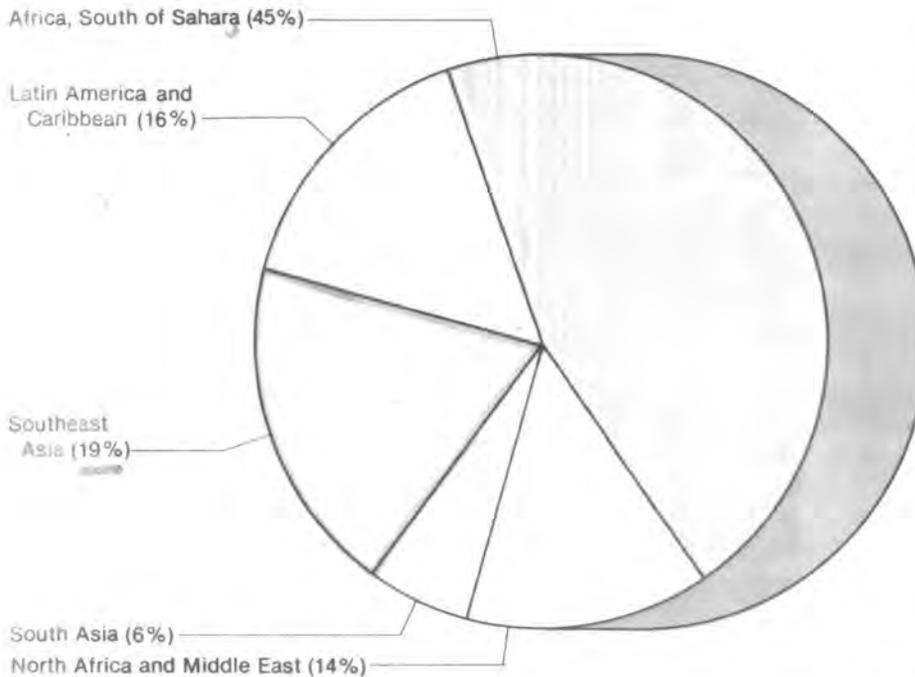


Debt of Food Crisis Countries Concentrated in Africa

Percent of food crisis countries' debt



Servicing that debt is eating up 29 percent of what these countries earn from their exports.

The debt total adds up to more than \$200 a person in half of these countries and more than \$400 in almost 30 percent. While that may seem small by U.S. standards, it is large when related to the fact that per capita incomes in more than 75 percent of these countries are below \$1,000 a year. In 60 percent, the level is below \$500.

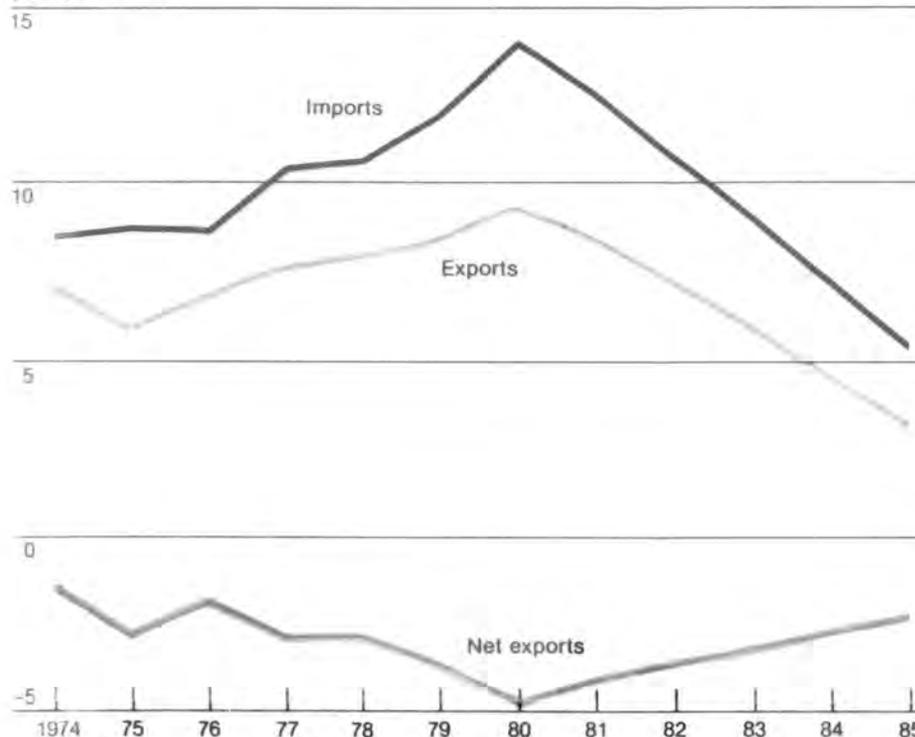
Food Policies Contribute to Problem

Because of the poverty of their populace, food crisis countries have tended to regulate food prices in order to keep them fairly low. Such policies have discouraged farmers from expanding their production—and thus have aggravated the food deficit.

The countries with food surpluses today are the industrialized nations of North America, Europe and Oceania—which have supported their agricultural sectors rather than their consumers.

Constant Need to Import Food Throws Trade Balance Off

\$ billion



Trade Out of Balance

In the typical food crisis country, imports have outstripped exports throughout the past decade—and the gap has widened over time.

In low-income Africa—where a food crisis is already a reality—agricultural products made up almost 30 percent of the continent's total imports in 1982. Paying for these imports—and for food products bought on credit in earlier years—ate up nearly 60 percent of the region's export earnings.

When such a large percentage of available foreign exchange is committed to meeting past and current food needs, not much is left over to satisfy other import requirements. Items which are essential for the economic development fundamental to overcoming the food crisis are bound to be severely constrained. ■

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