

## Lecture 6 (Jonathan Brooks – OECD)

# The Outlook for Agricultural Trade: Implications for Food Security and Policy Responses.

### Lecture topics

This lecture will examine the role of trade in underpinning global food security, and policy option for ensuring that trade fulfils that role as effectively as possible.

The following specific issues will be considered:

1. Food security: concepts and definitions. The particular focus will be on the conditions under which food is available on world markets, and whether people have access to it.
2. The long term drivers of agricultural markets. On the demand side, these include population and income growth, and the associated evolution of food demand structures. On the supply side, they include area expansion, yield improvements and total factor productivity growth. The effects of climate change on supply will be discussed. The scope for changing the conditions of food availability through supply improvements and changes to demand will also be examined.
3. Prices. The implications of supply and demand trends for real agricultural prices will be examined, and the prospective evolution in the levels and volatility of food prices.
4. Undernourishment. The implications of alternative market developments for undernourishment (as reflected in access to calories) will be presented.
5. The role of trade in underpinning food security. The emphasis here will be on the balancing role of trade and its potential to pool risks across countries. Some limitations on the effectiveness with which trade is playing that role will be presented, including high concentration of exports among a few suppliers, and thin markets for some commodities (notably rice). One question is whether further development of regional markets offers a way forward for poorer countries.
6. Policy responses. The overall patterns of support and protection in emerging economies will be assessed in terms of how they are addressing food security objectives.
7. Matching the policy agenda to the research agenda. Priorities will be identified in the areas of (i) improving long term food availability; (ii) facilitating the integration of local, national and regional markets; and (iii) the design of risk management tools.

### Readings

Brooks, J. and A. Matthews (2015), "Trade Dimensions of Food Security", OECD Food, Agriculture and Fisheries Papers, No. 77, OECD Publishing. <http://dx.doi.org/10.1787/5js65xn790nv-en>

OECD. (2013), *Global Food Security: Challenges for the Food and Agricultural System*, OECD Publishing, Paris. DOI: <http://dx.doi.org/10.1787/9789264195363-en>