Climateflation: the food system in crisis

Someday soon, our mainstream media is going to blow the gaff on today's self-appointed tribunes of the people who, often in the very same speech, will inveigh against the ever-rising cost of living (and the scourge of food inflation in particular) while robustly asserting that climate change is a myth—a middle-class obsession that imposes outrageous costs on working families.

I can't say I much like the word, but the portmanteau 'climateflation' should provide a bit of a heads-up for these loathsome hypocrites. Food prices have been rising for all sorts of different reasons, and it's not easy to attribute a particular percentage of these rises to the impact of climate change on food crops and supply chains. But figures of anywhere between 10% and 20% have been cited, with specific reference to extreme heat reducing crop yields around the world (all crops have their own heat tolerance limit), as well as the growing frequency of floods and droughts.

Major food retailers in both Europe and the US are much more exercised about the way this is translating into price rises for fruit and veg in particular, although the language they use often steers clear of pinning it explicitly on climate change. How about this for a classic euphemism from the British Retail Consortium: "seasonal food inflation driven by weather"!

Last week, Dave Lewis, former CEO of Tesco, wrote an article for the FT trying to inject some real urgency into this: "It's time Boards across the food industry acknowledged this as an immediate risk, reporting on progress, impact and barriers". As one of the originators of "The Retailers' Commitment for Nature" back in 2021, this was basically a coded attack on all

his former colleagues for doing next to nothing since then to “halve the environmental impact of the average food basket by 2030”.

All of which is very worrying for consumers – and for politicians desperate to keep inflation under control. It may be even worse for investors: as Dave Lewis says: “environmental shocks are already translating into stock prices”.

So, climateflation is already with us, with an average temperature increase of around 1.5°C since the Industrial Revolution. No surprise then that projections for future impacts (with average temperature increases of 2°C+) are getting truly scary. The European Central Bank looked at potential impacts by 2035, causing food prices in Europe to rise by between 1% and 3% every year, adding 0.3% to 1.2% to whatever the rate of inflation might be in any one year.

The reprehensible get-out for politicians is that even the most sophisticated climate models are still not much cop when it comes to projecting extreme weather events, let alone the movement of pathogens (pests and diseases) as the weather goes on getting warmer. It’s always after the event that the true scale of the damage becomes clear—as with the killer bacteria ‘xylella fastidiosa’ that has been ravaging Italy’s olives over the last decade, resulting in significant hikes in the price of olive oil. The prices of both chocolate and coffee have been similarly affected by different climate-induced factors.

All that’s bad enough, but we should be thanking our lucky stars we don’t live in one of the many countries directly affected by retreating glaciers. A report from UNESCO in March this year (the World Water Development Report) confirmed that the food and water supplies of around 2 billion people will be affected over the next two or three decades by what is now the fastest rate of glacier melting on record. We’re not just

talking about food inflation here—we're talking about life and death for hundreds of millions of people.

I know this will come across as all doomy and gloomy for the techno-optimists amongst readers of this column. And at one level, I can't blame them. It's still the case that overall volumes of almost all commodity crops are still increasing. And that makes for a seemingly endless round of cornucopian headlines that keep most of us paralyzed by complacency and facile optimism.

But dig down a bit. Those increased volumes are driven by just three things: equivalent increases in fertilizer application, increased mechanization, and converting forests into farmland. Leaving us (in terms of stocks of natural capital) in a very dodgy situation: food volumes up, but soil quality down; emissions of greenhouse gases massively up; grim biodiversity impacts; and water scarcity a worsening reality for more and more farmers.

And then dig down a bit deeper. For no fault of our own, we're just ignorant about the basics of modern agriculture. At the risk of stopping you dead in your tracks, the harsh truth of it is that it takes 10 calories from burning fossil fuels to produce one calorie of food for human consumption. Let's not quibble about what is or isn't factored into this calculation—the intricacies of life cycle analysis could have been deliberately designed to numb the brains of most sensible people—that's where we are: ten fossil fuel calories for producing, processing, transporting, and retailing just one precious calorie of food.

Big Ag doesn't want you to know that little gob-smacker. Not least as it makes a complete joke of the vast majority of references to sustainable agriculture, regenerative agriculture, and even 'net zero agriculture' that dominate the debate about alternatives. Yet sustainable agriculture is actually very easy to define, as laid out by Mark Kelly in the

Carbon Pulse in October last year:

Sustainable agriculture is when all energy inputs into the production of food, from farm to mouth, are renewable. Currently, virtually none are. So, you would think that people would be building towards a food production system that runs entirely on renewable energy. But that doesn't appear to be the case. Any policy you look at is no more than a tweak around the edges of a system completely reliant on an endless supply of oil and gas.

The cruelest response to all this that we hear from the politicians is that farmers must 'adapt.' But there's really not a lot the individual farmer can do as once-reliable weather patterns go berserk, as warmer temperatures steadily reduce moisture in the soil, and as demand for irrigation water steadily rises—even as food retailers remain as greedy and inflexible as ever.

So is that it then? Just factor in the inevitability of worsening climate inflation and invest in more food banks for those already struggling with the cost of food? Absolutely not! In fact, there are four big things the UK government needs to be focusing on right now:

- Get really serious about food security. (Professor Tim Lang's report earlier this year ("Just in Case") written for the National Preparedness Commission, provides the clearest possible warning of the vulnerability of the UK's food system to external shocks).
- Regulate the hell out of all those companies profiting so handsomely from the sale of ultra-processed food.
- Encourage consumers to eat less meat.
- Reduce food waste – both at the farm gate (particularly in poorer countries) and post-consumer.

Uncomfortably, that means acknowledging that Big Ag (that drives or benefits from each of these meta-impacts on our

health and the environment) poses as great a threat to the well-being of people and to our prospects as a species as Big Oil. Which is why you won’t find many politicians venturing into this increasingly controversial territory.

By Jonathon Porritt