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A GLOBAL FOOD CRISIS FUELED BY THE WAR IN UKRAINE: GOVERNMENTAL CHALLENGES

The paper examines the reasons and ways of overcoming the global food crisis caused by the war in Ukraine in 2022. The processes that caused problems in the area of providing the population with food are revealed. The management reports and reports of the leading international organizations are analyzed as a reaction to the consequences of the russian-Ukrainian war, which is currently the main catalyst of challenges on a global scale. The problem of food supply is combined with political processes and the need to overcome political chaos, which further worsens the situation, destroys social life, and creates even more dangerous conditions for ordinary people. It is noted that the growth of the food crisis in the world due to the armed aggression of Russia against Ukraine forces to change the opinion of most countries regarding the food problem, and to assess it as a global catastrophe. In particular, the aggressor wants to monopolize wheat trade under global crisis. In the paper the problems and potential risks associated with the crisis are considered: the absence of an appropriate regulatory and legislative framework for the regulation of the food industry; lack of a clear investment and innovation state policy; corruption schemes of the shadow economy; low purchasing power of the population; unsatisfactory use of the potential of individual industries; insufficient financial support of enterprises; wear and tear of the enterprise's production facilities and the high cost of their renewal; low volumes of production, which do not contribute to the restoration, reconstruction, modernization of non-current assets and the implementation of research achievements; dependence on political and general economic changes in the country, possible armed conflicts. The main recommendations of the FAO on ensuring food security in Ukraine and the main measures for their implementation are analyzed. It is concluded with the ways out of the crisis - in particular, through close cooperation with the governments of those countries that support the sovereignty, territorial integrity and independence of Ukraine, international financial organizations, UN agencies and non-governmental organizations to receive financial and humanitarian aid. In general, it is advisable to start the preparation of a comprehensive program for the restoration of the production of agricultural products and food in Ukraine.

Keywords: global food crisis, war in Ukraine, food policy, public management of the implementation of the food policy, food supply.

Ref. - 17

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ГЛОБАЛЬНА ПРОДОВОЛЬЧА КРИЗА, СПРИЧИНЕНА ВІЙНОЮ В УКРАЇНІ: ВИКЛИКИ ДЛЯ УПРАВЛІННЯ

У статті досліджуються причини та шляхи подолання глобальної продовольчої кризи, викликані війною в Україні 2022 року. Обґрунтовуються процеси, що спричинили проблеми у царині забезпечення населення продовольством. Аналізуються керівні звіти та доповіді провідних міжнародних організацій як реакція на наслідки російсько-української війни, яка є на сьогодні основним каталізатором викликів глобального масштабу. Проблематика забезпечення продовольством поєднується із політичними процесами та необхідністю подолання політичного хаосу, який ще більше погіршує ситуацію, руйнує соціальне життя, створює ще більш небезпечні умови для цивільного населення. Зазначається, що розростання продовольчої кризи у світі через збройну агресію Росії проти України змушує змінити думку більшості країн про те, що це європейська війна і європейська проблема, й оцінювати її як глобальну катастрофу. Зокрема, країна-агресор хоче монополізувати торгівлю пшеницею в умовах глобальної кризи. Розглядаються проблеми та потенційні ризики, пов'язані із кризою: відсутність відповідної нормативно-законодавчої бази регулювання харчової промисловості; відсутність чіткої інвестиційно-інноваційної державної політики; корупційні схеми тіньової економіки; низька купівельна спроможність населення; незадовільне використання потенціалу окремих галузей; недостатність фінансової підтримки підприємств; зношеність виробничих потужностей підприємства та висока ціна їх оновлення; низькі обсяги виробництва продукції, що не сприяють відновленню, реконструкції, модернізації необоротних активів та впровадженню досягнень науки; залежність від політичних та загальноекономічних змін в країні, можливих збройних конфліктів. Аналізуються основні рекомендації ФАО щодо забезпечення продовольчої безпеки в Україні та основні заходи із їх реалізації. Обґрунтовуються шляхи виходу із кризи – зокрема шляхом тісної співпраці з урядами країн, які підтримують суверенітет, територіальну цілісність і незалежність України, міжнародними фінансовими організаціями, агентствами ООН та неурядовими організаціями для отримання фінансової та гуманітарної допомоги. Загалом, доцільно розпочати підготовку комплексної програми з відновлення виробництва сільськогосподарської продукції та продовольства в Україні.

Ключові слова: глобальна продовольча криза, війна в Україні, продовольча політика, публічне управління, реалізація продовольчої політики, забезпечення продовольством.

Літ. – 17

Formulation of the problem. Today, in the 21st century, we cannot claim that humanity has solved the food challenges on the planet or the problem of hunger has disappeared, that agriculture has reached a high level of efficiency to feed 7.98 billion people. Famine is a detonator of political upheavals, riots, protests and change of power mainly in

developing countries. There is a fear that in the nearest future there will be a problem of food supply which can also occur in the developed countries. UN Secretary General António Guterres announced that the world is facing an unprecedented threat of famine in 2022-2023. The UN High Commissioner for Human Rights Michelle Bachelet said that due to the war in Ukraine, the number of people suffering from a lack of food will increase by 47 million during the year - from 276 million at the beginning of 2022 to 323 million during the year [11].

According to the UN, about 60% of the world's starving population lives in conflict-affected areas. In 2021, 140 million people suffered from acute hunger around the world, primarily in countries such as Afghanistan, the Democratic Republic of Congo, Ethiopia, Haiti, Nigeria, Pakistan, South Sudan, Sudan, Syria and Yemen. According to UN Secretary General Antonio Guterres, the war in Ukraine threatens hunger and poverty for 1.7 billion people around the world, which is 20% of the world's population. And according to forecasts by EurasiaGroup, by November 2022, about 1.9 billion people will face food insecurity problems [4].

The Russian military aggressive war in Ukraine demonstrates the kremlin's attempts to cause a global deficit of products, to cause excitement in the second half of 2022 in various regions of the world and use them as an excuse to start a dialogue on mitigation anti-Russian sanctions.

Analysis of recent research and publications. The problem of the food crisis, the causes of hunger and malnutrition of a significant part of the world's population, the ways to overcome the consequences of the crisis in the food market are the object of analysis by such scholars as I. Burakovsky, V. Horkavy, N. Kudenko, P. Lami, I. Makarchuk, J. Saksa, V. Symonenko,

O. Fedoryshyn, O.D. Shooter, and others. The russian war in Ukraine and its consequences in the food crises is the focus of such Ukrainian researchers as Gavrilenko N., Kravchenko I., Mudrak P., Poluneyev Yu., Shirokij G., Yuldashev R., Zabloc`kij V. and others. A number of analytical and statistical documents are represented in the reports of the UN, OECD, WTO, World Bank, FAO, and other international organizations.

Formulation of the article's purposes. The purpose of the paper is to examine the reasons and solutions in the overcoming of a global food crisis fueled by the war in Ukraine.

Results. Before the war 2022 Ukraine had every chance to use its unique international competitive advantage and become, within 5-10 years, a key global player in the international food markets and one of the members of the club of countries that determine world politics (G 20 — "big twenty") [8]. In general, before the war, Ukraine supplied 10% of world exports of wheat, more than 15–20% of barley, and more than 50% of sunflower oil. After the invasion of the Russian Federation, Ukraine restricted the export of some cereals [11]. The President of Ukraine V.Zelenskiy emphasizes and warns that hunger does not come alone. Political chaos always comes along with it, it worsens the situation even more, destroys social life, creates more dangerous conditions for ordinary people [9].

In recent history, Russia has already acted as a catalyst for social events that caused famine. Today, the Russian occupiers are taking out grain from the temporarily occupied areas, where about 1.5 million tons of grain were concentrated. And this reserve, among other things, was intended for domestic consumption and sowing in Ukraine [10].

The main signs of the food crisis are:

- 1) lack of funds to purchase the amount of food necessary to ensure the functioning capacity;
- 2) lack of opportunity to purchase food to ensure minimum vital activity;

- 3) every third person cannot gain normal weight by the age of five;
- 4) people suffer from various diseases due to the consumption of food that does not contain several vital vitamins, etc. [8].

The hope is that growth of the food crisis in the world due to Russia's armed aggression against Ukraine will force the majority of countries to change the opinion that this is a European war and a European problem, and to assess it as a global catastrophe, as Zanni Minton Beddoes, editor-in-chief of *The Economist* magazine, emphasis. Beddoes Z. noted that 2022 will be the most difficult year in terms of food supply - and not because of crop failures, but because of problems with its delivery created by Russia [2].

Moscow, losing the war launched against Ukraine, wants to create artificially a global food crisis and blame it on the European Union.

The goal of the Kremlin regime is not only to cause global hunger in Africa and Asia, but also to shift the blame for the future catastrophe to the West. They say that it is precisely because of the sanctions imposed by the EU that the Russian Federation is excluded from the international food supply chains, which condemns millions of people to starvation. This is considered as the first stage of an undeclared war against Europe. At the same time it should divert everybody's attention from the war in Ukraine and activate pro-Russian forces in the EU. The Russian Federation, trying to eliminate Ukraine as a world producer and exporter of food, especially of wheat, intends not only to ruin Ukraine's economy and cause chaos in Africa and the Middle East. The aggressor country wants to monopolize the wheat trade under the global crisis. Under such conditions, a shortage of international food supplies is almost inevitable, and the Russian Federation will try to blame Europe for this [3].

According to Okonjo-Iweala the director of the WTO, it is very sad to watch grain prices rise. She emphasizes that wheat prices have increased by 59% compared to 2021, sunflower oil by 30% and maize by 23% [3].

Ukraine also faces the difficult challenge of adapting the logistics system to restore export cargo flows of agricultural products during the blockade of Ukrainian seaports by the Russian Federation. In addition, Ukrainian agricultural producers need support. It is about replenishment of the seed fund, supply of fuel, purchase of fertilizers and means of agriculture protection, which will eventually make it possible to provide food for both Ukraine and the world.

At the same time, Ukraine needs to continue close cooperation with the governments of countries that support its sovereignty, territorial integrity and independence, international financial organizations, UN agencies and non-governmental organizations to receive financial and humanitarian assistance. In general, it is expedient to start the development of a comprehensive program to restore the production of agricultural products and food in Ukraine [1].

Any government policies to promote the development of domestic producers through a state-led import substitution strategy are being devised, and may involve an expansion of subsidies and other forms of state support [17, p. 226]. The Food and Agricultural Organization of the United Nations (hereinafter - FAO) has developed its main recommendations for ensuring food security in Ukraine which include such items as [12]: agricultural production must be allowed to resume immediately and safely to avoid further potential impact on food security in Ukraine – and beyond – in the coming days, weeks and months; parties to the conflict should apply regulations under their own military manuals, and are obliged to abide by the Additional Protocols of the Geneva Conventions 30, 31 [15] which state that objects necessary for food production and distribution, such as farms, markets, water systems, mills, food processing and storage sites must not be attacked, and that objects that

are indispensable to the survival of civilian populations, such as foodstuffs, crops, livestock, agricultural assets, drinking water installations and irrigation works must not be destroyed, targeted or rendered useless.

Further the Note focuses on the 2022 spring sowing campaign for maize, barley and other crops; the provision of fuel for machinery; winter cereal crops protection; safe and unimpeded harvesting in July–August; support to the smallholders who continue availability of vegetables and ongoing dairy production; support the livestock sector with veterinary medicine and animal feed inputs; support micronutrient enrichment of wheat flour, and support millers operating in conflict-affected areas etc. [16].

FAO is currently implementing rapid needs assessments for the agricultural sector in Ukraine, both at the oblast level across the country, as well as in areas with significant population displacement. In order to prevent a large-scale humanitarian crisis in the world, FAO recommends that countries take the following basic measures:

- to maintain unhindered international trade in food and fertilizers to meet their national and global demand and the smooth functioning of their supply chains; - the countries dependent on food imports from Ukraine and the Russian Federation should search for alternative export suppliers regarding their food needs, as well as effectively use their food reserves and increase domestic food production;

- to implement effective monitoring of social protection measures and registration of additional groups for the suffering population of Ukraine in the Unified Information System of the Social Sphere;

- to ensure access to existing social protection systems and employment opportunities in the countries receiving refugees;

- to increase the level of biological safety and apply advanced farming practices.

It is predicted that countries that are net importers of food will begin to actively seek help from international financial organizations, in particular the IMF, whose role under today's difficult circumstances is growing [13].

Analyzing the published expectations of the FAO (Food and Agriculture Organization of the United Nations) regarding the food crisis in Ukraine, it was found that grain crops and sunflowers were the most affected. Also the production of eggs, poultry, pig and meat production in general. The latter is caused by the lack of fodder and veterinary medicine, the destruction of the transport infrastructure. In the regions where active hostilities are taking place, such as Mykolaiv, Kherson, Zaporizhzhia, Kharkiv, Donetsk, and Luhansk regions, the sowing season has been canceled due to the impossibility of holding it. However, the spring planting did not take place in areas without active hostilities, because there are other problems there, e.g. lack of labor forces, fuel shortages and disruption of supply chains [5, p. 119].

Ukraine has sufficient mental potential to provide the population with its own food resources to be food independent from imports. However, there are a number of problems and potential risks, among them: lack of an appropriate regulatory and legislative framework for the regulation of the food industry; lack of a clear state investment and innovation policy; corruption schemes of the shadow economy; low purchasing capacity of the population; unsatisfactory use of the potential of individual industries; insufficient financial support of enterprises; wear and tear of the company's production facilities and the high cost of their renewal; low volumes of production, which do not contribute to the restoration, reconstruction, modernization of non-current assets and the implementation of research outcomes and achievements; dependence on political and general economic changes in the country, possible armed conflicts [5, p.117-118].

In accordance with the recommendations of the Global Crisis Response Team on Food, Energy and Finance, as well as the call to action from the UN Secretary-General, respond to the growing level of food insecurity around the world, aggravated by the consequences of the crisis in Ukraine, that affects world prices and supplies of food, energy and fertilizers (The 2022 Global Report on Food Crises). It is urgent to provide funding needed by humanitarian aid actors to prevent famine.

At the same time, it is important to provide everyone - who needs it - an access to social protection systems. It requires the use of global and urgent measures in connection with the financial crises that contribute to the growth of food prices. It is important, for example, to ensure that governments and the public have access to liquidity so that they are able to respond to emerging shocks and to ensure that the vulnerable people are adequately protected.

The other measure is to keep markets open and resist pressure to impose export restrictions, avoiding sanctions on essential goods such as food and fertilizer.

For the system of public administration, it is vital to ensure early action and flexibility in response methods to improve food security in the face of price volatility due to conflict [7]. There are grounds for cautious optimism regarding national food security of Ukraine on the following basis:

- in the country the stocks of wheat, corn, sunflower oil, basic products have been formed for 3-5 years;
- according to various forecasts, the production of grain and legumes, technical and other crops is supposed to be in volumes sufficient for domestic food supply;
- a forced sharp reduction in the volume of Ukrainian grain products' exports may cause its redirection to feeding agricultural animals and increasing of meat production in the areas where hostilities are not taking place [6].

Conclusions. The governments of the countries use various mechanisms to solve the food crises of their societies. The volume of agricultural production in 2022 is at a level sufficient to ensure the food security of the Ukraine. The current food crisis in the world is an example of how Moscow uses a global problem to promote their aggressive political interests. In fact, Russia deliberately launched a game of survival in countries from the most vulnerable regions of the world in order to bargain for geopolitical advantages at high stakes. Now the highly developed countries of the world are trying to predict and prevent a possible food crisis.

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