We Need to Feed 3 Billion More People

*The challenges and what some businesses are doing right*

Earth’s population today is 7 billion. We know that environmental impacts on agriculture and food production acceptable today will not work with a population of 10 billion, the estimated population in 2050.

Recent studies* of emerging environmental, social and governance issues are loud and clear: **We must increase production and sustainability.** We will have to produce as much food in the next 40 years as we have in the last 8,000.

By 2050, the population will be 2-3 billion more

- 70% will live in cities - as many as are alive today
- Income will increase by 2.9 times
- Consumption will rise, especially of animal protein and vegetable oils

There are 15 essential commodities produced by about 1500 companies. About 300-500 companies control 70% of each commodity.

- palm oil
- pulp & paper
- dairy
- soy
- tropical shrimp
- cotton
- sugarcane
- beef
- farm salmon
- whitefish
- biofuels
- sawn wood
- small pelagic
- farm shrimp
- tuna

Major companies are recognizing the imperative nature of the data coming from the United Nations and other collaborative studies. Some are committing to change.

Here are three examples:

**Unilever’s Sustainable Living Plan:** Targets to halve the environmental impact of products and to source 100% of agricultural raw materials sustainably by 2020.

**Nestlé’s partnership with The Forest Trust:** Systems ensure their products and supply chain do not have a deforestation footprint. Nestle has pledged to achieve sustainable palm oil sourcing by 2015.

**McDonalds:** Formed a Global Beef Board working on a global strategy for sustainable beef and developed regional programs such as ‘Flagship Farms’ in Europe with high standards of environmental management.

–Adapted from a webinar presented by execs from MSCI, Credit Suisse and World Wildlife Foundation

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**Calendar**

**August 6th and 9th - Anniversaries of the Dropping of the Atomic Bombs**

On August 6, 1945, on the orders of President Harry Truman, a US bomber dropped an atomic bomb on Hiroshima. It is estimated that 140,000 people died. On August 9, 1945, a second atomic bomb was dropped on Nagasaki, Japan. Estimates generally put the number of deaths around 80,000. It is estimated that out of every 6 deaths in the bombings, 5 were civilians and 1 was military.

–Adapted from Education for Justice

**August 9th - International Day of the World’s Indigenous Peoples**

Indigenous peoples around the world have often been denied their rights, dislocated from their land and treated with unspeakable contempt. The voices of indigenous peoples must be heard and respected. We must reverence the beauty within each culture and celebrate the diversity that makes up our world.

–Adapted from Education for Justice

**Moving Pictures: Friday Night Film Series**

On the First Friday of Each Month

For more information on the upcoming film series from October 2012- June 2013, visit www.csjorange.org or contact: (714) 633-8121 ext. 7716 or mperales@csjorange.org

The Sisters of St. Joseph of Orange present films that raise awareness and encourage conversation about the dynamic, ever-changing, systemic and critical needs of our world. Through a variety of titles and topics, attendees explore what it means to live a life in relationship with each other, our neighbors, and the whole community of life.
Why World Food and Oil Prices Are So High

Food commodity markets were created to protect farmers from unpredictable price swings. Futures contracts allow farmers to sell their crop at an upcoming date for a set price. It provides a form of insurance for a more stable income. After the Great Depression, limitations were placed on outside speculators so they would not be able to unduly influence prices. However, in 2000, these regulations were weakened, allowing a massive increase in speculation.

The number of speculators in food and oil commodities has jumped during the recent “Great Recession.” This is in part due to speculators leaving the housing/mortgage markets. Speculators bet on buying and reselling commodities with an eye on indexes rather than the value of the underlying goods. This makes prices very volatile.

Commodities index fund investments have ballooned from $13 billion in 2003 to $317 billion by 2008. This small market for farmers has now become a globalized betting house. The same is happening with oil.

The Need for Food Security Needs Prompts Land Grabs and Profiteering

The United Nations estimates that the global population will grow to about 10 billion by 2050. About 70% more food will be needed to feed everyone. Food prices will rise with demand.

Public and private investors, both foreign and domestic, are buying or leasing large tracts of fertile land from developing countries in deals commonly referred to as “land grabs.” Countries concerned about their own food security, particularly in Asia and the Middle East (China, India), are seeking to obtain offshore farms from which to export food crops (where food is often needed for local citizens).

Investors recognize the opportunity to make large profits exporting food crops or biofuels. They are enticed by tax incentives, low labor costs and giveaway prices. In most cases, the governments selling this land do not consult the local population that has been subsisting off the land for generations. Farmers get kicked off their farms, sometimes compensated, sometimes not.

In June 2009, a policy brief by the UN Food and Agriculture Department stated, “The agricultural sector in developing countries is in urgent need of capital...at least $30 billion of additional funds are required annually. Countries are competing with each other to offer foreign investors ever sweeter deals on their arable land.”

Land grabs are taking place in Ethiopia, Mali, Mozambique, Sierra Leone, South Sudan, Tanzania and Zambia. Meanwhile, Ethiopia has been the largest recipient of the World Bank’s Global Food Crisis Response (GFRP) program. Between early 2008 and January 2011, the Ethiopian government transferred at least 3.6 million hectares (about 9 million acres) of land to investors.