

2009



# The State of **Food Insecurity in the World**

**Economic crises – impacts and lessons learned**





# Key messages

*The State of Food Insecurity in the World 2009* is FAO's tenth progress report on world hunger since the 1996 World Food Summit (WFS). This report highlights the fact that, even before the food crisis and the economic crisis, the number of hungry people had been increasing slowly but steadily. With the onset of these crises, however, the number of hungry people in the world increased sharply.

As a result of the global economic crisis, developing countries are facing declines in remittances, export earnings, foreign direct investment and foreign aid, leading to loss of employment and

income. This loss of income is compounded by food prices that are still relatively high in the local markets of many poor countries. As a result, poor households have been forced to eat fewer meals and less-nutritious food, cut back on health and education expenses, and sell their assets.

Despite the financial constraints faced by governments around the world, agricultural investment and safety nets remain key parts of an effective response to reduce food insecurity both now and in the future.

■ **Even before the food and economic crises, hunger was on the rise.** The World Food Summit target of reducing the number of undernourished people by half to no more than 420 million by 2015 will not be reached if the trends that prevailed before those crises continue.

■ **FAO estimates that 1.02 billion people are under-nourished worldwide in 2009.** This represents more hungry people than at any time since 1970 and a worsening of the unsatisfactory trends that were present even before the economic crisis. The increase in food insecurity is not a result of poor crop harvests but because high domestic food prices, lower incomes and increasing unemployment have reduced access to food by the poor. In other words, any benefits from falling world cereal prices have been more than offset by the global economic downturn.

■ **In trying to cope with the burden of consecutive food and economic crises, poor people reduce their dietary diversity and spending on essential items such as education and health care.** These coping mechanisms were strained during the food crisis, and the poor will now be forced to draw on their meagre assets even more deeply, creating poverty traps and negatively affecting longer-term food security. Infant mortality will increase, with girls being more affected than boys.

■ **A healthy agriculture sector can provide an economic and employment buffer in times of crisis, especially in poorer countries.** However, past experience of economic crises suggests that investment in agriculture may soon decline. This must be avoided so that agriculture can play its role as an engine of growth and poverty reduction and act as the longer-term pillar of the twin-track approach to fighting hunger. Indeed, increased investment in agriculture during the 1970s and 1980s helped reduce the number of undernourished. Due attention must also be given to developing the rural non-farm sector in parallel with agriculture, which is another key pathway out of poverty and food insecurity.

■ **Safety-net interventions should address the immediate impact on the vulnerable while also providing sustainable solutions to the underlying problems.** As the shorter-term pillar of the twin-track approach, safety nets must enable recipients to become more credit-worthy and more able to access modern inputs and adopt new technologies, thus allowing them to graduate from the safety-net programme. To achieve these goals, safety nets should be well integrated with broader social assistance programmes. The urban poor, in particular, will need help, as they were hurt severely by the food crisis and are now most likely to suffer unemployment because of the economic crisis.

■ **The fact that hunger was increasing even before the food and economic crises suggests that present solutions are insufficient and that a right-to-food approach has an important role to play in eradicating food insecurity.** To lift themselves out of hunger, the food-insecure need control over resources, access to opportunities, and improved governance at the international, national and local levels.

2009

# The State of **Food Insecurity in the World**

**Economic crises – impacts and lessons learned**

Produced by the  
**Electronic Publishing Policy and Support Branch**  
**Communication Division**  
**FAO**

---

The designations employed and the presentation of material in this information product do not imply the expression of any opinion whatsoever on the part of the Food and Agriculture Organization of the United Nations (FAO) or of the World Food Programme (WFP) concerning the legal or development status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. The mention of specific companies or products of manufacturers, whether or not these have been patented, does not imply that these have been endorsed or recommended by FAO or WFP in preference to others of a similar nature that are not mentioned.

The designations employed and the presentation of material in the maps do not imply the expression of any opinion whatsoever on the part of FAO or WFP concerning the legal or constitutional status of any country, territory or sea area, or concerning the delimitation of frontiers.

ISBN 978-92-5-106288-3

All rights reserved. Reproduction and dissemination of material in this information product for educational or other non-commercial purposes are authorized without any prior written permission from the copyright holders provided the source is fully acknowledged. Reproduction of material in this information product for resale or other commercial purposes is prohibited without written permission of the copyright holders. Applications for such permission should be addressed to:

Chief  
Electronic Publishing Policy and Support Branch  
Communication Division  
FAO  
Viale delle Terme di Caracalla, 00153 Rome, Italy  
or by e-mail to:  
[copyright@fao.org](mailto:copyright@fao.org)

© FAO 2009

**4 Foreword**

---

**8 Undernourishment around the world**

---

- 8 Hunger has been on the rise for the past decade
- 9 The global economic crisis: another blow to the food-insecure and vulnerable
- 13 Transmission of the economic crisis to the developing countries
- 22 Quantifying the food security impacts of the economic crisis
- 26 Coping mechanisms of the poor and food-insecure

**29 Case studies of countries affected by the economic crisis**

---

- 31 Armenia
- 33 Bangladesh
- 34 Ghana
- 35 Nicaragua
- 37 Zambia

**39 Towards eliminating hunger**

---

- 39 The importance of investing in agriculture and public goods
- 41 Safety nets for the short term and long term
- 44 The right to food

**48 Technical annex**

---

- 48 Table 1  
Prevalence of undernourishment and progress towards the World Food Summit (WFS) and the Millennium Development Goal (MDG) targets in developing countries
- 51 Table 2  
Selected food and financial indicators in developing countries, classified by region

**54 Notes**

---