This paper reviews agricultural and food security performances of developing countries after the Uruguay Round. In particular, issues and trends relevant to the interests of the low income food deficit and the net food importing countries are examined as the world prepares for further trade negotiations. The paper attempts to answer several questions, including: How has food security in the low income countries been affected over the past ten years? Are agricultural policies evolving in ways that take advantage of emerging trade opportunities?

The post Uruguay Round food security picture is rather bleak for a large number of developing countries. Between 1997/99 and 1998/2000, the number of undernourished people increased by 15 million. A disturbing development given the global community’s commitment to food security concerns is its capacity to produce more than enough food for every human being, and its power to use modern information systems to pinpoint exactly where food is needed and to mobilize rapid transport systems to move food quickly around the globe. The food security problem remains as formidable and intractable as ever.

At the global level, the long term trends of many food security indicators have been positive. The prevalence of undernourishment in developing countries has fallen over the last 20 years, while the average global kcal/person/day has increased. Much of this past progress in the developing country aggregate food consumption and undernutrition indicators are influenced decisively by the significant gains made by the most populated countries. The increases in food consumption resulted from a combination of economic growth, stable domestic food production, long term declines in food prices and strengthened import capacity. A considerable part of this gain is due to the rapid growth of food imports from the developed countries.

Despite the gains in global and national food availability, food security remains an especially persistent and elusive development problem. The late 1990s food insecurity data are worrisome, with emerging signs of uneven and slowing progress. Most of the recent food security problems are due to food shortages caused by civil unrest, wars and drought – age old problems that endure today.

Before the Uruguay Round, agricultural trade policies were subject to few multilateral disciplines. As the Uruguay Round negotiations on agriculture progresses, concerns and issues emerged over how the Agreement on Agriculture (AoA) would impact food security and poverty in the least developed and the net food importing countries. During the 1980s, arguments against trade reforms in developing countries touched on issues such as (i) the improbability of export revenue increasing in commodity dependent countries; (ii) protectionism in the OECD countries harming developing country efforts to diversify into non-traditional crops; and (iii) widening trade deficits due to the inability of relatively inefficient production systems to compete in the face of import liberalization. Developing countries justification built on these arguments to propose special and differential treatment.

Concerns continue to be raised over higher world prices and price volatility leading to upward price risk for importing countries, even though the long term trends in falling real food prices have continued in the post Uruguay Round period. More generally, the developing countries are pushing for improved market access to the developed countries, focusing on: tariff peaks on export products of interest to developing countries; tariff escalation; increased use of SPS measures and long delays in recognizing the equivalence of developing country SPS measures; trade preference issues; the need for larger TRQ volumes and more transparent administration of access; and the need to dismantle export subsidies.

Six common arguments against further trade reform are:
1) Trade liberalization damages food security.
2) Agriculture plays a special role in developing countries thus deserving special treatment to protect the viability of rural economies and to protect its role as a social security system.
3) Low income country agricultural sectors lack the necessary institutional and capital support to compete in a global market.
4) Food security is an important development need so increased domestic food production is essential to increasing food security.
5) Low income producers in developing countries are too vulnerable to international price variations.
6) Special protection is justified because of the asymmetry of support.

These arguments do not necessarily stand up to the existing evidence on the relationship between trade and food security. However, they will continue to be stumbling blocks to future negotiations.