

LOUISE FRESCO

Professor, University of Amsterdam

Good morning, ladies and gentlemen. I wish to thank the organisers and our Moroccan hosts for their wonderful hospitality. This will not exactly be in the language of Molière, but close.

Firstly, I would like to make five observations of a diagnostic nature and five comments about governance. That way, the issue will be fairly well defined.

Concerning perspective, we have to take a journey back in time. If we are now able to feed the world and can still do so in 2050 when the population will rise to nine billion, it will be due to research and science and the fact that we were able to apply them more or less effectively. When I say “we”, I’m not only talking about governments, but the private sector as well.

The past 50 years have given us a fantastic perspective on what is possible and what we are capable of doing. While the population has doubled, a 25% increase in available calories per person has been achieved, though at certain costs, which I will discuss later. When I talk about today’s problems, the concern is that over the past 10 years there has been under-investment in agriculture, a situation that may now be starting to improve just a little.

Let me remind you of the recent Aquila agreements and Pittsburgh fund, a fund whose implementation methods remain to be determined. Not long ago, African heads of state meeting in Maputo decided to dedicate 10% of their GDP to agriculture. They didn’t follow through so the under-investment problem remains. That is the first issue I want to mention. There are major prospects for both agriculture and water use and let’s not forget that 70% of the water used in the world is fresh surface water and water used in farming. Agricultural and water problems are related.

We must also be very aware of where hunger and poverty exist. They are not necessarily found everywhere. Traditionally, the major pockets of hunger are found in situations characterised by often violent conflicts between States, by weak or nonexistent governments and, occasionally, but in a much more time-limited manner, by natural disasters. With regard to the latter, I am thinking of Myanmar, a weak State with natural disasters, and for the two other cases, weak States with conflicts, Darfour and Congo.

We know that China was able to bring 400 million people out of poverty and hunger over 10 years. So there is really enormous potential, and I’m talking about current scientific knowledge.

It must be said that in terms of security, which is the theme of our discussion this morning, that areas with poverty and hunger are not necessarily the areas that breed terrorism. Where I do see a link between poverty, hunger and the possibility of violent conflict has much more to do with

people, especially young men in rural settings without job prospects who emigrate to the cities. This relationship between poverty, hunger and terrorism is complex. It is not nonexistent, but it is complex.

I believe that the problem of rural areas is our major agricultural problem today. Young people do not want to say in rural environments for obvious reasons because there is nothing to do and farm work is hard. In the near future, we will have enormous labour shortages and a decreasing farm population that must feed a growing urban population. That will only work if we manage to find sufficient resources to mobilise the entrepreneurial capacities of rural populations. In other words, you should feel proud to be a farmer; if not, young people will not want to stay. They will not feel pride working with their hands in the mud. What is needed is swift, sufficient and appropriate mechanisation as well as inputs, fertiliser, seed and a financing system providing savings and credit opportunities for farmers. These things may be obvious but they are not always available despite 30 years of research and 30 years of development aid.

Regarding technology, another thing to keep in mind is that it has become globalised. China is now the world's leading innovator in the field of agriculture. It is China that developed hybrid rice. Countries outside the OECD have the highest growth in GMOs. Argentina, South Africa, India and again China are the nations most open to using modern technology. In other words, Europe and its reluctance to use GMOs may become a real hindrance to what is seen by developing countries as a brake on entrepreneurship.

We must not deny the problem of cross-border diseases. We have been talking about the flu but I'm particularly thinking about (*inaudible word*) and animal diseases that spread to humans. All of this requires governance.

Lastly, Western development aid has particularly focused on "small is beautiful", on the fact that it is necessary to do small things. That has not been helpful to companies, small and medium-sized enterprises or the modernisation of agriculture. We have much catch-up work to do in that area and we might use the Aquila Fund to do so.

To conclude my diagnosis, we can feed the world, even based on our current knowledge, even without using GMOs, if demand can be clearly defined and if we are able to organise markets, organise the workforce and organise inputs. But this raises serious governance questions. Firstly, let me say that I do not at all believe in negotiating new agricultural agreements, even for the right to food or water. Having extensive experience in international negotiations, this is not the right moment to waste time doing so under UN auspices. That doesn't mean that this issue is not important in itself, but let's not repeat the whole Kyoto process for agriculture.

On the other hand, what we must do straightaway is revise the WTO's methods. As you know, the WTO is still working on Doha. That should be quickly wrapped up because it remains an obstacle to collaboration between developing countries and the OECD, particularly Europe.

There are also regional barriers among countries, especially in West Africa. I am aware of the customs barriers that must be overcome in order to free up the flow of goods. If we have learned

anything these past 10 to 20 years it's that the market works, but it must be controlled. And it must absolutely be controlled in terms of potential social and environmental damage.

I believe this provides an opening for the WTO. At the present time, the WTO refuses to take environmental considerations into account when settling disputes. Because agriculture causes damage, especially poorly regulated farming, it is possible to envision procedures such as those some NGOs are already considering. This would entail, for example, accusing certain countries of deforestation and holding out the possibility of not accepting products that come from the deforested areas of a rain forest. That would be something the WTO could do.

I also believe we should rethink what we're doing at the UN. The UN has pretty much the same organisational structure it had 50 years ago and for each new problem, a new organisation has been created. The most obvious example I can think of is ... I don't know whether you have any idea how many UN organisations have a strategic programme with water as a priority. I served as chair of UN Water for many years, so I can tell you without hesitation that 27 UN organisations deal with the water issue in one way or another. That doesn't make any sense.

In tandem with everything we want to do with the Security Council, we need to revise the structure of the UN's technical agencies in order to meet new challenges in a much more transparent and integrated manner. These challenges basically relate to resource management rather than organisational management.

We have to create structures that are better able to mobilise the private sector. It's not government that bakes bread for you, but the agricultural food chain, in which the private sector plays a major role.

Finally, a globalised world that forgets its farming and rural roots is a world that runs the very serious risk of disturbances caused by price fluctuations. For that reason, we should perhaps consider stabilisation funds. Agriculture may not be oil but if it's poorly managed, it can cause just as many problems as oil.

(unvalidated text)