

## How the U.S. Can Fight World Hunger

A food crisis is brewing. Over the last two years, supply chain chokeholds, rising energy costs, and natural disasters have fueled an escalating spiral of increasing food prices. The war in Ukraine is now accelerating this crisis to unprecedented proportions.

Russia and Ukraine play an indispensable role in feeding the world, accounting for a combined 30% of the global wheat supply. Additionally, Russia serves as the number one fertilizer exporter in the world, responsible for 23% of ammonia exports, 14% of urea exports, 10% of processed phosphate exports, and 21% of potash exports (Colussi et al., 2022).

With blockades hindering Ukraine's ability to trade freely and Western sanctions making it harder for Russia to export its goods, the war has thrown a wrench into this global engine of food trade. As a result, the United Nations' Food and Agriculture Organization reports that current food prices are the highest ever recorded as measured by its Food Price Index (Treisman, 2022). Similarly, prices for fertilizer, a commodity at the heart of global agriculture, have doubled from a year ago (Cooley, 2022).

The effects of the price spike will be felt most acutely in impoverished communities across the world, as low-income nations in North Africa, Asia, and the Middle East all heavily rely on Russia and Ukraine for food and fertilizer (Human Rights Watch, 2022). It is also uniquely difficult for the global poor to absorb higher prices because food makes up a larger portion of their overall income and government assistance in low-income countries is often limited (Davids, 2021). Perhaps unsurprisingly then, the United Nations predicts that an additional 13.1 million people may go hungry this year (The New York Times, 2022).

The market will not resolve this crisis on its own. Growing new harvests to make up for lost exports requires massive capital investment and months of preparation, and with Russia's recent announcement of halting its fertilizer exports (Elkin, 2022), it will become more expensive for farmers across the world to supplement the food shortfall by increasing their own outputs. Further, rising demand for grain within China—a market with the capacity to temporarily absorb higher prices—means that the limited supply on the market is quickly getting consumed (USDA, 2022), which leaves low-income countries with no clear path out of the current crisis.

The United Nations' World Food Program (WFP) offers an effective solution to this dilemma. Already serving 80 million people across 80 countries, the WFP is the largest humanitarian organization dedicated to tackling food insecurity. Third-party analysis by the Canadian International Development Agency indicates that the WFP has robust logistical capacity and has been historically successful at achieving its development goals (Global Affairs Canada, 2017).

However, a dearth of funding is standing in the way of the WFP providing food for millions of people in need. Direct food deliveries, in particular, have become more challenging since rising fuel prices are raising transport costs while the expanding number of food crises is stretching the WFP's already-overstrained distribution channels.

In fact, since the start of the war in Ukraine, operational costs for the WFP have increased 44% (World Food Program, 2022), resulting in a budget shortfall of \$10 billion (Bourne, 2022). On the ground, the lack of funding has meant that the WFP is halving its rations to seven of the world's most impoverished countries in order to feed Ukrainians (Kroll, 2022).

The WFP does not simply supply food. Much of its economic support comes in the form of direct cash transfers—a strategy the WFP will likely lean on more heavily in the coming months as developing new shipping routes becomes untenable. Yet, with food prices set to rise by 22.9% in 2022, each dollar of direct aid now goes less far (Hayashi, 2022), which, coupled with millions more people in need of assistance, makes it impossible for the WFP to meet the needs of the world's poor without a substantial increase in funding.

The U.S. ought to step up and finance the WFP's budget gap to meet the exigencies of the moment. The Senate should start by approving the \$40 billion military and humanitarian aid package approved by the House, which includes \$4.4 billion for global food assistance (Bolton, 2022). Meanwhile, President Biden should leverage his executive powers to allocate money to the U.S. Agency for International Development in order to ensure that the WFP is fully funded. Otherwise, the organization will fall short of its objectives for 2022, and millions of people, for no fault of their own, will be relegated to starvation.

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