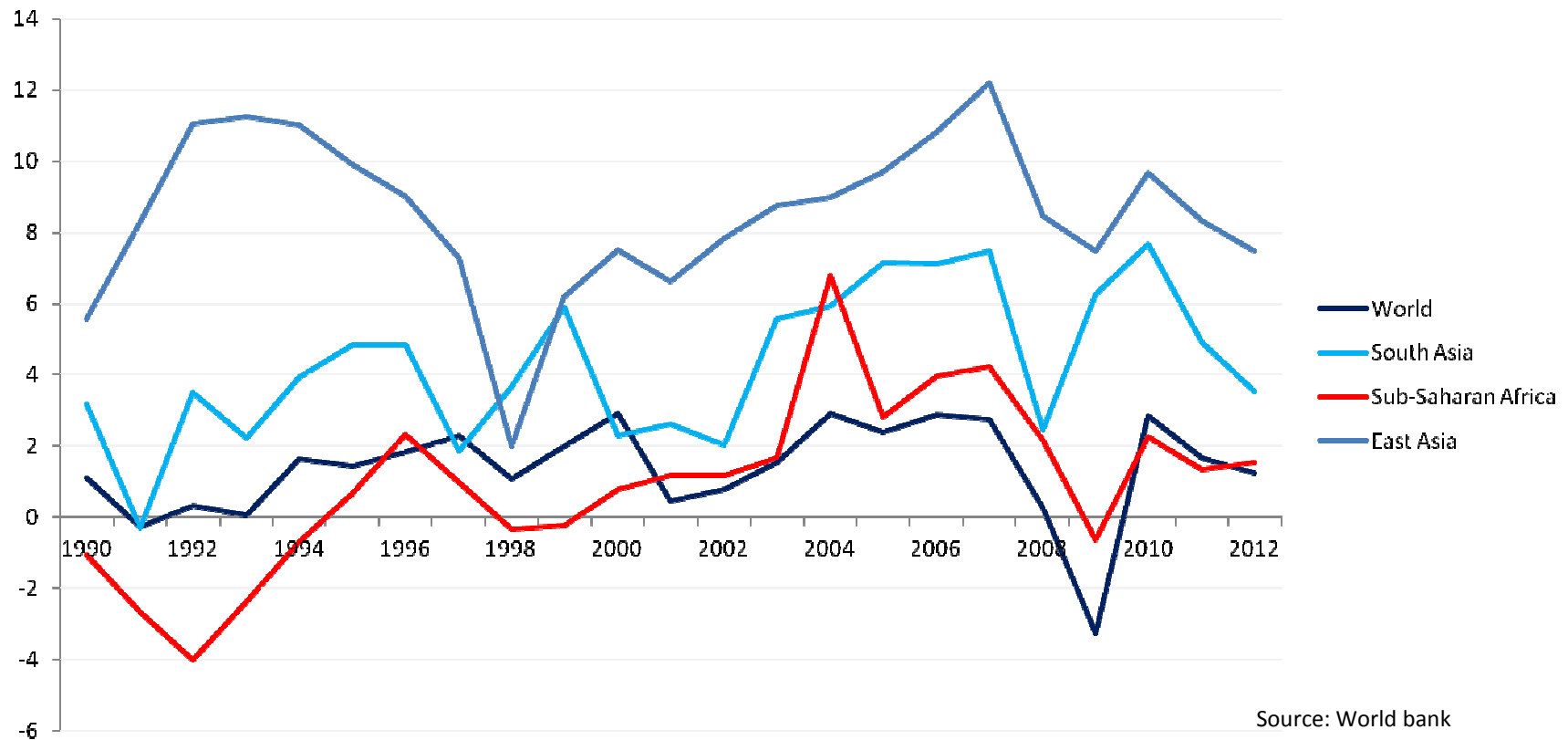
## Demography (2)

- Problems of demographic transition:
  - Aging in Europe and China
  - Youth unemployment in Africa and Middle East



### 3. Economic growth: GDP growth per capita 1990-2012

- Except when crisis broke out in 2009 Africa showed continuous growth since 2000
  - not reaching Asian growth rates
  - but better than world average

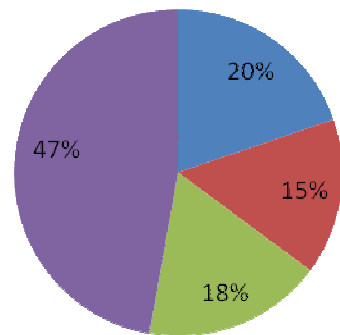


## Economic growth (2)

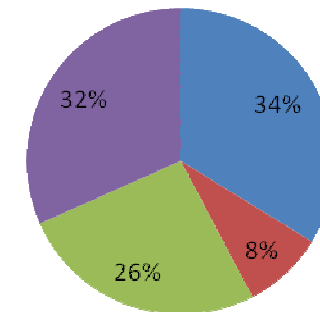
### GDP composition

- GDP composition changed much more in Africa than in Developing Asia:
  - Share of services rose fast in both:
  - Greater fraction of civil service and trade in Africa

**Sub Saharan Africa, 1975**

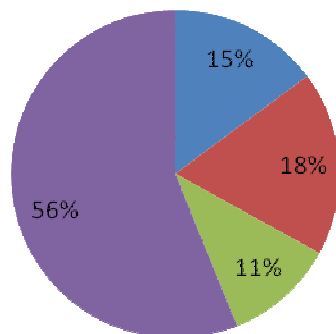


**Developing Asia, 1975**

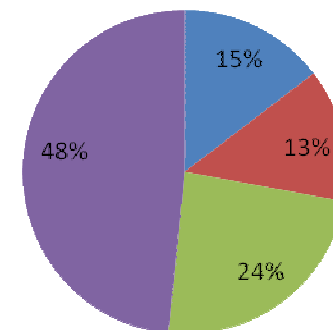


■ Agriculture  
■ Industry (excl. manufacturing)  
■ Manufacturing  
■ Services, etc.

**Sub Saharan Africa, 2010**



**Developing Asia, 2010**

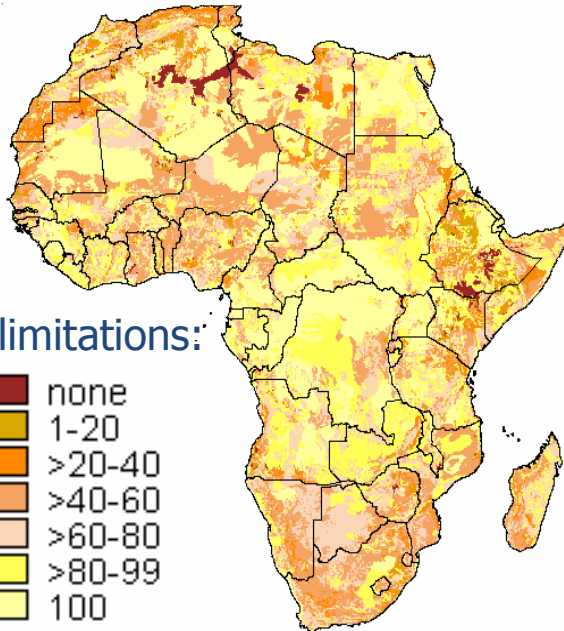
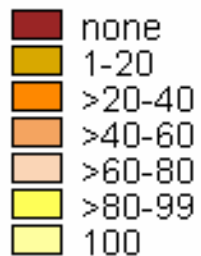


# Economic growth (3)

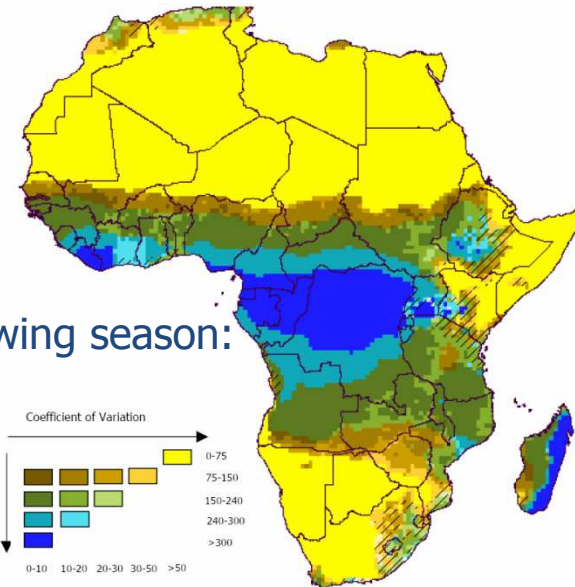
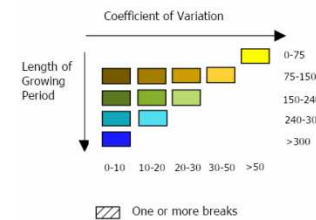
## Africa's agriculture has natural handicaps

- Soils are ancient
  - few sedimentary or volcanic areas
  - hence location specific limitations: shortage of micro-nutrients
- Climate mostly hot and humid
  - cause of pests and diseases
  - tillage is difficult of soils that are either too dry or too wet
  - high humidity also makes harvesting, storage and transport of crops more difficult
- Dry spells in East

% soils with limitations:



Length of growing season:



# Economic growth (4)

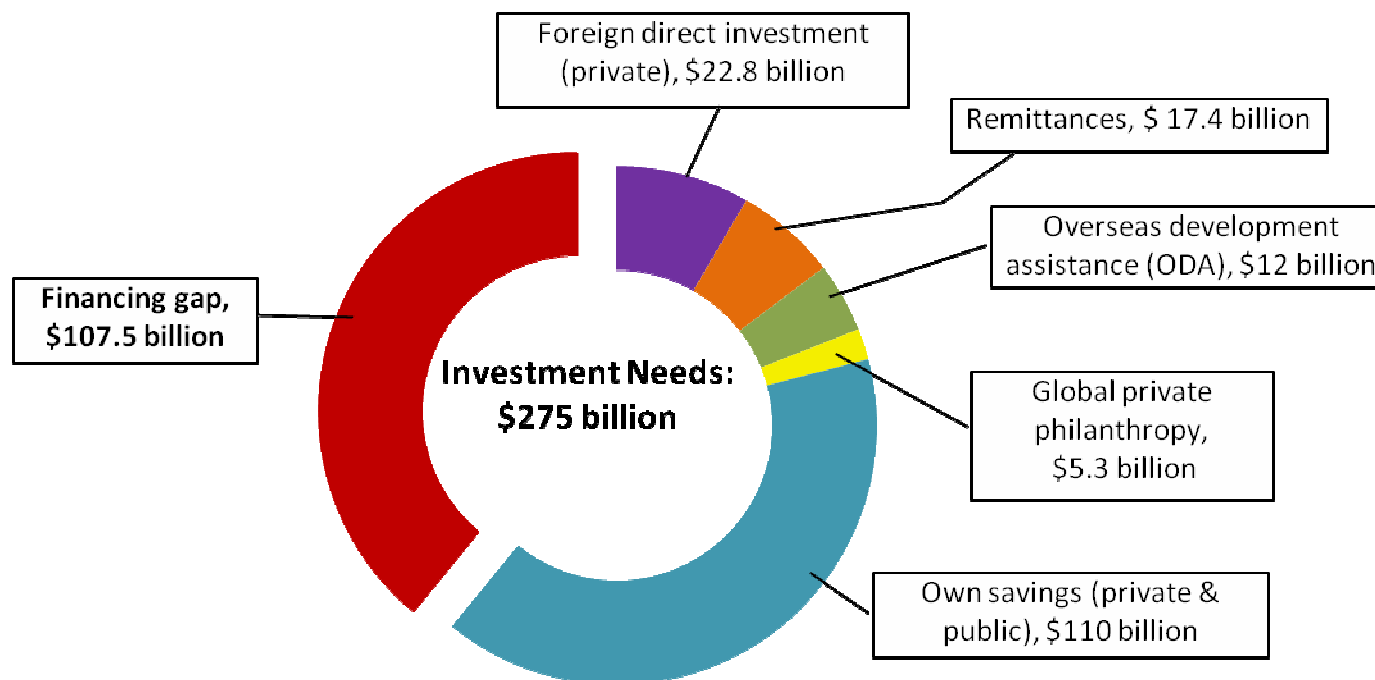
## Africa's potential

- Wide gaps between potential and realized crop yields
  - much to gain from micro-nutrient application
    - possibly gypsum, olivine sand and stone meal
  - offering good scope to compensate for adverse climate change
- Tsé-Tsé fly and other endemic diseases constrain animal husbandry
  - with adequate breeding/vaccination livestock can greatly enhance rural development:
    - nutrition in proteins and minerals
    - hides
    - draught and pack animals in cultivation and transport
    - manure & bones as natural fertilizer
    - income and employment
- Rural development plans often failed due to lack of infrastructure
  - dematerialization and multifunctionality offer new opportunities
    - dematerialized service sector can thrive on such appliances
- So far too little manufacturing in fast growing cities
  - Potential as world factory, with Chinese investments, as in China aging sets in
    - employment growth mostly in cities
    - economies of scope and scale
    - demand for agricultural products promotes rural development

## Economic growth (5)

### Financing gap worldwide

- For growth potential to reach rural areas, large and sustained investments needed
  - in Africa and elsewhere
  - these cannot come from the savings of the diminishing rural population alone
  - while large bank loans are unsustainable
  - hence other sources must be tapped
- Annual financing gap is wide
  - but not that large in relative terms: EU invests privately \$ 3000 billion annually



Sources: Global Harvest Initiative, Hudson

# Food security strategy for NL

## What would be needed

- Why did countries like BRICS succeed?
  - own doing but very little from own R&D
  - they owe much to transmission of knowledge from developed world
    - technical, medical, legal, economic management, business, etc.
    - papers, trainings, patents are the ingredients only
    - it takes long term cooperation
  - in this regard doubts in NL about effectiveness of past foreign aid are quite ill founded
- What an African country needs to improve its food security
  - peace and security
  - being spared natural disasters
  - inspired leadership
  - good friends worldwide

## Food security strategy for NL (2)

### Recent shift in NL orientation

- Rutte I + crisis + critique of aid effectiveness led to dismantling of public support to long term development cooperation
  - dropping NCDO activities to inform and to maintain political support among NL population
  - leaving for research mainly support to short term research (NWO-WOTRO)
    - mostly by junior staff (PhD, Postdoc)
  - promoting use of aid funds for export promotion
  - there always will be those arguing that this is for the better:
    - more competition
    - less vested interests
- Major turn after WRR report “Minder pretentie, meer ambitie” being adopted by Knapen&Bleker (2011)
  - led to significant dismantling of prevailing aid infrastructure NL
  - tendering replacing long term arrangements between ministries and Dutch partners



# Food security strategy for NL (3)

## Current policy

- Positive side effect: better cooperation between Economic Affairs and Development Cooperation
  - on food security issues, but with focus on “Topsectoren”
  - aiming at strengthening export position of Dutch companies by R&D and economic diplomacy
  - economic diplomacy also to attract foreign investments to the Netherlands
- Yet, this is hardly what the average tax payer expects development funds to be used for
  - it undermines support to development as a political movement
- Practice of fast job rotation at ministries and instrumental attitude towards acquisition of knowledge make it unattractive for ministry staff to invest in
  - professional competence on food security
  - long term relations with individuals in the South, and in NL

## NL development strategy (4)

### what export promotion is meant to imply

- Using aid for export promotion was meant to stimulate developing country exports
- It now is used for Dutch exports
- This may not be so much a problem for the world's food insecure
  - the world would by and large not be affected without the Netherlands on the scene
  - other countries and philanthropy can fill the gap
    - and given the long term benefits probably would
- But it is quite damaging the Netherlands' long term interests:
  - goodwill built up in past gets flushed away
  - Dutch specialized capacity and expertise are lost
  - NL banks on traveling salesmanship
    - even using the royal family for this
    - it will only pay off in the short run
  - NL not a great manufacturer
  - NL agricultural exports very much depend on reputation, not purely in physical terms

# NL development strategy (end)

## NL vocation for the future

- What NL needs for its prosperity in the future
  - peace and security
  - being spared natural disasters
  - inspired leadership
  - good friends worldwide
- i.e. exactly the same as African country!
  - under its control are:
    - inspired leadership
    - good friends worldwide
- To (re-)establish this *NL food security policy needs a new drive*, with vocation as
  - honest and competent analyst: BRICS, New Cold War, Islamic world,...
  - broker between BRICS and traditional development partners
  - guardian of international solidarity
  - shared vision about future challenges and wider development strategies
    - what is role of our country and of our present youth in the world of 2040?
    - seek to involve BRICS
      - China and India in particular
  - partnerships based on trust and long term cooperation at personal level



## 5. NL development strategy: Official policy

- Major turn after “Minder pretentie, meer ambitie” WRR report being adopted by Ben Knapen – Bleker (2011)
  - led to significant dismantling of prevailing aid infrastructure NL
  - tendering replacing long term arrangements between ministries and Dutch partners
  - rotating positions at ministries
- Resulted in a closer cooperation between Economic Affairs and Development cooperation
  - on food security with focus on “Topsectoren”<sup>1</sup>
  - aiming at strengthening export position of Dutch companies by R&D and economic diplomacy
  - economic diplomacy also to attract foreign investments to the Netherlands<sup>4</sup>

1. Kamer brief: Nadere toelichting op Meerjarige Strategische Plannen 2014-2017 (Ploumen, maart 2014)  
Kamerbrief: Internationaal landbouwbeleid (Dijkma, maart 2014)
2. Brief: Toekomst Agrologistiek (Dijkma, Januari, 2013)  
De Nieuwe koers voor ontwikkelingssamenwerking (Knapen & Bleker, 2011)  
Kamerbrief: Beleid ten aanzien van ontwikkelingssamenwerking (Knapen & Bleker, 2011)
3. Focusbrief ontwikkelingssamenwerking (Knapen, 2011)  
Nota: “Wat de wereld verdient: een nieuwe agenda voor hulp, handel en investeringen” (Ploumen, april, 2013)  
Kamerbrief: “de Nederlandse inzet in de post-2015 ontwikkelingsagenda” (Ploumen, januari 2014)  
Kamerbrief: “effectieve privatesectorenontwikkeling door focus en synergie” (Ploumen, april 2014)  
Dutch Good Growth Fund (active as of July 1, 2014)
4. Rijksbegroting 2014