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Global Food Insecurity

The Danger of Misguided Food Production Policies: The Case of Sri Lanka

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SYNOPSIS

The Russia-Ukraine conflict has aggravated food insecurity worldwide and encouraged various countries to find new ways to manage this threat, including policies to substitute costly imported agricultural inputs like synthetic fertilizers and pesticides. Sri Lanka's recent experience shows that drastic policy changes can have disastrous political and societal consequences.

COMMENTARY

The Russian-Ukraine conflict has widely <u>disrupted the supply chains</u> of food, feed, fertilisers and energy, with consequences on food security in many Asian countries. One response by governments has been to promote more self-production in order to increase food resilience and <u>reduce reliance on imports</u>. Others, like Sri Lanka, have seized the opportunity to introduce revolutionary changes in farming.

Sri Lanka sought to substitute conventional farming which uses synthetic agricultural inputs such as fertilizers and pesticides, with organic farming which uses organic inputs like animal manure. While well-intentioned, this policy change had direconsequences for the country's food security and economy. Political analysts blamed it as one of the contributing factors in the ouster of Gotabaya Rajapaksa as President of Sri Lanka. This holds valuable lessons for other countries facing similar challenges.

The Sri Lanka Debacle

In April 2021, Sri Lanka's government imposed a ban on both the import and use of

synthetic agricultural inputs, including chemical fertilizers and pesticides, and removed subsidies for these inputs. This move was driven by Sri Lanka's COVID-19-ravaged economy.

With depleted foreign exchange reserves, and a depreciated currency, the cost of importing (not to mention subsidizing) agrochemical inputs became too high. President Gotabaya Rajapaksa found an apparently ingenious solution. Rather than rely on imported chemical fertilizers, Sri Lanka could instead become the first country to adopt nationwide organic farming.

The government's move showed a significant disconnect with its farmers, the majority of whom were accustomed to farming with agrochemicals and modern crop varieties. In a July 2021 survey, 44 per cent of farmers surveyed had experienced a decline in harvest. The same survey also showed that 85 per cent of farmers expected more loss in harvest, of 40 per cent or more in the next cycle.

This created further problems of food shortage and food price inflation. In late November 2021, the government announced a <u>partial reversal of the April 2021 bans</u>, while not reinstating the subsidies for chemical fertilizers which were critical in encouraging farmers to accept the bans in the first place.

Sri Lanka's economy has since been in <u>free fall</u>, with inflation reaching 54.6 per cent in June 2022, and with nearly <u>nine in ten</u> families having to skip or skimp on meals. The consequence of this was the citizen uprising in July 2022, which led to President Rajapaksa's resignation after he had fled the country.

History Repeated?

The dictum that "those who do not learn from history are condemned to repeat it" could have been valuable to the Rajapaksa government. While history is replete with successful transformational policy changes in agriculture and food security, there is likewise no shortage of cases which had led to disasters for farmers and consumers, owing to poor planning or policy implementation.

China's <u>Great Leap Forward</u> under Mao Zedong between 1958 and 1961 is emblematic. Hoping to transform the rural economy, millions of farmers were collectivized and handed pamphlets with simplistic recommendations to plough deeper and to use more seeds and fertilizers. Ideology triumphed over pragmatism. Often, such man-made disasters affecting food productivity are compounded by natural disasters such as the <u>Great Chinese Famine</u>.

A more recent example was Indonesia's <u>Mega Rice Project</u> in 1995. The Suharto Government's project to create one million hectares of rice paddies out of unproductive and sparsely populated peat swamp forest was a failure. If the project had been successful, it would have alleviated Indonesia's growing food shortage, besides moving people from the over-populated Java Island to the southern regions of Kalimantan.

Just like the Sri Lanka debacle, the Suharto Government also showed a disconnect with its farmers. A <u>study</u> revealed differences between irrigated farming systems in

Java, and tidal-irrigated farming systems in Kalimantan. Farmers from Java were also unprepared for the poorer nutritional content of peat soil in Kalimantan. The project was eventually abandoned after having caused considerable damage to the environment and the waste of government resources on irrigation canals and tree removal.

Avoiding Untoward Consequences

<u>Sri Lanka's abrupt switch</u> to organics offers a useful lesson in how NOT to change food systems and create more problems at the same time. A further survey in <u>July 2022</u> showed that the April 2021 ban on the import and use of synthetic agricultural inputs, including chemical fertilizers and pesticides, had three unintended consequences. In the short-term, one in five farmers had considered the use of illegal, highly hazardous pesticides, which might have been harmful to the environment and to humans. Secondly, 51 per cent reported a reduction in their use of pesticides while 39 per cent had reduced the frequency of application; both practices scientifically proven to promote the buildup of resistant pests in the medium-term. Thirdly, one in four farmers had even considered quitting farming altogether, with long-term consequences on food security.

In the current environment, the world's food security is threatened by the "3Cs": Climate Change, COVID-19, and Conflict, which are disrupting supply chains and farm production. Besides the Sri Lankan Government, there may be others similarly tempted to embark on radical solutions, regardless of the scientific basis.

A key takeaway for countries in dealing with the agricultural sector today is the need for informed and evidence-based approaches when introducing changes to their respective farming systems. Policy makers will need to carefully consider the potential for untoward outcomes as had occurred in Sri Lanka.

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