



Political Economy of Food Systems Transformation

Pathways to Progress in a Polarized World

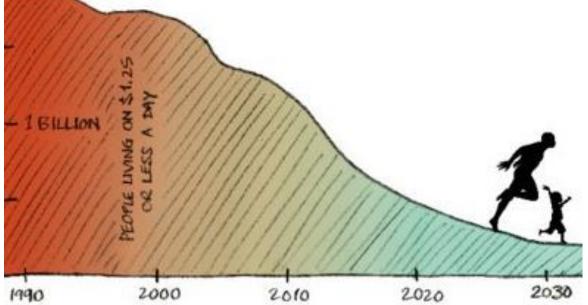
Johan Swinnen

May 2024, The Hague

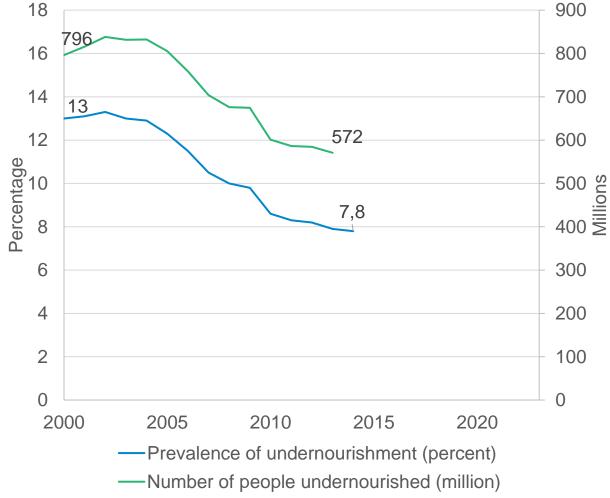
From June 2013 ...



Towards the end of poverty



Towards the end of hunger ...



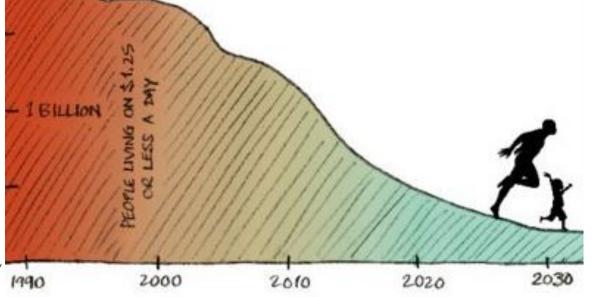




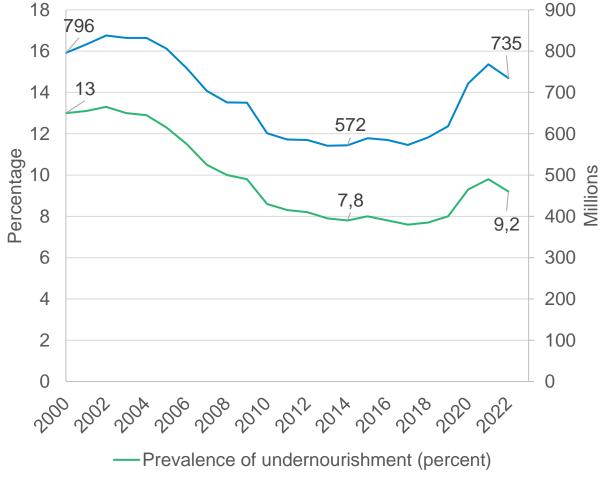
From June 2013 ...



Towards the end of poverty



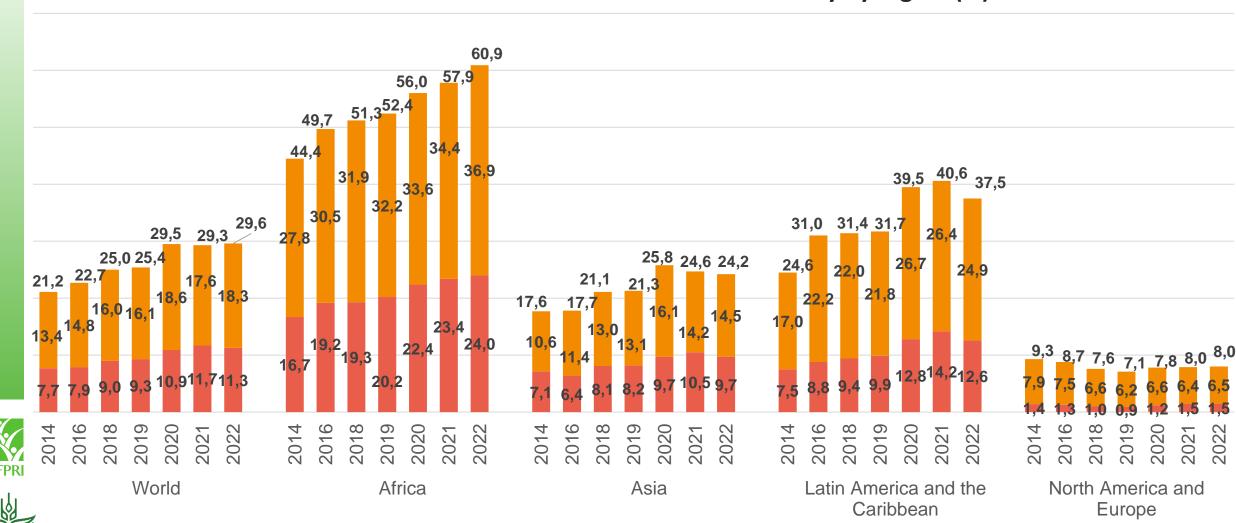
Towards the end of hunger ...?



—Number of people undernourished (million)

Regional differences in food security

Prevalence of severe and moderate food insecurity by region (%)



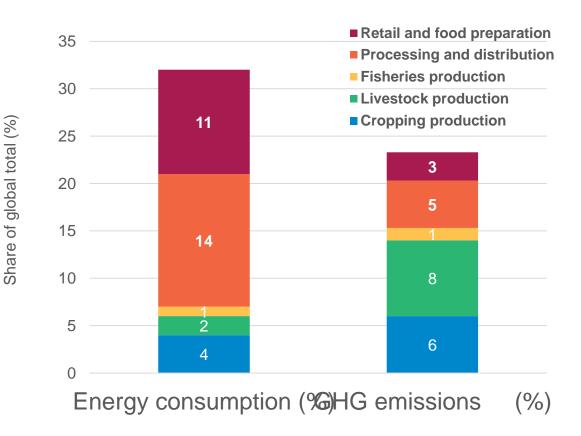


Malnutrition and Climate Change

The triple burden of undernutrition, micronutrient deficiencies, obesity

- 3 billion people cannot afford a healthy diet
- 2 billion people have micronutrient deficiencies
- 2 billion people are overweight or obese
- A third of LMI countries face undernutrition and obesity

The global food system consumes >30% of energy and produces >20% of GHG emissions

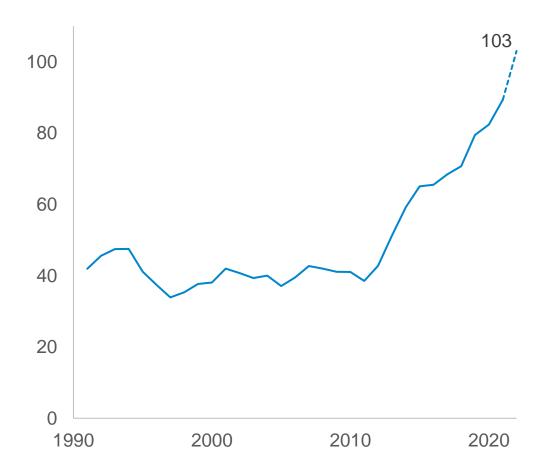


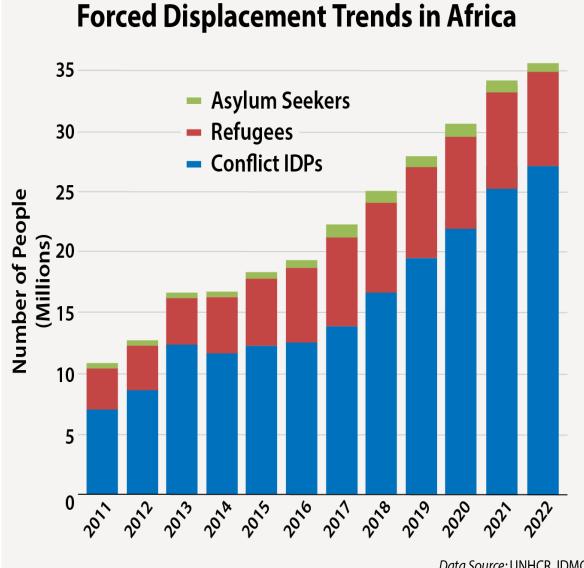




Conflict, Migration and Food Security







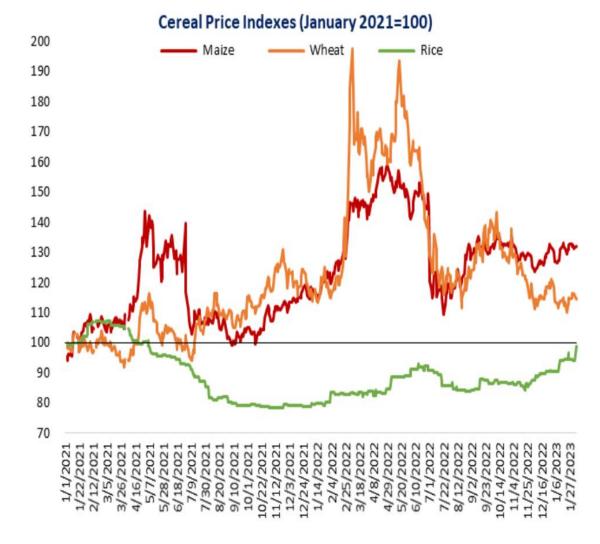




Price shocks and volatility: "the new normal'?





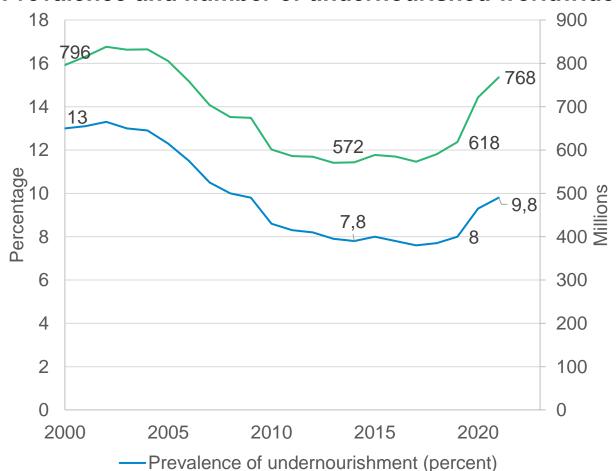




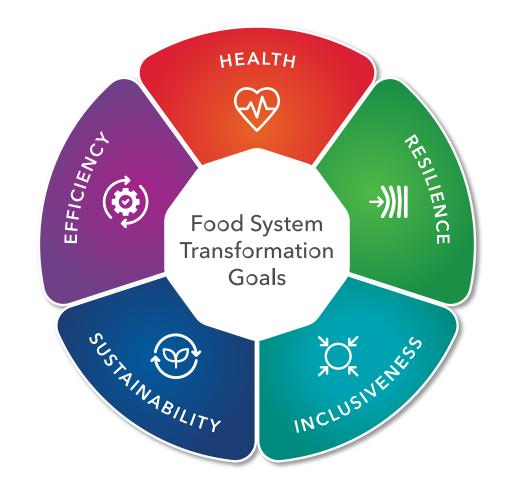


The world is not on track to eliminate hunger ... and more challenges for food systems

Prevalence and number of undernourished worldwide



Number of people undernourished (million)







Transformation Requires Investments, Innovations, and Reforms



Today, many countries:

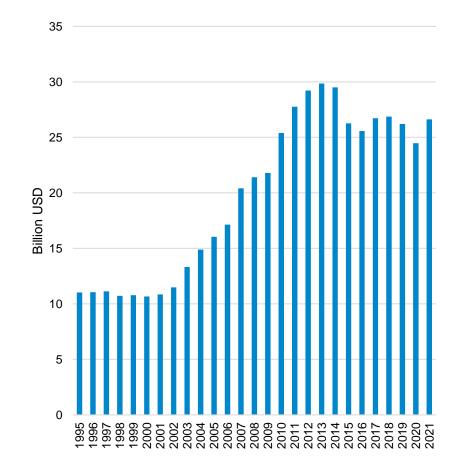
- Do not invest enough in R&D&I
- Provide wrong incentives. More than 800 billion US\$ are spent annually on agricultural subsidies globally, much in ways that constrain rather than stimulate transformation



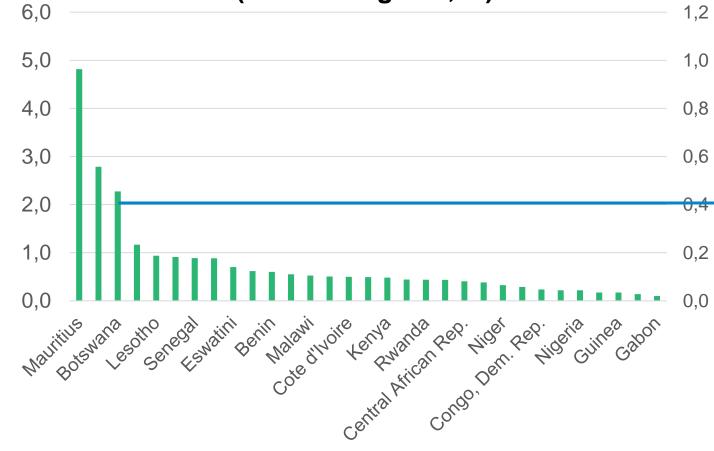


Investment in agricultural R&D for innovation and resilience

Global public support to R&D and innovation



Spending on Agricultural R&D in Africa (Share of AgGDP, %)

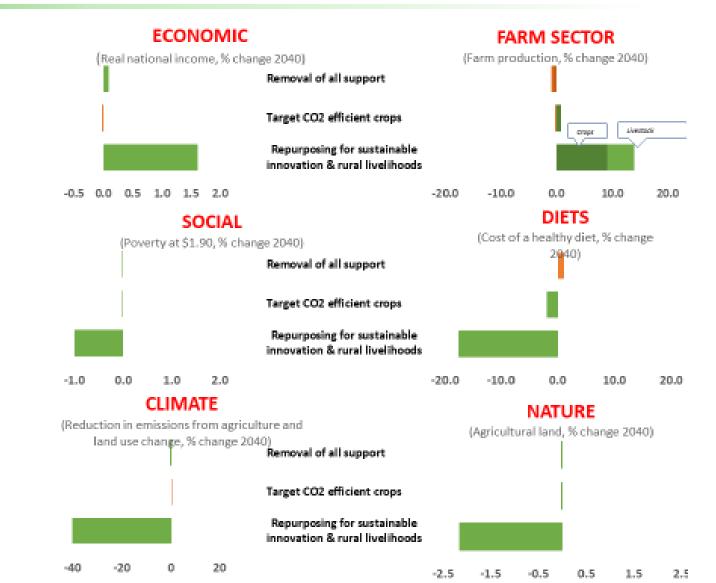






Finance for Transformation: Repurposing agricultural subsidies

- Repurposing for sustainable innovation
- Potential win-win-win:
 - Lower GHG emissions and gains for nature
 - Better incomes
 - Less poverty & greater food security
 - More affordable healthy diets





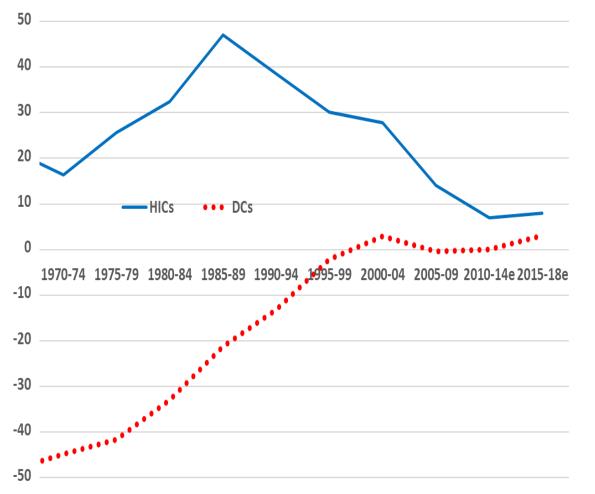


Is Significant Reform Globally Possible?Some lessons from history

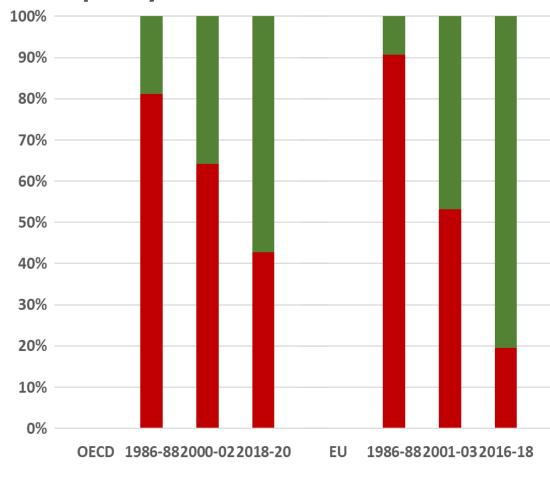


Agricultural Taxes and Subsidies





From more to less distortive policy instruments 1980 - 2020



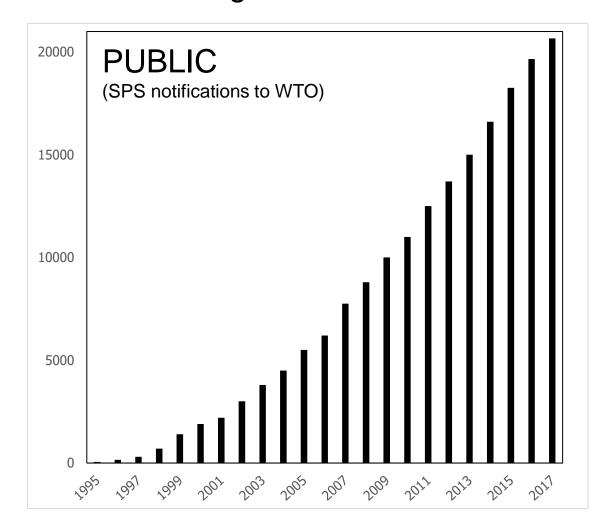
■ Output support ■ Other payments

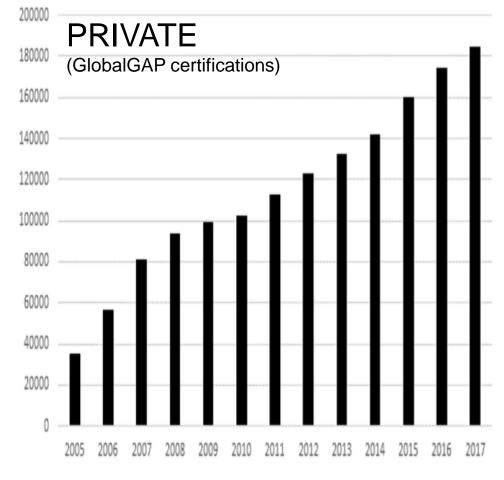


Source: Anderson et al; OECD

Food Regulations

Global growth of food standards 2000 - 2020











THE POLITICAL ECONOMY of

Food System Transformation

Pathways to Progress in a Polarized World

EDITED BY DANIELLE



From agricultural policy reform to food systems transformation

More objectives More policy instruments More trade-offs / synergies

More actors

More polarization

More information / less knowledge?

More difficult to reform?



THE POLITICAL ECONOMY of

Food System Transformation

Pathways to Progress in a Polarized World

NO FOOD

NO FUTURE

DANIELLE RESNICK







Some key political economy issues

- Trade-offs and win-wins are inherent in the challenges
 - Complexity of issues creates uncertainty
 - Important economic and political aspects
- The ability to reconcile trade-offs depends on whether there is conflict about facts, interests or values
- Bundling of innovations/strategies is important
 - for <u>economic</u> and <u>political</u> reasons
- Importance of non-traditional coalitions
 - Coalitions are always (more) complex
 - Vertical and horizontal coalitions in systems
 - Strategic policy design and framing



THE POLITICAL ECONOMY of

Food System Transformation

Pathways to Progress in a Polarized World

EDITED BY DANIELLE RESNICK









Some key political economy issues

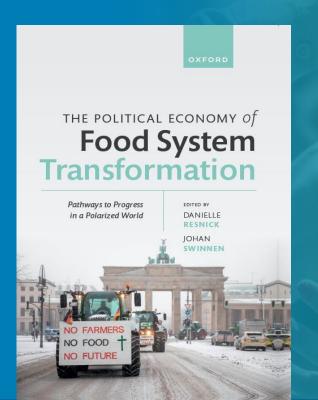
- Rational ignorance continues despite falling information costs (opportunity costs and disutility from preference gaps) with social media contributing to polarization
- Crisis of **multilateralism** and growing prominence of multi-stakeholderism
 - Consensus decisions more fraught in <u>multilateral</u> bodies with pressures to transform them
 - Growing emphasis on stakeholder participation that does <u>not obligate intergovernmental commitments or accountability</u> (e.g. UNFSS 2021)
 - Intergovernmental decision-making clustering into regional and economic groups
- Impact of **shocks** can be either way: <u>trigger</u> reforms or constrain them
- Matching policy design and instruments with administrative capacities and institutional settings





Thank you for your attention.

For more information, please visit:



www.ifpri.org