



## **FOOD CRISIS AND HIGH PRICES OF FOOD: WHICH WAY AFRICA**

**Sir John Crawford Memorial Lecture  
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*Your Excellencies, Heads of State and  
Government,  
Honorable Ministers,  
Mr. Chairman and Members of the CFS Bureau  
Distinguished Ladies and Gentlemen:*

I would like to thank the organizers of Crawford Memorial Lecture for the invitation to be here with you this day. I cherish the opportunity to interact with the distinguished members of CGIAR who have done and who are doing great research works to ensure that the world can be adequately fed and nourished. Let me pay tribute to late Sir John Crawford, a distinguished Australian, who was in the vanguard of encouraging agricultural research.

It is, indeed, a pleasure and an honour to be able to share a few of my thoughts with you about global food crisis and high prices of food facing many countries, and Africa in particular precedent to the current global economic meltdown and crash in the global stock and financial market.

Let me begin with an attempt to provide a quick global overview of the global agricultural and food production situation. The world is today not incapable of producing adequate food to feed the world population, rather three main things have happened to prevent or restrain adequate production of food. One, to limit production so as to avoid gross over-production, farmers in the US are often paid not to produce but to keep their farms fallow. Two, farmers in Japan are

heavily subsidized to produce grains at double the cost of producing the same grains elsewhere in the world. Their concept of food security involves self-sufficiency in production of staple food, no matter at what cost. Three, as a result of the two factors and closing of markets to those who could produce more cheaply, production in other parts of the world was stifled. Added to these is the new utilization of normal food crops for bio-fuel production for energy.

As a farmer in Africa, I believe that the use of the terms 'global food crisis and food price volatility' are misleading, confusing and obscuring. I say this because the continuous use of the term 'global food crisis' can only divert our attention and thought process to the escalating prices of food rather than focusing on the main causes of the crisis. In which case we would be focusing more on fixing the symptoms rather than the disease. Whereas in truth, indeed and in fact, what we have today is manipulated decline in global food production and diversion of normal food items to new industrial uses. It is when we take such a focused approach that we might begin to understand the true nature of the problem, the underlying causes and the required root and branch cure for the ailment.

My second point of departure is that food must not be seen merely in terms of what is edible. Its definition must recognize its nutritional value, the constituents and what people consume for energy, growth and sustenance, drawing essentially on their areas of natural endowments and availability of resources. Food and nutrition is a matter of life and death and takes precedence over human security and human development issues such as shelter, etc. In essence therefore, food security must and should be placed on the same pedestal as the defense of the territorial integrity of any country and protection of life and property. It is from this perspective that I believe that we should view the current global food crisis. In effect, attainment of food security which I define as the

availability of guaranteed access to food at affordable prices by all segments of society, particularly vulnerable groups, must be seen as a desideratum of development.

Once again, as a practicing African farmer, I remain convinced that the major challenge in the years ahead will be the development and implementation of a sustainable mechanism that will accelerate food production in Africa. The challenge facing Africa is that of preventing high and volatile food prices further plunging Africa into hunger and poverty. Already, Africa has a substantial number of the 923 million undernourished people in the world. Nevertheless, it is very important that we understand the genesis of the decline in agricultural production in Africa. It is by so doing that we will be able to see and gauge the quality of attention to agriculture from independence to date.

The Colonial power in Africa in its enlightened self interest promoted, celebrated, and if you like venerated what it dubbed cash crops at the expense of food crops. That policy decision served as the precursor of our current problems with food in Africa. Implicit in that was a quiet but loudly effective message to farmers and others involved in agriculture in Africa that production of food crops will attract limited cash value. In effect, producing food crops meant negotiating your way into humdrum, drudgery and grinding poverty. Unfortunately, the post colonial state did not interrogate the underlying wisdom as it sought to increase its much vaunted and badly needed export revenue base, the main source of development financing. Predictably, government policies in immediate post-independence Africa were focused mainly on export commodities. For instance, production of cotton and groundnut was encouraged at the expense of production of grains and tuber for food. Consequently, production of food crops was left mainly to postage stamp size landholders and other subsistence farmers. In some rare instances a sprinkling of small scale farmers joined in, while the commercial large scale farmers focused mainly on the so-called cash crops.

Although national and international research organizations have made and are making tremendous contributions to agricultural and food production to ensure adequacy, there should be no complacency. They should carry

out result-oriented research based on the farmers' needs rather than research just for publication. They must also assess the impact of their work from the farmers' satisfaction and profitability. It must be a closed circle from research through government policy and support through financing marketing and the farmer.

Africa thus unwittingly found itself saddled with a clearly retrogressive colonial legacy which ought to have been repudiated with the vehemence of a religious leader when repudiating sinful conduct.

An outfall of this is also the fact that over the years, subsistence farming became the exclusive preserve of old men with little or no replacement or successor-generation. The youngest farmers in my village are only ten years younger than me. In truth and indeed, the drudging and the accompany poverty could not have inspired or encouraged them to bring their children into the profession. Like most human beings, they wanted a better and brighter future for their children. Farming and rural dwelling became a synonym for poverty, lack of means and hopelessness. The only place that provided any succor or hope was the urban area. Thus, the rural-urban migration moved apace as village life and farming was a sure passport to the hellish experience of poverty.

Most of these farmers age and, over time, are without replacement. It is no surprise that the effects of the current food production in Africa is biting, stinging and projections almost Malthusian. As we know, agriculture provides as much as almost 70% of jobs, most of which are in small-scale farming. To this must be added the deleterious effects of such factors as bad governance, mis-governance, misguided land reform policies that drive commercial farmers out of production, uncontrolled population growth, soil fertility problems, inadequate application of research results, lack of adequate investment in agriculture by the private sector, lack of availability of inputs, inconsistent agricultural policies, neglect of small-scale farmers, poor marketing, poor water management, poor rural development strategies, neglect of women in agriculture, poor funding of agricultural research, paucity of extension services, and lack of effective communication and coordination among key actors in the agricultural sector.

Currently most African countries allocate about 30% of annual budget to education, which is commendable, but much less than 10% is budgeted for promoting agricultural production, food security and nutrition whereas in the developed countries, agricultural development was predicated on loans attracting between 2% and 4% interest. Developed countries subsidize their farmers unlike in the developing nations. In Africa generally, if you get agricultural loan at 20% interest you are lucky. And I had to tell African leaders meeting at Leon Sullivan Summit in Tanzania this year that to break even on such a high rate of interest you must be producing cocaine or something as illegal as that.

Poor and woefully deficient rural road networks also affect harvesting and transportation of farm produce to the market. A number of inappropriate policies have served to strangulate Africa's agricultural progress. These include the failure to define the appropriate roles of government and the private sector, the resort to policies that emphasizes food imports, cheap urban food, heavy taxation of export crops, and most importantly, the lack of collective strategy by African government to learn from past mistakes and show adequate political will and commitment to successfully push through programmes of self-reliance and food security. Farmers don't go on strike and they don't demonstrate, so it is only understanding and driving passion on the part of political leadership that can keep agriculture on the front burner.

Your Excellencies, Ladies and Gentlemen, my third point of departure is that the current crisis in food production should be seen from a Chinese perspective of the word 'crisis'. The Chinese word for crisis has two characters, one character denoting danger and the other denoting opportunity. While we have over the years focused on the danger of the crisis, it is now time for us to begin to focus on the opportunities it carries in its belly.

In the first instance, I believe that the high food prices, properly managed, could become a growth factor. In the same vein, it also carries with it the key for reversing the phenomenon of rural-urban migration. Young Africans properly incentivized could be redirected into massive food crop farming. The challenge is to devise a practical, easy to deploy mechanism that could assist in realizing this twin objective with several multiplier effects.

From my experience, when there is the will, the means will be found. During the tenure of my administration as President of Nigeria, with well directed effort, Nigeria recorded a significant improvement in agricultural production between 2001 and 2006. What we called presidential initiatives within this period meant that all stakeholders in agricultural production, financing, research, marketing and export infrastructure came together under one single umbrella to work for increased production, appropriate financing, dissemination of research products, research and effective marketing processing and storage of each product or commodity. This led to significant production in the following areas:

- Cassava Production and Export
- Rice Production, Processing and Export
- Vegetable Oil Development
- Tree Crops Development
- Rubber Production
- Indigenous Tropical Fruits
- Cocoa Development Programme
- Maize Production
- Livestock Development
- Fisheries and Aquaculture Development
- National Special Programme for Food Security (NSPFS) working in tandem with South South Cooperation (SSC) under the auspices of FAO
- Cotton Development
- Agricultural Credit Programme, limited to interest rate of 8%. We worked in close collaboration with international organizations like FAO, IFAD, research organizations like IITA, a member of CGIAR, and foundation like Rockefeller on fertilizer.

Remarkable achievements<sup>1</sup> were made through these initiatives such that increase in production varied from 30% for sorghum rice to almost 40% for maize, cowpea and 50% for palm oil, cassava and over 100% for cocoa.

Specific crop increased productions are:

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<sup>1</sup> For more detailed breakdown of all aspects of agricultural production visit [www.ficci.com/media-room/speeches-presentations/2007/march/session1/MallamAdamuBel-lo-Nigeria.pdf](http://www.ficci.com/media-room/speeches-presentations/2007/march/session1/MallamAdamuBel-lo-Nigeria.pdf)

- Maize: from 5.476 million mt in 1999 to 7.100 million mt in 2006, 38% increase.
- Millet: from 5.960 million mt in 1999 to 7.705 million mt in 2006, 29% increase.
- Sorghum: from 7.520 million mt in 1999 to 9.866 million mt in 2006, 31% increase.
- Rice: from 3.277 million mt in 1999 to 4.200 million mt in 2006, 28% increase.
- Cassava: from 32.697 million mt in 1999 to 49.000 million mt in 2006, 50% increase.
- Cowpea: from 2.198 million mt in 1999 to 3.040 million in 2006, 38% increase.
- Palm oil: from 0.896 million mt in 1999 to 1.287 million mt in 2006, 44% increase.
- Groundnut: from 2.894 million mt in 1999 to 3.825 mill mt in 2006, 32% increase.
- Cocoa: from 170 million mt in 1999 to 412 million mt in 2006.

For the first time in Nigeria we were able to sell grains and tuber food items to the World Food Programme to supply to other areas of need in Africa.

Africa's success at achieving food security is contingent upon our collective ability to initiate and execute programmes that aim at releasing innate energy of local farmers and at reversing rural-urban migration. The role of energy must be taken seriously, particularly renewable energy, which is a major factor in agricultural production and processing for the purpose of adding value. For us it should not be making a choice between small, medium and large land holders but rather to encourage all of them in their special areas of need. Small holders need help for land preparation, inputs and labour-saving devices, micro-credit and market; medium land holders need help on land preparation and credit and large land holders or commercial farmers need help with credit at the right rate of interest and market accessibility.

The challenge before us is basically to institute a collective agenda for action towards boosting food production within an enabling environment that ensures its availability, affordability, sustainability and accessibility. We need no new policies or reinventing the wheel. Let us take a range of measures to enhance the access of African agricultural production to markets

outside Africa in addition to internal market. Private sector initiative must be induced and encouraged not only to produce but to add value and package properly. This may have to involve product and infrastructural development.

What have I learned over the last thirty years or so both as a farmer and as Chief Executive of an African country that seemed to have paid inadequate attention at one time or the other to agriculture, food production, food security and nutrition?

The first and most vital lesson is that we can move from an inadequate producer to a profitable and surplus producer for internal self-sufficiency, and for export. No African country should be in food crisis if the mixture of policies, strategies and programmes that are successfully available are deployed. There is no African country that does not have comparative advantage for production of one or two commodities for internal consumption and/or for export.

Let us identify mistakes and mis-steps that need to be corrected. Our utilization of fertilizer is miserably negligible. Africa's utilization of fertilizer is less than 10% of Asia's and yet not that we embrace the non-organic farming. Our management of water is abysmally poor. Policies, strategies and programmes must be composite and comprehensive. For instance, a situation where you have ministry of agriculture separate from ministry of water resources, both of which are separate from agricultural research and procurement and distribution of fertilizer and other inputs can surely not be the right situation to help agricultural production. Agricultural credit will yet be separately located elsewhere. It cannot be the way to help farmers to produce if they have to go to three or four or five ministries or departments to get all that they need for their production. The agricultural production, food security, and nutrition policies, strategies and programmes must all be inclusive of land preparation, availability of seeds, timely procurement and distribution of fertilizer and other inputs, availability of credit at reasonable interest rate, simple mechanization and labour-saving devices, motorable farm-to-market roads, processing and storage facilities. If any of these is missing or not available where and when it should be, it can mean the difference between success and failure. Agricultural production is time and season-bound. Unlike industry where

you can shut your factory when the raw material is not available and reopen when raw materials are available, if any essential input or item is not available in time in agricultural production the season is lost and the farmer has lost a year. The farmer may be without production and income for that year. There is need for overall coordination at the highest governmental level because of the need for coordination, harmonisation and direction.

The second lesson is that most African countries have what they need to succeed in agricultural production, food security and nutrition. The technology they need is basic and available. Research products are there. Where required, there are international organizations and friends of Africa that are willing to lend a helping hand if genuine desire for help is needed or desired. That was the experience of Nigeria when I was in government.

The third lesson is that most African countries prefer to go for easy option of food importation. It is suicidal. Why should any African country pride itself on the basis of importing its staple food? It is unreasonable. I have heard leaders of African countries gloating over their national staple food being rice and almost all of it being imported from abroad. God created us to be able to produce what we will eat where we are created to be by Him. It is illogical to grow groundnuts for export just to import rice which you can also grow for food. Increasingly, money made from sale of groundnut may fail to cover the needs for import of rice. It is better and more secure to produce your own food if you can rather than produce what others eat and fail to produce what you eat as staple food. For me, it is also abhorrent to fail to produce varied tropical fruits that can grow in Africa and rather import temperate climate fruits. I see the importation of ordinary drinking from Europe to Africa in the same light.

Let me reiterate again that agricultural production, food security and nutrition must be taken as a 'life and death' affair and be given the attention at the highest level of government that it deserves in Africa. The increased agricultural production required to feed the world and to provide adequate raw materials for new energy resource of bio-fuel should be seen as an opportunity. The increased prices may not be a totally bad thing after all. Price incentives must be made to benefit African farmers significantly

without middlemen or government marketing boards that cream off the benefit from the farmers. Farmers too want to enjoy the good things of life and to live reasonable well with their families. They need to look after the education of their children, the health of their family, shelter over their heads and mobility within their community. They need wholesome water supply and electricity. The current economic crisis should make Africa pay more serious attention to agricultural and food production and nutrition, not less.

Your Excellencies, Distinguished Ladies and Gentlemen, let me conclude by recalling the Chinese understanding of the word 'crisis'. The inadequate global agricultural production and the attendant impact are both a challenge and an opportunity. A challenge, because of the suffering of the poor who cannot afford the soaring prices of food and are dragged daily into the dungeon of extreme poverty; an opportunity because humanity is confronted with the need to review the age long traditional norms guiding agricultural production and products marketing. This in terms of food security is the issue of affordability and accessibility. Each community and each nation will have to device appropriate measures and programmes to deal with their peculiar situation. Some 300 years ago, African farmers using basic farm implements, hoes and cutlasses, provided food for a few millions of people. Unfortunately, however, 300 years on, our farmers still rely to a large extent on the same basic implements though Africa's population has increased over a million fold. We must device relevant and appropriate technology and sustainable policies and programmes to make farming attractive to the young, in addition to the price incentive. Nothing succeeds like success. We must provide models and examples for the young to follow. There are success stories that need be replicated and multiplied. Going into agricultural production, food security and nutrition should not be regarded by the young as taking an oath of poverty. They must see that there is reward in it both here and hereafter as a service to humanity.

Here and now is a timely opportunity to take stock, and to discuss and tackle headlong the challenges of enhancing agricultural production globally but particularly in Africa.

Let me say a word on climate change using the Nigerian experience. We are already experiencing change in our rainfall patterns. We are also being attacked by desertification from the North and coastal erosion from the South. 30 years from now Lake Chad will be completely dry up. It is less than 20% of its volume 50 years ago.

Africa must come up with adequate strategies, programmes and an appropriate action plan to combat poverty in the developing economies such as Africa especially as we are approaching the 2015 MDGs poverty reduction target date. Agricultural production, food security and nutrition properly handled should reduce poverty, deal with the issue of maternal and infant mortality and create wealth particularly for the rural dwellers.

We have all it takes to increase agricultural production and moderate prices of food without the farmer. We only need all hands on deck, the right mixture of measures, political will and passion beyond normal.

We must avoid boom and burst approach and inconsistency in our agricultural strategies and programmes. Let us use this opportunity to move up and move forward. A young person going into agricultural production who becomes disappointed and frustrated will prevent at least five others from going in. Young people often express apprehension in going into farming for two main reasons: inconsistency of government policy, strategy and programme and the vagaries of weather and market. I always encourage young people to come into agricultural production and I assure them that if government policies and programmes are right and sustained and God's rains fall in due season, without plague or pests a young person's effort in agriculture can be both satisfying and rewarding.

Thank you for your attention and God bless.