

Facing Up to Climate Changes and Global Price Increases

by Janet Jagan

The news on food prices and other essential consumer goods is not "good". The Director of the United Nation's World Food Programme (WFP) said recently: "There are 854 million hungry people in the world and 4 million join their ranks every year. We are facing the tightest food supplies in recent history. For the world's most vulnerable, food is simply being priced out of their reach."

We are part of what they now call the "global village," an aspect of globalization, and thus we cannot escape the developments that take place in other parts of this world.

In a recent article in the London "Guardian" entitled "Climate Change and shortages of fuel signal global food crisis," the full impact of changes is carefully outlined, and it is grim reading, indeed.

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Many countries are encountering shortages of beef, chicken and milk. In fact, milk prices have gone up considerably and there are shortages in some countries.

The head of the United Nations Food and Agriculture Organization (FAO) Jacques Diouf said: "If you combine the increases of food prices and oil prices, then you have the elements of a very serious social crisis in the future." He is absolutely correct. What is frightening is that oil has now reached the unprecedented figure of \$100 (US) per barrel and is

probably going to rise again. The price of fuel will affect householders the world over as electricity charges are bound to rise everywhere and, of course, this affects the prices of most commodities which use this fuel for production.

Already, in Guyana, the GPL has announced an increase in rates due to the sharp rise in fuel prices, but has kept down the percentage of increase to the lower income users.

But the rising fuel prices have led to so many other increases, such as goods used by food producers like insecticides and fertilizers plus the actual fuel used in agri-machinery and fuel costs involved in fishing and the meat and milk industries, etc.

Aside from these areas that increase food costs, other factors are increasing prices and supplies - mainly two factors. One is climate changes that have ruthlessly destroyed crops and livestock by flooding and other weather problems. The other factor affecting prices and availability of consumer products is the switching of crops for food consumption to the growing of biofuel crops, mainly because of

higher prices. Thus, in many instances, particularly in the USA, farmers who grew grain for food now grow grain to be converted to biofuel. This has resulted in less grain on the market and thus higher prices for wheat and flour. In 2006, US farmers distorted the world market for cereal by growing 14 million tonnes,

turn leads to higher prices, shortages and greater poverty. Also, the conversion of maize production to biofuel by the US farmers has affected the price of animal feed which has resulted in shortages affecting livestock and poultry industries worldwide.

has not caused us serious shortages of rice and local foods which, so far, are still within the price range of the majority of families.

The government has helped by cushioning some of the price rises, particularly in fuel and our farmers have done their jobs in continuing to produce the foods we

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or 20% of the whole maize crop, for ethanol for vehicles. This took millions of acres out of food production and nearly doubled the maize price. President Bush called for increased production in ethanol production. Maize is a staple food in many countries.

With more severe scenes of deepening climate changes of floods and droughts, it is anticipated that this will increase in the coming years, leading to poorer crops and reduced animal husbandry which in

Although in Guyana we face a general rise in prices, we are better off than many countries because we can feed ourselves and need not have shortages, which lead to higher prices. We can still produce at relatively reasonable prices the ground provisions and greens and fruits we need, plus beef, pork, fish and chicken, and, of course, our basic food, rice.

And although we have flooding, it is not of the intensity that many other countries suffer and so far

need at reasonable prices. It will be necessary to continue with the programme of buying locally produced goods instead of those produced outside our country to hold down the cost of living. While people all over the world are affected by rising fuel prices, frequent violent climate changes and the shift from grain production for food to fuel, we can make it in our own country by buying local and supporting our own industries to keep down living costs.