## A positive thing: Food and agriculture are center stage

A recent press release from Feeding America (<u>https://tinyurl.com/28jf7e77</u>) announced that "around 85% of the 200 food bank network, report seeing demand for food assistance increase or stay the same for February compared to the previous month, about a 20% increase from the previous survey."

The increase in the need for food assistance results from inflation as well as the decline in government payments that were instituted to help individuals and families weather the effects of the COVID-19 pandemic.

"The reality is too many neighbors must continuously be forced to make difficult decisions between paying for food or other necessities like rent and medicines. Nearly one-third of a low-income household's budget is spent on food, and any incremental increases to food prices can have a dramatic effect to their overall stability and security,' said Claire Babineaux-Fontenot, CEO of Feeding America."

At the same time donations to Feeding America's food bank network is down, while the cost of direct purchases is up, reducing their ability to meet the food needs of the most vulnerable in the communities they serve.

If we are seeing an increase in hunger in one of the richest countries in the world, imagine what it like for middle and lower income countries, many of whom are dependent upon food imports to meet the basic nutritional needs of their citizens. Those countries that lack the ability to meet their food needs with domestic production are now faced with the challenge of competing for basic grains and oilseeds in a market that has been squeezed by the side-effects of the Russo-Ukrainian War.

The present high prices for agricultural commodities give farmers every incentive to increase production. But higher crop prices are not the whole story.

Farmers also face increased input costs from fuel to fertilizer.

So, what does all this mean for agricultural and food policy both domestically and internationally?

Domestically, we are going to have to ensure that farmers have access to the fuel and fertilizers they need to carry out their agricultural activities. According to POLITICO (<u>https://tinyurl.com/2p93fhcd</u>), "As part of a \$33 billion funding request for Ukraine, the Biden administration last week proposed sending \$500 million to American farmers with a goal of boosting production of wheat, soybeans, rice and other commodities, in order to make up for some of Ukraine's food exports that have dried up since the Russian invasion."

Whether or not that is the right approach in a time when prices already provide farmers with the incentive to increase production needs to be debated. The good thing from our perspective is that the proposal puts the discussion of food aid on the table.

The weakness is that there is no mention of working with other nations around the world to not only address the short-term food crisis brought on by the war, but also the challenge of meeting the dietary needs of the more than 800 million people who suffer the effects of chronic hunger in the years when we are not facing war-induced disruptions in international food markets.

We need a combination of domestic and international policies that support the needs of farmers and eaters around the world.

Policy Pennings Column 1125

Originally published in MidAmerica Farmer Grower, Vol. 37, No. 371, May 13, 2022

Dr. Harwood D. Schaffer: Adjunct Research Assistant Professor, Sociology Department, University of Tennessee and Director, Agricultural Policy Analysis Center. Dr. Daryll E. Ray: Emeritus Professor, Institute of Agriculture, University of Tennessee and Retired Director, Agricultural Policy Analysis Center.

Email: <u>hdschaffer@utk.edu</u> and <u>dray@utk.edu</u>; <u>http://www.agpolicy.org</u>.

Reproduction Permission Granted with:

1) Full attribution to Harwood D. Schaffer and Daryll E. Ray, Agricultural Policy Analysis Center, Knoxville, TN;

2) An email sent to <u>hdschaffer@utk.edu</u> indicating how often you intend on running the column and your total circulation. Also, please send one copy of the first issue with the column in it to Harwood Schaffer, Agricultural Policy Analysis Center, 1708 Capistrano Dr. Knoxville, TN 37922.