

Committee: Environment

Topic: The question of improving agricultural productivity as a means of eradicating poverty

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Summary

As the eradication of poverty is the first of the Sustainable Development Goals it is a priority to the United Nations but a complex issue to solve. There's a lot of evidence that agriculture can contribute to poverty reduction beyond a direct effect on farmer's incomes. Agricultural development can stimulate economic development outside of the agricultural sector. Increased agricultural productivity raises farm incomes, increases food supply, reduces food prices, and provides greater employment opportunities in both rural and urban areas. Higher incomes can increase the consumer demand for goods and services produced by sectors other than agriculture. Such linkages (or the 'multiplier effect') between growth in the agricultural sector and the wider economy has enabled developing countries to diversify to other sectors where growth is higher and wages are better.

It is vital that as the Environment Committee we increase productivity on farms and such, for the welfare of our planet and peoples. This will allow those involved in agriculture to make a living wage and decrease costs of production through technology, waste management, etc.

Definition of Key Terms [GC1]

Agricultural productivity- is a measure of the amount of agriculture output produced for a given amount of inputs, such as an index of multiple outputs divided by an index of multiple inputs (e.g. the value of all farm outputs divided by the value of all farm inputs).

Poverty- (according to the United Nations 1998) "is a denial of choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, and not having a school or clinic to go to, no having the land on which to grow one's food or a job to earn one's living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living on marginal or fragile environments, without access to clean water or sanitation."

AIS- Agricultural Innovation Systems is a network of organisations, enterprises, and individuals focused on bringing new products, new processes and new forms of organisation into economic us, together with the institutions and policies that affect their behaviour and performance (The World Bank, 2007).

SIA- Sustainable Intensification of Agriculture[GC2] is defined as a form of production where yields are increased without adverse environmental impact and without the cultivation of more land

Agricultural Co-operatives - are[GC3] where farmers pool their resources in certain areas of activity for a communal benefit. Also known as a farmers' co-op.

FTA- Free Trade Agreements [GC4]are arrangements that establish unimpeded exchange and flow of goods and services between trading partners, regardless of national borders of member countries. FTAs do not address labour mobility across borders, common currencies, uniform standards and other common policies such as taxes. Member countries apply their own individual tariff rates to countries outside the free trade areas.

Background Information

The United Nations defines poverty as more than a lack of income and productive resources to ensure sustainable livelihoods, but includes hunger and malnutrition, lack of access to education, social discrimination and many other related factors.

The land reforms in China, Vietnam and, at an earlier stage, Republic of Korea are of particular note when it comes to ways already explored in solving this issue. De-collectivization [GC5]of agriculture in the first two gave a huge boost to agricultural productivity. Indian agricultural growth, on the other hand, relied initially on Green Revolution technologies and later on links to the development of industry and services. Land reform was initially patchy and it is noteworthy that agricultural growth in India has not reached the high levels experienced in the other countries.[GC6]

Moreover, in the early stages of development, agriculture provided labour and capital (often in the form of export earnings) to the industrial sector and in turn provided a market for industrial products. Agricultural exports have played a key role in China, Thailand and Vietnam. Additionally, in Thailand the mix of commodity exports has changed over time, maintaining comparative advantage and aiding a revival of the agricultural economy after the 1997 crisis experienced in the country. Except for India, the high rates of agricultural growth were associated with growth rates in industry of 10 percent or more. As the experience of India and other countries shows, without the appropriate institutional and policy structure, agricultural growth contributes less to growth in the overall economy.

As agriculture grows rural incomes rise but not as fast as incomes in the rapidly growing non-agricultural economy, widening the rural-urban income disparity. This phenomenon has been especially marked in China, Thailand and Vietnam and is accompanied by a decline in agriculture's share of the GDP. In the initial stages of development, low productivity growth in Thailand was linked to extension of the cultivated area, but in land-scarce Vietnam and China, land reform led to increased productivity through increased intensity of labour inputs. Ultimately, however, if labour productivity is to grow there must be a decline in the agricultural labour force. However, with the notable exception of the Republic of Korea, the decline of the labour force in agriculture has not kept pace with the decline in the share of agriculture in the GDP. The urban-rural gap has therefore widened.

The country studies indicate that in the early stages of development agriculture is taxed to provide support for industrial development. But as agriculture's share of GDP declines to about 15 percent, countries have shifted from taxing to subsidizing agriculture. This occurred in the Republic of Korea in the early 1970s and in Thailand in the mid-1980s. The Thai report notes that while there are strong political pressures for subsidies, the various schemes introduced have for the most part been a failure. Against these pressures to subsidize agriculture are countervailing pressures, brought on by FTAs and WTO membership, to liberalize trade. To the extent that free trade policies prevail, the form of subsidization of agriculture may change from commodity-specific subsidies which are considered trade distorting to decoupled direct payments to farmers to ensure a reasonable level of living in agriculture.

Food security at the national level implies that adequate supplies of food are available through domestic production and /or imports to meet the consumption needs of the country's population. The global food supply for several commodities has been solved, but the problems of economic access to food have not. Furthermore, there are large areas, particularly rain-fed areas, which have not witnessed growth in agricultural productivity as a result of new technologies.

Major Countries and Organizations Involved

IFAD- International Fund for Agricultural Development is an international financial institution and a specialised agency of the United Nations dedicated to eradicating poverty and hunger in rural areas of developing countries.

FAO- Food and Agriculture Organisation is a specialised agency of the United Nations that leads international efforts to defeat hunger. Serving both developed and developing countries, FAO acts as a neutral forum where all nations meet as equals too negotiate arguments and debate policy.

OECD- Organisation for Economic Cooperation and Development is an intergovernmental economic organisation with 36 member countries, founded in 1961 to stimulate economic progress and world trade.

WTO- World Trade Organisation[GC7] is an intergovernmental organisation that is concerned with the regulation of international trade between nations.

CAP- Common Agricultural Policy of the European Union (EU) was launched in as a partnership between Europe and its farmers with the aims of supporting agricultural productivity, safeguarding EU farmers, tackling climate change and keeping rural economies alive.[GC8][SF9] Although CAP has the responsibility of protecting individual and small producers it can leave large scale farming at a slight disadvantage.

As previously stated China, Vietnam[GC10], Thailand, India and the Republic of Korea have all attempted to solve this issue in various ways. Yet currently the countries that face agricultural poverty the most[GC11] are Sub-Saharan African and South East Asian, an example would be Indonesia (see bibliography link OECD). [GC12]

Timeline of Events[GC13]

Date	Description
1974	The World Food Conference was held
1977	The International Fund for Agricultural development was founded as an agency of the UN
1999	the population of the developing regions of the world amount to 5.1 billion [GC14]
2000	global poverty rates were over double they[GC15] are currently
2002	estimated that across developing countries, as many as a quarter of the rural population is employed full time outside of agriculture, which constitutes 35-40% of rural incomes.
2016	Almost 10% of the world's workers and their families lived on less than US\$1.90 per person a day

Relevant UN Treaties and Events[GC16]

No Poverty Goal 1: End poverty in all its forms everywhere.

- By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day.
- By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.

- Implement nationally appropriate *social protection systems and measures for all*, including *floors*, and by 2030 achieve *substantial coverage* of the poor and *the vulnerable*.
- By 2030, ensure that all men and women, in particular the poor and *the vulnerable, have equal rights to economic resources*, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including micro-finance.
- By 2030, build the resilience of the poor and *those in vulnerable situations* and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.
- Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions.
- Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions

Life on Land Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

- Promote fair and equitable sharing of the benefits arising from the utilization of genetic resources and promote appropriate access to such resources, as internationally agreed
- By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts
- Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems

Previous Attempts to solve the Issue [GC17]

Co-operatives in farming helps communities to sustain their farming while also sharing technology, branding and processing costs. This is an effective way to support those in the agricultural sector experiencing poverty without causing dependency as long-term aid can.

Land reforms were also used as a solution for this issue and could be seen in the five countries mentioned above.

Possible Solutions [GC18]

Solutions to this issue can be seen mainly through NGOs who help provide areas with equipment and training. Educating impoverished people around production of agricultural goods will allow for the area and people to prosper. This could be implemented through increased international trade to

[GC19] create a demand for the agricultural goods impoverished areas can provide. Encouraging trade talks between countries is vital and this can be done through conferences.

Although NGOs[GC20] and aid is helpful in crisis situations, it is not historically a sustainable option so I would advise [GC21] other forms of improving the agricultural productivity for long term growth and prosperity to reach the goal of ending poverty.

The reduction of waste in agriculture is beneficial not only from an environmental point view but also increases output of production. Another environment solution is the increase in local food sourcing which could be achieved through many different means, such as a mass media campaign on the importance of local agricultural goods to the economy and environment[GC22].

Bibliography[GC23]

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<https://sustainabledevelopment.un.org/content/documents/6479105->

[Planning%20and%20implementing%20action%20for%20sustainable%20agriculture.pdf](#)

FAO Farming systems and poverty

<http://www.fao.org/3/ac349e/ac349e03.htm>

FAO Rural farming and poverty

<http://www.fao.org/3/V4200E/V4200E0z.htm>

OECD Agricultural progress

<http://www.oecd.org/indonesia/agriculturalprogressandpovertyreduction.htm>

OECD Agricultural productivity

<http://www.oecd.org/agriculture/topics/agricultural-productivity-and-innovation/documents/analysing-policies-to-improve-agricultural-productivity-growth-sustainably.pdf>

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