

# Knowing Better, Responding Worse: How Mistakes from 2008 Led to the Food Crisis of Today



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The Mata Masu Dubara group in Kandoussa, Niger supports women in adopting income generating activities, climate-resilient agricultural approaches, and nutrition assistance to fortify long term food security.

## Executive Summary

2008 and 2022 are years in which the confluence of diverse drivers caused spikes in the cost of living, food insecurity and humanitarian need, disrupting the lives and livelihoods of many around the world. The global economic and financial meltdown of 2008 sparked astronomical increases in food prices and hunger. Today, COVID-19, conflict-induced fuel and food price shocks, and climate crises have set countries back decades in development indicators, and humanitarian needs have vastly increased. The 2008 crisis drove 97 million more people into hunger, while the current crisis has driven 209.6 million more people into hunger, and that number is still climbing.<sup>i</sup> While decision-makers responded to the 2008 crisis with then unprecedented funding and systemic reforms, the 2022 crisis is not seeing similar urgency in the scale-up-and the crisis is twice as bad today. Humanitarian funding in 2022 only met approximately 56% of funding needs, as compared to a 72.5% fulfillment of appeals in 2008.<sup>ii</sup> The international community successfully slowed down the hunger crisis of 2008 through scale-up and funding towards meeting immediate needs but it did not plan enough for mediumand long-term food security that would prevent the magnitude of today's crisis. Furthermore, funding towards emergency relief and development outcomes are often directed toward different places and disconnected from each other, thereby failing to respond to and mitigate food insecurity long term. We do not need new solutions; we need stronger systems. Today, the number of people experiencing acute food insecurity has increased by 34% between 2021 and 2022, according to the recently published 2023 Global Report on Food Crises, with economic shocks being the primary driver in terms of the number of countries affected.<sup>iii</sup> Resilience building approaches that put gender at the center must be adequately funded, multi-disciplinary, and layered to sustain long-term food security. Otherwise, humanitarian and food security needs will continue to escalate, and Humanitarian Response Plans will remain starkly underfunded in the face of growing financial needs.

## Comparing the Crises: 2008 v. Now

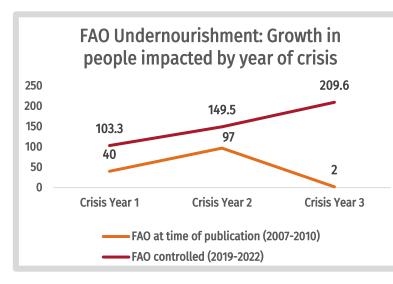
The 2008-2009 financial crisis led to sharp increases in the cost of living, disrupted global supply chains, and strained the coping mechanisms and safety nets that people could turn to. **Food prices rose at unprecedented rates, increasing 45% in 2008 alone,**<sup>iv</sup> with low- and middle-income countries most significantly feeling the effects. **40 million more people were pushed into acute food insecurity in 2008**, raising the overall number of undernourished people in the world from 923 million in 2007 to 963 million in 2008.<sup>v</sup> Pre-existing and pervasive gender inequalities compounded risks for women and girls, with job losses of women tending to be greater than men and the slashing of social protection mechanisms disproportionately affecting women and vulnerable groups' abilities to cope with the crisis.<sup>vi</sup>

Today, 828 million people are affected by food insecurity and chronic hunger,<sup>vii</sup> with estimates that the number of acutely food insecure people has doubled since 2020.<sup>viii</sup> The escalation of food prices by 47% in the past two years<sup>ix</sup> means that people are coping by reducing the quantity and quality of food consumed, selling household assets, or purchasing food on debt. High risk negative coping strategies, such as early, forced, and child marriage, transactional sex, and engaging in

THE GENDER HUNGER GAP

THE NUMBER OF MORE HUNGRY WOMEN THAN MEN HAS GROWN BY 132 MILLION SINCE 2018

exploitative types of labor become more frequent as well. Moments of crisis can intensify risks for women and marginalized people, curtailing their ability to exercise their rights or access services. **CARE analysis** of the Gender Hunger Gap indicates that the number of more women experiencing hunger than men has jumped by 132 million between 2018 and 2021.<sup>x</sup> Combined, these driving factors and subsequent



effects of the hunger crisis means that humanitarian needs will continue to escalate if global responses do not meet the immediate and long-term food security needs.<sup>xi</sup>

2008 and 2022 both emerge as significant years in which a convergence of global shocks led to record levels of hunger and humanitarian need. Despite the similarity in rising food prices, economic downturn, and loss of livelihoods between these two crisis climaxes, the 2008 crisis was met with unprecedented momentum in funding and systemic advancements that the

2022 crisis is not seeing, and the needs are even greater today. CARE's analysis indicates that over 100 million more undernourished people have been added to this current crisis, with a steep and steady incline between 2019 and 2022. In 2008, the crisis peaked after 2009 and returned to baseline the year after. The magnitude of the global hunger crisis today is more than twice as severe as it was in the peak numbers of undernourishment in the 2008 financial crisis, and projections of food insecurity in 2023 are further escalating.

## Comparing the Response: We are not meeting the moment

#### 2009 FUNDING:

- FOOD SECURITY: 92%
- EARLY RECOVERY: **51%**
- AGRICULTURE: 53%

#### 2022 FUNDING:

- FOOD SECURITY: **59%**
- EARLY RECOVERY: **54%**
- AGRICULTURE: 36%
- (FTS/OCHA 2009 & 2022)

The sharp decline in undernourishment after 2009 demonstrates, to some degree, how the mobilization of resources and attention to hunger had effectively mitigated immediate and escalating food security needs at the time. Donor countries stepped up their funding allocations to meet 72.5% of humanitarian response and appeal requirements in 2008, jumping by 38% as compared to funding the year prior.<sup>xii</sup> Rising levels of hunger led to initiatives that sought to systematically address food insecurity. Feed the Future, led by the US Agency for International Development, arose from the shocks of 2008 to combat global hunger and analytical tools such as the Integrated

Food Security Phase Classification (IPC) were rolled out a few years after to collect, analyze and harmonize country-specific food insecurity data. The UN Secretary-General established the High-Level Task Force (HLTF) on the Global Food Crisis in April 2008, bringing together specialized agencies to coordinate the implementation of the response. By 2009, the food security sector was 92% funded and the escalation of humanitarian needs slowed after the first year of the 2008 crisis.<sup>xiii</sup>Today, **humanitarian and food security needs are even greater, but the response is not keeping pace.** While in absolute terms funding for today's crisis dwarfs 2008, OCHA's Humanitarian Response Plans and Appeals were only 57% funded, demonstrating significant shortfalls as compared to the 72.5% funding needs met in 2008.<sup>xiv</sup> Hunger response financing has an even greater gap between required and met allocations today, with **more than half of necessary funding not being provided for response to rising levels of hunger and food insecurity**.<sup>xv</sup> Growing hunger reduces attention to agriculture, feeding a vicious cycle in which limited agricultural investments lead to more reliance on emergency food aid. Where meeting the moment through adequate funding in 2008 contributed to a slowdown in escalating hunger and a decrease in the number of people undernourished, the response primarily met immediate needs, thereby contributing to a worsened situation today in which food insecurity is twice as severe and the crisis

#### "Resilience building" wasn't always needed in Haiti- a country once food selfsufficient

The 2010 earthquake in Haiti affected approximately <u>3 million people</u>, destroying infrastructure, livelihoods and homes of approximately 1.5 million people (OCHA 2011). Earthquake response provided for emergency food security, WASH, and shelter needs, with many donors also highlighting the need for long term development. However, prior to cyclical natural hazards that have severely devastated Haiti in the first two decades of the 2000's, the country's food security and self-sufficiency had been largely disrupted by food and aid policies that prioritized food availability through low-cost imports into the country rather than supporting domestic agriculture (Plunkett 2020). Food exports made up almost <u>50% of Haiti's GDP in the 1970's (NBC 2010)</u>, serving as the predominant source of livelihoods for much of the country. The combination of cutting measures that protected small-holder farmers in Haiti and the flood of subsidized imports were some of many factors that reversed a food system that was once self-sufficient.

Responses to the earthquake saturated the country with in-kind food assistance, without investment in structural and agricultural means of long-term development. In 2010, <u>the agricultural sector made up 1%</u> of humanitarian response funding (FTS/OCHA). In the three years after the 2010 earthquake, Haiti was importing <u>80% of its rice and over half of its food (The Economist 2013)</u>. Today, USDA exports to Haiti have risen by <u>375% for grains</u>, <u>37% for meat and 19% for rice</u> in the past 10 years (USDA 2022). Meanwhile, <u>food insecurity has almost tripled since 2016 and 1.8 million people are facing emergency levels of food insecurity (WFP 2023)</u>. The food security situation is continuing to deteriorate, without tangible action to address the multiple root causes of hunger, re-shift power in food systems back to small-holder farmers, and invest in local agricultural production.

continues to grow. To take just one example, Feed the Future, which was a transformational and important investment in response to the 2008 food crisis, has stayed steady at \$1 billion in funding, which is not keeping pace even with inflation, much less the growing need in the world for stronger food systems.

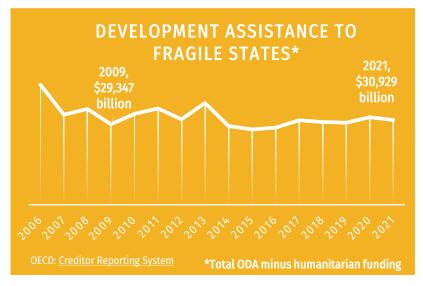
## 2008 and Today's Crisis Are Not Unrelated: Humanitarian-Development Nexus is and was needed.

Substantial funding in 2008 slowed down the immediate food and humanitarian needs of those affected by the Global Food Price Crisis. However, the response to the 2008 food crisis failed to address long term food security needs that have contributed to a crisis today in which the humanitarian and food security situation is exponentially worse. This was because sustainable solutions to hunger were not considered in responses that largely centered on reacting to emergency needs. Funding was allocated unevenly, with key sectors such as Agriculture and Early Recovery underfunded by 47% and 49%, respectively, in 2009.<sup>xvi</sup> When short term food needs are met but the foundations to transforming food systems are

**Resilience building** aims to enable individual and community abilities to protect and accelerate multiple facets of well-being in the face of conflict, climate, and economic shocks. It is a set of tools and strategies to absorb negative changes, anticipate future shocks, and transform systems to foster better, more equitable outcomes.

not adequately supported, the root causes of hunger will not be addressed, and persisting food insecurity is bound to re-occur. People's capacity to regain previous livelihoods, assets, and capacities becomes even more strained, leaving them vulnerable to future food security shocks. This is further driven by divides in which programming addresses either emergency needs or resilience building, but not both. **Today as in 2008, humanitarian and development interventions often do not occur in the same location, are disconnected, or are not sufficiently coordinated, making it impossible to realize immediate and long-term solutions.** 

Official Development Assistance (ODA)- which would serve to address drivers of rising hunger - spiked between 2007 and 2008, but subsequently decreased after 2011 and did not match peak funding levels for the food and cost of living crisis until two years later.<sup>xvii</sup> This means that political will and subsequent funding for development assistance towards local markets, agriculture initiatives, and livelihoods support was not sustained, thereby hindering the realization of long term food security gains.



Humanitarian funding needs will continue to grow if the root causes of food and nutrition security are not addressed. **Nexus thinking and resourcing have not been implemented to the scale we need to combat the drivers and impacts of hunger today**. Despite calls for resilience building in 2008 and lessons learned in preventing subsequent food crises, food security responses today

#### Nexus programming is possible

There are examples of success and learning in this challenging space. The first phase of Ethiopia's Feed the Future Program, funded by USAID and implemented between 2009-2014, had the goal to sustainably reduce poverty and hunger. In Ethiopia, FtF was an important step towards more integrated programming, aiming to strengthen inclusive agricultural growth and improve nutrition to achieve long-term poverty and hunger reduction. Programming was designed to contribute to the Government of Ethiopia's Productive Safety Net Program (PSNP) and Agricultural Growth Program (AGP).

Feed the Future Ethiopia's <u>2015 program evaluation</u> candidly reported that vulnerable households faced barriers to participating in activities building long-term food security and resilience. Likewise, projects seeking to promote household food production did not necessarily occur in the same place as market strengthening interventions, underscoring the challenge of integrating resilience programming with other interventions.

More success was reported in development-oriented activities that paralleled emergency cash and food assistance provided by the government through the PSNP initiative. The report recommended more sequencing of approaches and more connections between interventions to deliver more effective, sustainable results.

Feed the Future and USAID Ethiopia have taken several steps to address the difficult challenge of integrating programing across the nexus to build more sustainable and resilient food systems in Ethiopia. Building on learning since 2015, FtF programming has continued to evolve based on the changing context in Ethiopia. They have continued to work to bring together a variety of funding streams, partners, and approaches to integrate emergency and crisis response with longer-term food production and market-based approaches.

USAID in Ethiopia also pushed large-scale funding to sustain and improve food systems and food production in response to the recurring crises in Ethiopia, most recently to address the impacts of the Ukraine crisis. Layering between funding from the Bureau of Humanitarian Affairs (BHA) and Feed the Future, as well as allowing for adaptations in crisis, have been instrumental to more resilience for food systems in Ethiopia. often repeat old models of focusing on emergency needs without funding resilience building means and connecting emergency programs to sustainable outcomes.

In 2021, humanitarian funding to food sectors was primarily directed to cash and in-kind food assistance, as opposed to allocations for nutrition and agricultural/livelihood assistance that were 15% and 4% funded, respectively. xviii This also does not reflect how responses to food crises should be multisectoral and beyond just addressing food, including for protection, GBV services, livelihoods, nutrition, and WASH. The implications of this are that the provision of primarily emergency food assistance will not fortify those experiencing food insecurity against further conflict, economic, or climate shocks, nor will it support local and nationally driven solutions to hunger. Emergency assistance is not making the connection to longsustainable gains, and funding term. for development initiatives is waning. According to OECD data, while humanitarian funding has grown overall. when adiusted for inflation. net development funding for fragile states in 2021 was almost the same as it was in 2009, with little growth in funding the sector.xix Without investments in resilience building through agriculture and nutrition support, with particular community-based adaptation attention to strategies, climate resilience, and addressing gender inequality as a driver of food insecurity, the devastating hunger crises will persist and humanitarian needs will continue to rise.

## Crisis response & resilience must be complementary & connected

Needs have and will further grow if we do not leverage the solutions we know will work. Calls for resilience building through investment in local and national food systems, climate adaptative solutions, market analysis, and social analysis of food security barriers were made in 2008 and they are continuing narratives today. It is not only about leveraging what already works, but is also about bridging nexus approaches through layered programming that is complementary, connected and occurs in the same location. This is already happening in CARE programming that builds food security and resilience in emergency settings. CARE's Village Savings and Loan in Emergencies (VSLAiE) model integrates social cohesion, livelihood support, and community-led development while responding to urgent needs. Food self sufficiency increased amongst CARE SWEEP project participants in Ethiopia and experiences of resilience to economic and environmental shocks increased by 70% and 54%, respectively. CARE's Adaptation Learning Program for Africa, which also incorporated VSLAs, facilitated Community Based Adaptation (CBA) approaches to drive national government and civil society-led solutions for climate-induced food insecurity. Agricultural returns ranged from \$1.25 to \$4 for each \$1 invested in agriculture gains. Women across all 4 ALP project locations in Kenya, Ghana, Niger, and Mozambigue reported significant changes in access to resources, agriculture production, and decision-making spaces.

Today's and 2008's cost of living, food price, and hunger crises are similarly stark, with the crisis today almost twice as worse in terms of undernourished people. In 2008, there was political will and funding to meet most of the moment. But we lacked the vision for systems change and the long term momentum needed to avert the food crisis in 2022, and the ones that will come next. **Long term solutions to combat global hunger were not created in part** 

#### Capturing the elusive nexus: CARE's Livelihoods for Resilience (L4R) and Biruh Tesfa

The Feed the Future Ethiopia – Livelihoods for Resilience Activity (2016 – 2023) is increasing the long-term resilience of rural Ethiopian households by linking households to finance, empowering women, improving nutrition, building resilience to climate change, creating opportunities for youth, and strengthening local enterprises. The project is implemented largely through long-term local partners.

#### CARE layered a variety of emergency response mechanisms on top of L4R to respond to the multiple crises that hit project households, including:

- Shifting project resources from regular activities to livelihood recovery cash transfers to respond to conflict shocks
- Using funding from private foundations to supplement USAID funding and support households in recovering from desert locust infestations, as well as supporting the recovery of local entrepreneurs providing critical inputs and services to project households
- Using USAID Bureau for Humanitarian Assistance (BHA) funding through Biruh Tesfa to deliver emergency agricultural input support to conflict-affected households in northern Ethiopia



"We face a high risk of losing our crops and our income. There is no stability in the market" says Fenta, a VSLA member in Ethiopia. Seeds are six times more expensive than they were three years ago. Loans from VSLAs and profits from livestock support households to face the effects of the drought and price increases.

because resilience building was not funded and viewed as critical to addressing the underlying causes of food insecurity and vulnerability. Investment in food systems, through complementary development and humanitarian food security, agriculture, and nutrition dividends did not happen. Today, this situation is even more urgent with 225.1 million more people in need. Humanitarian appeals are dismally underfunded and financing for development gains in fragile and food insecure countries is shrinking.

Food and nutrition security and resilience do not need new solutions, but stronger systems. Evidence-based approaches to tackling short and long-term food security needs work. Strengthening the resilience of people and systems through multi-disciplinary programming, and the intentional integration of gender transformative approaches, gets to better, more sustainable outcomes. Programming that integrates Community Based Adaptation (CBA), climate change mitigation, gender and vulnerability analysis, livelihoods support, and multi-sectoral responses has successfully enhanced resilience to shocks and strengthened the food security of communities. However, siloed approaches and end goals of development and humanitarian assistance can impede the protection and acceleration of multiple measures of wellbeing, including sustained food security. *Scaling up of funding towards transformative approaches, rather than temporary fixes, can address the persisting challenges to food systems and recurrent hunger crises.* Women's led organizations, local actors and civil society structures must be utilized and supported to build resilience to present and future shocks. There is no one-size fits all approach to creating long-term solutions to food insecurity, where climate change, market forces, community capacities, and individual needs all look different. Layered, nexus approaches that involve a plurality of actors are essential to creating lasting change and ending persisting needs.

## Where to go from here: Asks and Recommendations

- Funding for immediate and long-term needs must be invested in approaches that build resilience to food insecurity. This means stepping up allocations for agricultural and nutrition initiatives, with particular attention to strategies rooted in community-based adaptation to the challenges that have and continue to affect food systems. Climate resilience and adaptation, addressing gender inequalities, and mitigating the effects of supply chain disruptions are possible through support to local and national food systems.
- Strengthened humanitarian-development approaches through coordinated, integrated and layered initiatives are needed to address the root causes of hunger and alleviate the increasingly urgent and growing humanitarian needs.
- Speed up allocation and allow for timely, flexible, anticipatory and unearmarked/softly earmarked funding to address the growing humanitarian and food security needs. Women's Led Organizations, L/N NGOs, and civil society organizations must be prioritized recipients of early recovery and resilience building funding to design and implement programming that most effectively integrates the needs of affected populations into project outcomes and activities.
- There are areas where we already know what works. It's not about building new solutions from scratch. It is about boldly acting on the solutions that are at our fingertips and collective outcomes that reduce needs, risk and vulnerability.
  - Directing funding towards Country Based Pooled Funds that are simplified to ensure that money reaches local responders quickly and first for contextualized, timely and coordinated responses.
  - Shifting to multiyear planning cycles with light annual updates to enhance the coherence between HRPS and Sustainable Development Cooperation
  - Investment by donors, policymakers, and humanitarian leaders is needed to mainstream the use of gendered data collection and analysis to make a substantial difference for men, women, boys and girls around the world.
  - **Connecting early warning systems information with local communities** to empower them with information on weather forecasting and market analysis.
- There are areas where we can and should be innovative, using digital solutions to inform and empower women small holder farmers, coordinating nexus approaches with adequate market analysis

#### **Authors**

This report was written by Olivia Jarrell, Emily Janoch, and Elizabeth Courtney, with valuable input from CARE colleagues including Mara Russell, John Gardner, Theo Renard, Delphine Pinault, Elisabeth Farmer and Eileen McCarthy.

### References

<sup>1</sup> CARE analysis of FAO data on Undernourishment: For the purposes of these estimates, 2007 is defined as the "pre-crisis year" in the 2008 food crisis, and 2019 is the "pre-crisis year" for the current crisis. That makes 2008 and 2020 "Crisis Year One", 2009 and 2021 "crisis year 2", and so on. To determine the number of additional undernourished people added to the crisis, we take the number of people undernourished in the current year and subtract the number in the "pre-crisis year" to see how much the crisis has grown. For example, crisis year 1 for the 2008 crisis is the number of people <u>undernourished in 2008</u> minus the number of <u>undernourished people in</u> 2007. These numbers are based on the reporting that happened at the time of the crisis. Data sources are linked here for 2007, 2008, 2009, 2010, and 2016 onward. While FAO has since revised its methodologies for reporting on undernourished people to capture follow on effects and <u>smooth out the impacts of short term price shocks</u>, which lowers the number of undernourished people in the reporting, decision-makers at the time were operating with these numbers to understand the scale of the crisis they were facing. Because this analysis is about decision makers acting to meet the moment they are facing, the analysis is most useful when it reflects the moment as decision-makers understood it while it was happening.

<sup>ii</sup> FTS/OCHA: Appeals and Response Plan 2008 & 2022.

<sup>III</sup> FSIN: <u>Global Report on Food Crises</u> (May 2023) \*This number reflects a 25% increase in population analyzed and additional 5 countries in 2022 from 2021.

- <sup>iv</sup> Oakland Institute: <u>High Food Price Crisis</u> (2021)
- <sup>v</sup> FAO (2008a). Number of Hungry People Rises to 963 Million. Rome. December.
- vi Oxfam: Gender and the Economic Crisis (2011)
- vii United Nations: Global Impacts of War in Ukraine (August 2022)
- viii WFP: <u>A Global Food Crisis</u> (2023)
- <sup>ix</sup> FAO: Food Price Index (April 2023)

\* This data is an estimate extrapolated from existing datasets—intending to cover current gaps in the global data. It is illustrative and has uncertainty built into the methodology. For further details, please see the technical annex <u>here</u>. D Data calculated using the statistics from <u>UN Women Sustainable Development Goals dataset</u> (2014-

2020) and the FAO SOFI report 2022 (data from 2021) on gender gaps in food security

- <sup>xi</sup> WFP: <u>A Global Food Crisis</u> (2023)
- <sup>xii</sup> FTS/OCHA: <u>Appeals and Response Plans 2008</u>
- xiii FTS/OCHA: Appeals and Response Plans 2009
- xiv FTS/OCHA: Appeals and Response Plans 2022
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- <sup>xvi</sup> FTS/OCHA.
- xvii OECD: <u>Creditor Reporting System</u> (2023)
- xviii GNFAC: Global Financing Flows and Food Crises Report (2022)
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