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World food crisis: between withdrawal and responsibility, Europe must choose

Emmanuelle DUCROS

The profound destructuring of world food markets as a result of Russia's war on Ukraine is forcing all of the world's agricultural powers to question their place on the world stage of satiety - or hunger. This is primarily the case in Europe.

There is a nascent tsunami of food shortages, a wave whose devastating power is only just beginning to emerge. In addition to exactions of war, and the drama experienced by civilian populations, Russia's invasion of Ukraine has left a gaping hole in the world's food supply.

With the freezing of financial transactions between much of the world and Russia, the trade ban against the country, the disruption of the Ukrainian agricultural economy, which has lost many of its workers, and the closure of trade routes from the ports on the Sea of Azov, crucial commodities are becoming scarce in the international markets. This has led the United Nations to warn of a coming "hurricane of famine". The words are terrible. They should chill us, especially here in Europe.

EUROPE, A LEADING AGRICULTURAL POWER

The European Union, the world's leading agricultural power, must obviously consider its role and its means of action. It must also consider the place it wants to hold in the future on the geopolitical food scene. For food is diplomacy, for peace or war, depending on whether it is shared, traded or withheld.

In 2019, according to the European Commission's figures, the continent's agricultural production

represented approximately €418 billion. France is the largest contributor (18% of the European total), followed by Germany, Italy, Spain, the Netherlands, Poland and Romania. Together, these seven countries account for more than three quarters of the EU's agricultural production. Europe produces for itself, but it is also the world's leading exporter: it accounts for between 10% and 11% of world food flows, a relatively stable share.

Its agri-food exports are, of course, driven by exports of beverages, wines and spirits. But Europe remains a powerful player in the wheat market. After Russia, the world's leading exporter, the European Union vies closely with the United States and Canada on the export market. These three cereal powers sold between 24 and 25 million tonnes each in 2020. France (39 million tonnes produced in 2020, half of which was sold outside Europe) is the driving force behind the European power. Its wheat mainly supplies the Mediterranean and the Middle East.

Europe is also a major player in dairy products. Its milk powders, renowned for their sanitary qualities, are exported to Asia, South America and North Africa.

It is also a major player in the seed industry, with France being the world's leading exporter in the sector. In other words, existential questions are now arising for Europe, which, after having dearly conquered, by dint of hard work and political union, food sovereignty that did not exist until the mid-sixties, has embarked on a policy of limiting its production.

A CHALLENGE TO EUROPEAN POWER

It is true that there was an excessive use of fertilisers and plant protection products in the 1960s and

1970s. This led to a necessary and crucial reflection on the environmental aspects of food production. Similarly, the fight against global warming is forcing the sector to question its practices, to make them more sober, to limit greenhouse gas emissions, and even to think of ways to capture carbon in the soil. Conditioning of Common Agricultural Policy payments (CAP) to more agri-environmental practices is an effective public policy. Production conditions in Europe have improved over the last twenty years to a degree unseen elsewhere. Standards in the EU are the highest in the world.

But perhaps Europe, somewhat naively, has forgotten that its soil, climate and agronomic know-how give it an advantage that most regions of the world do not have: that of being able to produce, in quality, quantity and variety, the food it needs, with surpluses for regions of the world less well endowed by geography.

Perhaps forgetting, because it is well fed, the historical precariousness of human food, Europe has chosen to favour, via the latest versions of the CAP, fallow land and organic farming, which is half as productive for cereals on an equivalent agricultural area. Production has gradually become a European taboo. *"It is symbolic to see that, although agriculture represents a budget of €30 billion, i.e. the largest budget line in the European Union, Ursula von der Leyen did not mention the word once during her two State of the Union speeches,"* regrets Arnaud Rousseau, one of the vice-presidents of the FNSEA, the leading French agricultural union.

The subject of food has become marginal. So much so that Europe has resolutely committed to limiting production in the long term with the agricultural version of its [Green Deal](#), the so-called [Farm to Fork](#) Strategy put forward by the Commission and approved at the end of 2021 by the European Parliament.

We will come back to this in detail. But before looking at the purely European issues and the questions that are being asked of the European Union, stock must be taken of the new global geopolitical situation in terms of agriculture. For, in just a few days, everything has changed.

THE FAILURE OF DOMINANT ACTORS

Before the war that broke out on 24 February 2022, Russia and Ukraine together accounted for 30% of world wheat exports. They also accounted for a fifth of the maize trade and 70% of the trade in sunflower oil and sunflower cake, which are essential for animal feed.

Russia's gas power also determines its control of the fertiliser market, for which methane and nitrogen are the raw materials. For traditional buyers, the availability of these products collapsed within a few hours of the Russian invasion of Ukraine. The former are countries that often do not have sufficient production capacity (soil, climate) to feed their growing populations. Concerns are focused primarily on Africa, the Middle East and the Mediterranean basin. According to the UN, forty-five of the least developed countries import at least a third of their wheat from Ukraine or Russia; eighteen of them import at least 50%. Benin imports 100% Russian wheat. Somalia gets 70% of its wheat from Ukraine and 30% from Russia. Others such as Sudan (75%), the Democratic Republic of Congo (68%) and Senegal (65%) also rely heavily on these two sources of supply. *"A country like Egypt (102.3 million inhabitants) consumes 21 million tonnes of wheat per year, but imports 12.5 million tonnes,"* says Arthur Portier, an analyst at Agritel, a firm specialising in the cereals trade. Sixty-one percent of this grain comes from Russia and 23 percent from Ukraine.

Wheat has not only become scarce, but expensive. It has exceeded €400 per tonne on several occasions since the invasion: *"It has doubled since November 2021, when it was already at unsustainable levels for many countries,"* notes Arthur Portier. *"Grain prices have already far exceeded those at the start of the Arab Spring and the 2007-2008 food riots."* All agricultural commodities are following suit: rapeseed, soya, maize, oils, sugar, etc. *"At the end of February 2022, the FAO food price index exceeded the two peaks reached during the 2008-2012 economic and financial crisis, peaks that were considered unsustainable at the time,"* note economists Marine

Raffray and Thierry Pouch, in a memo to the French Chambers of Agriculture.

Scarce, expensive wheat, an unresponsive market based on the daily need to feed oneself. A quarter of the world's calorie intake comes from wheat! The equation is insoluble for dependent countries.

LIMITED RESOURCES

There are few alternatives to Russian or Ukrainian wheat. *"The next harvest in the Mediterranean basin will be affected by drought, China is forecasting a bad year for wheat and will buy massively, Australia suffering floods. Argentina is planning to hold on to its stocks. European - and especially French - resources are limited. There are still stocks in the US, but this will not be enough. We need to keep an eye on India, which has become an exporter,"* says Thierry Pouch, chief economist of the French Chambers of Agriculture (APCA). He even adds that *"everything is converging for a disaster to happen"*. In Ukraine, it is disastrous already: *"We estimate that the cultivable area has shrunk by 30% with the Russian invasion. In the best-case scenario, Ukraine will produce 70% of its usual crops. We will do our best to not only feed the country but also export to countries that need our wheat and maize. But more gloomy scenarios estimate that, if the war continues, Ukraine will barely save half its harvest,"* warns Mariia Dudik, director of the [Ukrainian National Agrarian Forum](#).

A PAINFUL REALISATION FOR EUROPE TOO

The realisation is not only painful for the less developed countries. Europe, which was already wondering about the loss of food sovereignty, has also become aware of the flagrant dependence on Russia to which it has subjected itself. Fertilisers and gas, first of all. *"Nitrogen fertiliser prices are at levels not seen since the 2008 peak. Over one year (January 2022 - January 2021), the rise in inputs is +20.6%. It is affecting all agricultural sectors, with field crops (+27%), herbivores (+17%), market gardening and horticulture (+17.4%), as well as granivores (+16.1%), being particularly affected"*.

Europe also imports feed for its pigs and poultry and vegetable proteins. Not only from Russia, of course. Overall, products intended for feed, such as sunflower cake, account for 10.8% of its imports. But 40% of the maize consumed in Europe comes from the Black Sea basin.

THE RISE OF AN AGRICULTURAL EMPIRE

What is exploding in the face of the world and Europe is the patient rise of Russian cereal production, which Europe has not been able - or has not wanted - to see. The superpower is measured in millions of tonnes. In 2001, Russia produced 36 million tonnes of wheat and exported almost none. In 2006, it produced 45 million tonnes, of which 11 million tonnes were exported, representing 11% of world trade. Fifteen years later, in 2020, production exceeded 80 million tonnes; 35 million tonnes sold accounted for 21% of world flows. Russia is now the world's largest exporter. *"This is the result of Vladimir Putin's desire to reclassify Russia in the world, as in the energy and military fields,"* analyses Sébastien Abis, Director General of the [Demeter Club](#), a think-tank dedicated to agricultural geopolitics. *"For while during the Soviet century, Russia disappeared from the geopolitical wheat map in the middle of the 19th century, it accounted for half of the world's exports",* he explains.

Over the past five years, Russia's annual production gain of 35 million tonnes is equivalent to that of France, the largest in Western Europe. *"With this wheat, Russia has a weapon. Here in Europe, it is difficult to gauge the extent to which this is the case,"* adds Arthur Portier.

ALLIANCE TOOL

Is wheat a weapon? Yes, and for several reasons. Firstly, because this cereal - at least its availability at affordable prices - is the key to political and social stability in many countries. Russian wheat is now more important in world trade than American wheat, whose share has been falling steadily (14%). *"Nature abhors a vacuum. If Europe gives up its role as an exporter to the Mediterranean basin, Russia will take*

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its place and, at the same time, will have a means of controlling migratory flows, which are the result of possible food riots. As with gas, the tap just has to be turned off," points out Sébastien Abis.

Secondly, wheat is a tool for alliances. Russia is in the process of signing agreements with China to satisfy its enormous appetite. The Zabaikalsk rail grain terminal, 120 km from China, will open in the third quarter of 2022. Flows will develop rapidly. Russia has also signed an agreement on wheat with Turkey, one of its main customers. This agreement is important for both parties. For Turkey, because it involves vital food supplies when its relations with the European Union are disrupted. For Russia, because it allows it to ship its bulk carriers around the world via the Bosphorus Strait.

Finally, wheat could be used by Russia to establish even greater power, which sheds a different light on the conflict with Ukraine. *"If you add to Russia the tonnages of the Kazakh satellite and a hypothetically controlled Ukraine, you get 40% of world wheat exports. A hegemony over the planet's stomachs,"* warns Sébastien Abis. It is important to remember the obvious: wheat is the basis of all food security and accounts for a quarter of the caloric intake of humans.

The world's population, it should be remembered, is constantly growing. It will reach 10 billion by 2050. The question is how to feed 7.5 billion people next year. It must be said again: hunger and food insecurity are fertile ground for civil unrest and migration.

FARM TO FORK, A STRATEGY CHALLENGED BY THE EMERGENCY

This is the light in which the European agricultural strategy for 2030, called *Farm to Fork*, should now be viewed. It stems from the wish to achieve carbon neutrality by 2050. It consists, among other things, of increasing the share of organic farming to 25%, reducing soya imports to zero, halving the use of pesticides and veterinary antibiotics, reducing

fertiliser applications by 20% and reducing the area cultivated on the continent by 10%.

In the opinion of the [Copa-Cogeca](#), the major European agricultural union, of Paolo de Castro, the Vice-President for the [committee on agriculture and rural development](#) of the European Parliament, just like many economists, the European Commission has set input reduction targets that have been *'pulled out of the hat'*, without studying either the consequences for production or the means and tools to achieve them. It has taken no account of the warnings. *"The notes of Copa-Cogeca and the specialists were thrown away under pressure from the NGOs,"* says Thierry Pouch.

Even before the war, economists, farmers and geopolitical specialists were sounding the alarm about the effects of such a plan. It is an economic sacrifice on a continental scale for zero environmental effects, or even worse! Economic studies have shown that if this political vision were to be implemented as it stands, we would be facing a disaster throughout the food chain.

WORRYING STUDIES

A *corpus* of four full studies now exists. One was published by the US Department for Agriculture ([USDA](#)), in November 2020. Another was quietly issued in the middle of summer 2021 by the Joint Research Center ([JRC](#)), a European Commission research centre. It was withheld for a year such was its potency. The [German University of Kiel](#) undertook a thorough impact study, on the request of the German cereal trade association. The [Dutch University of Wageningen](#) has also done the math.

What these four studies have in common is that they all predict drastic production cuts. The American study anticipates an overall 12% decrease in food volumes on the continent. The JRC study predicts reductions of 14% in meat and 15% in cereal production. The same decrease is expected for oilseeds. Fruit and vegetables will fall by 13%, dairy products by 10%, beef by 17.5% and pork and poultry by just over 15%.

The Kiel University study is even more severe, predicting a 20% decrease in terms of meat and cereals. The Wageningen study predicts a collapse of wine production by a third, sugar production by a fifth and cereals by 10%.

The corollary is a 1% increase in the cost of food in Europe, according to the USDA. The JRC study puts food inflation at 12%. And for the University of Kiel, price increases would reach 12.5% for cereals and 58% for beef! "And this", explains Quentin Mathieu, head of economic studies for the *Coopération agricole*, "does not take into account imports, which would exceed the current quotas and would therefore be overtaxed...".

Europe would no longer be able to rely on itself to feed itself. According to the JRC, exports would fall from 27 to 15 million tonnes per year for cereals. Exports of pork and poultry would also fall. Dependence on imports would increase for oilseeds, fruit and vegetables and beef!

For the University of Kiel, it is worse. The trade balance in cereals, which is in surplus by 22 million tonnes for the European Union, would plunge into the red by 6.5 million tonnes. The deficit in fruit and vegetables (currently 10 million tonnes) would more than double to 22 million.

"This is terrible", says Quentin Mathieu: "The study also stresses that, without sufficient treatment of plants, there is a risk of crop losses and a decline in food quality, with contamination, which would penalise both European consumers and the remaining exports".

For Yves Madre, economist and head of the think tank [FarmEurope](#), "it is a plan worthy of the Supreme Soviet. You set objectives and then it has to become what you decide. It's attractive for the publicity. But no one has asked whether it is credible, whether it will feed European citizens. Who can afford to pay 10% to 15% more for food? 75% to 80% of the European population cannot afford it! And who can accept a two-tier food system, with local

food for the rich and imported food for the poor? We are not going to create a European system of food assistance! Especially as this will finance other forms of agriculture, as the studies do not take into account the demand that will be created in Europe for competitively priced products from elsewhere".

"When you read these studies, one might think that European agriculture is going to disappear from the radar screen," Thierry Pouch laments. "This is terrible, because it is the leading exporter and the most virtuous in the world. This is simply an environmentalist manoeuvre". Environmentalist? We have to say it quickly. The ecological effects of the Farm to Fork strategy, when you look at them, are distressing. The European JRC study explained this summer that two thirds of non-CO2 greenhouse gas emissions would simply be "exported". The Kiel University study has increased the number of parameters and refined the calculations.

"Farm to Fork is expected to save 109 million tonnes of carbon equivalent per year," says Quentin Mathieu. "But the models show that in fact 54.3 million tonnes are 'leakage', i.e. they are deported to third countries that will supply us with the food we will no longer produce. Another 50 million tonnes are invalidated by carbon emissions from land-use change."

Translation: we are going to sabotage European sovereignty, no longer meet the world's increased needs at all, to save nothing and do even worse! The Capri model used explains that we must not forget the additional transport and deforestation in the world, linked to European agricultural decline. "Moving European production to third countries will increase environmental pressure elsewhere," adds Yves Madre. "Even if we impose green criteria for our imports, production in Brazil for China will be undertaken in disastrous conditions. We are buying a good conscience". He insists emphatically: "We are going to make a mess of the world markets by withdrawing the flows from Europe. We will leave it to others to deliver. Under what conditions? Europe will drag everyone down with it. The European Centre for Development Policy Management ([ECDPM](#))

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summarises "Farm to Fork" in one sentence which is the title of one of its papers called "A Greener Europe at Africa's expense".

WHAT NOW?

What was already problematic before the war in Ukraine has become catastrophic - unless one defends global degrowth, European withdrawal and a policy of global self-reliance.

For the time being, in the face of the food crisis, Europe has adopted emergency measures aimed primarily at preventing the bankruptcy of its farmers, who face an exponential rise in production costs, particularly in livestock farming, and at compensating for some of their dependence on plant proteins from the Black Sea basin: "For the moment, the measures comprise the authorization of the cultivation of 4% of the land that would normally be left fallow," explains Quentin Mathieu. It is up to each state to decide what it wants to use this land for. It is often lower quality land that cannot be used for cereal production, but which can be used for intermediate crops, protein crops, which do not require much in the way of plant protection products and fertilisers, and which bring back nitrogen, or even for sunflowers, which require very little fertilisation and on which Europe is very dependent.

"There was also the release of €500 million in emergency aid for Member States' agriculture, in proportion to their agricultural importance, which the countries decide how to allocate. France will support its livestock farming, Poland will allocate it to aid for the purchase of inputs and fertilisers," explains Quentin Mathieu. Private storage aid for meat, the possibility of removing the cap on certain aids and unilateral support, without being accused by Europe of distorting competition, are also part of the range of responses. The Commission is also encouraging Member States to prioritise investments in their National Strategic Plans that will reduce dependence on fossil fuels and inputs.

REVIEW "FARM TO FORK"

The most sensitive point obviously remains: the Farm to Fork strategy. This plan has not yet been translated into legislation. The work of European elected representatives must now aim to bring a dream back down to earth since it lacks the most obvious principles of reality.

"The Farm to Fork strategy has not been abandoned, but it is on hold," notes Quentin Mathieu. There has been a brutal return to reality, with warnings from the FAO and the UN on the coming famines: Europe cannot afford not to play its role. Planning a 10 to 12% decrease in food volumes, 20% for cereals, is clearly no longer a reasonable objective. It is clear that the 2030 deadline no longer makes sense in the context of the global food crisis.

Arnaud Rousseau, from the FNSEA, notes: "Many of us have been shouting and warning in a void. There is no such thing as the end of the food story. There are always crises, wars, bad harvests, and antagonisms between countries that hinder the food machine. To pretend that everything is taken for granted for us and for the rest of the world is to invite tragedy".

However, one crisis does not cancel out the other. Rising hunger does not make climate change and biodiversity damage disappear. The environmental objectives of reducing the use of plant protection products and fertilisers, which emit greenhouse gases, remain essential. What should Europe do? Consider, no doubt, that these objectives cannot be the only ones taken into account, unconnected with their effects on production and on the world's food stability. In one sentence: it must refrain from reducing its production. What it does not grow will be in short supply at some point in the world, which will drive up prices. It cannot afford to do less; it must do better.

Europe must set the precise means for achieving each quantified objective, both in terms of investment, support for the sectors and technical itineraries. We must set achievable goals rather than

dreaming of ideals that will crash against the wall of reality. We must also force ourselves to reconsider agronomy, innovation, research and the time it takes to find solutions as inescapable data. We must stop giving in to the detestable anti-progress sirens that reject plant breeding, genomic editing, connected agriculture and water management as a whole, since they contain some of the answers to "simultaneous" production and ecology.

Perhaps we need to turn our backs on our decreasing temptations, generally held dear on a full stomach, as in Europe for example. The world's population needs between 1,500 and 2,000 calories a day and this cannot, under any circumstances, be subject to

adjustment variables. Since food trade is one of the surest ways of guaranteeing peace, civil calm and preventing uncontrollable migrations, we must once again consider agriculture as an element of diplomacy and geopolitics. Europe is in a strong position here.

Finally, we must establish an order of humanist priorities. We will not save the climate and the planet's ecosystem with starving humans.

Emmanuelle Ducros

Journalist for the French daily L'Opinion,
specialist in agriculture and food

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