Climate Change, Trade Policy and Food Security: Conceptual Links

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Introduction

• Food Security:

- Concept: Food security is a multi-facet concept including demand and supply element; and nutritional and wellbeing element at the household, national and global levels
- Therefore food security means adequate supplies of all elements of the concept, food security; while food insecurity suggests shortfall from the adequacy threshold

Indicators

- Availability of food
- Access to food, and
- Utilization of food
- Stability

These elements are determined by food production, market and economy



Introduction – contd.

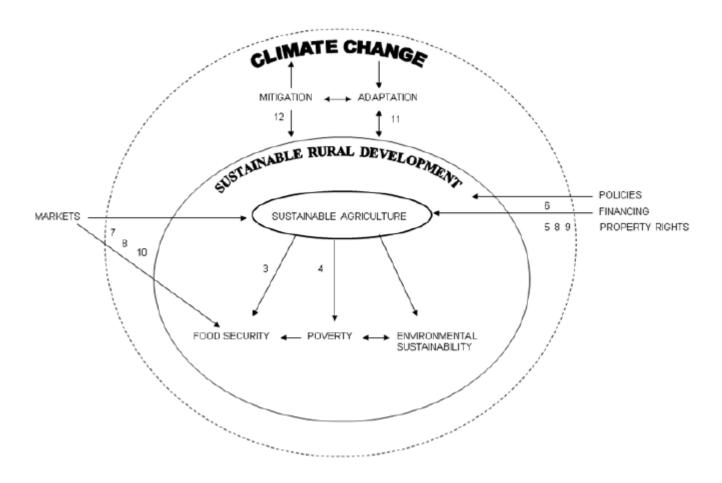
Determinants

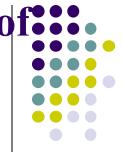
- Food production: quantity and nutritional sufficiency determined by the environment, capital and knowledge including natural resource endowment and climatic condition; augmentation of labour through science, technology and innovation; and availability of capital
- Market: domestic and cross-border markets for food determined by trade policies and rules; and domestic supports to agriculture or otherwise
- Economic access: income and price determine by the national economic condition including macro-economy, poverty and inequality.
- There are at least four major manifestations of climate change
 - Temperature increase
 - Volatile changing climatic pattern
 - Rising sea level
 - Water: drought or/and flooding



Climate Change and food security: The role of trade

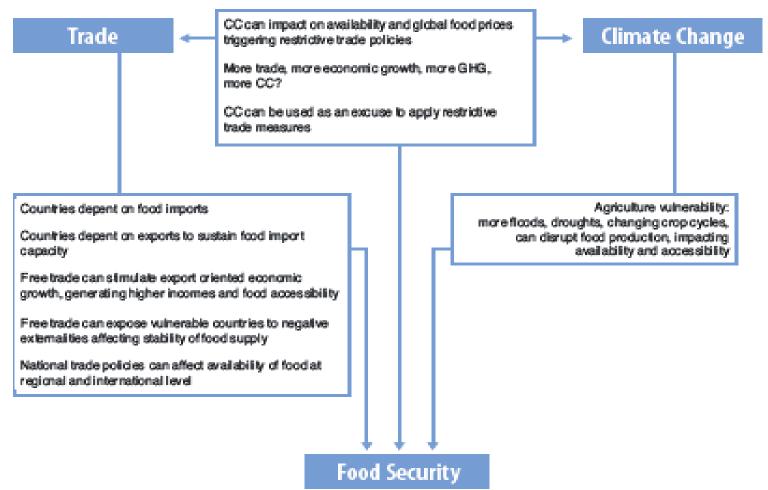
Conceptual Framework





CCH-TRD – FSC: Direction of Causality



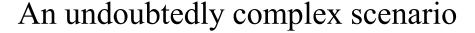


Gains from Trade: theoretical insight and relevance



- Theory of comparative advantage: ricardian conventional and neo-classical trade theory
- Factor endowment: Heckscher-Ohlin (H-O) theorem
- Trade theory, protection vs liberalization
- Optimum tariff
- Fair-trade concern: human right dimension and hybrid model of trade relation; essence of trade negotiations

Methodological Issues



- Relevant Methods
 - General Equilibrium Model
 - CGE static or dynamic?
 - Relevant Partial Equilibrium Model
 - causality test to establish direction of effect
 - Multilevel analytical procedure

Expected Results and Concluding thoughts

