

Agriculture: A new policy paradigm for better lives

Written by: Angel Gurría, Secretary-General of the OECD

Last update: 24 February 2017



© OECD

Food is a basic requirement of life and fundamental to our well-being. Nevertheless, as humanity becomes more urbanised, agriculture and farming tend to be neglected. This is dangerous. The OECD Agriculture Ministerial meeting taking place on 7-8 April aims precisely at preventing this by helping define a new policy paradigm for a more productive, competitive and sustainable food system for all.

It is often said that civilisation sprang from farming. Thus, our future depends on getting it right in agriculture. The global population is expected to reach some 9 billion by 2050. Diets are also likely to change in favour of more animal protein, such as meat and dairy products. Some studies predict that average meat consumption will increase from 32 kg per capita today to 52 kg in 2050. This will have implications for producers and consumers, as well as for land use, transport,

health, and more. Meanwhile, undernourishment must be vanquished through improvements in the access, availability and use of food.

There are environmental challenges, too. Agriculture already uses 70% of the world's fresh water, but will have to cope with less in the future because of scarcity and competing demands from urbanisation, the energy sector and industry. Some major farming regions—in Australia and the US, or in China and India, for example—already face severe water stress. Biodiversity is also under threat as farmland and cities expand, while soil degradation is a widespread concern. Then there is climate change, which will force production patterns and farming communities everywhere to adjust as droughts, floods and exceptional temperatures become more frequent, chaotic and disruptive. It also compels agriculture to reduce its greenhouse gas emissions, which account for a quarter of the total when emissions from land use changes are included.

In short, agriculture must change, and while the nature and magnitude of that change may vary by location and level of development, all countries share a common aim: to feed a growing population while assuring decent livelihoods and safeguarding our planet.

all countries share a common aim: to feed a growing population while assuring decent livelihoods and safeguarding our planet. 

Fortunately, the sector shows encouraging potential globally. Agricultural productivity growth is relatively robust compared with other sectors; total factor productivity (TFP) growth in global agriculture averaged 1.7% per annum over the decade to 2012. Moreover, the sector's environmental impact per tonne produced has fallen among OECD countries, with data showing falls in both nitrogen and phosphorus balances and pesticide sales, for example. Moreover, in developing regions, there is wide scope to apply already known technologies and methods, such as precision farming and drip irrigation, while emerging innovations in approaches and equipment hold potential for productivity growth and sustainability in advanced and less advanced economies alike.

How can governments harness the strengths of the agricultural sector while addressing its barriers and weaknesses, so that it can fulfil future needs? At their meeting in April, agriculture ministers from around the world will try to find solutions to these challenges and identify emerging opportunities.

Governments need to reform policies, particularly subsidies promoting specific products or fertilisers, that induce farmers to produce the wrong crops in the wrong place, with the wrong inputs. These include planting water-intensive crops in dry areas or supplying staple foods to already saturated markets, as well as transforming fragile land, such as forests, into crop production or grazing. The focus should be on strengthening innovation systems and making sure that

farmers have the knowledge, training and skills they need to adopt appropriate and sustainable production methods.

Policy makers should also step up efforts to make domestic and global markets more effective and accessible, so that produce can be delivered where it is needed and competitive farmers can be properly rewarded. This means investing in transport and communications, as well as in clear and effective legal and administrative frameworks. It means agreeing to safeguards on standards and quality to bolster trust and confidence in markets. It means adopting broad and inclusive rural development strategies that enhance farming as a livelihood, while enabling people to quit the land to take up opportunities in other sectors, should they wish to do so. It means more collaboration with public and private entities, as well as regions and countries, working together towards better outcomes.

Change is not easy, particularly in agriculture, where habits and practices are formed over generations, and where small and large farmers defend hard-won interests. Only a concerted, evidence-based dialogue, which highlights the costs and benefits of new approaches and is clear about the impacts on all sides, will convince people to change. With such engagement, policy makers can then set the directions, monitor progress and stay the course.

If we are to continue feeding ourselves sustainably, eradicate undernourishment and mitigate the environmental impact of farming, we need a long term vision for agriculture. The OECD will contribute to that vision and, with facts, expertise and co-operation, help sow the seeds of better agricultural policies for better lives.

www.oecdobserver.org/angelgurria

www.oecd.org/about/secretary-general

[@A_Gurria](#)