

Key messages for the food campaign

Banks' betting on food prices is causing drastic price swings and record food prices, which are increasing poverty and hunger. Take action to make sure the UK government plays its part in curbing food speculation.

How speculation affects food prices

Recent food price spikes have exceeded the record prices set during the 2007-8 food crisis. Although some of these price changes can be explained by supply and demand, only speculation explains the drastic swings and increases.

'Futures markets' are intended to protect farmers from risks by guaranteeing a set price for their crops at a future date. But these markets are now dominated by huge amounts of money from speculators seeking profits. This speculation amplifies price changes and causes prices to spike and crash.

Human costs: more hunger and poverty

High food prices are leading to increased hunger and poverty: globally, close to a billion people are suffering malnutrition. As people struggle to afford food, they are being driven to cut their spending on education and healthcare, become indebted, or take up risky jobs as domestic staff or sex workers. Deadly food riots have erupted in Uganda, Tunisia and Algeria since the start of the year.

But aren't high food prices good for the global south?

Most small producers and poor countries buy more food than they sell, so do not benefit from higher prices. And volatile prices make it difficult for farmers to plan what to produce.

Our ask

Use the action card to call on treasury minister Mark Hoban to support European proposals to curb excessive food speculation.