



Risks and Resilience Global Food Systems: An invitation for mathematicians

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Photo:Edward Burtynsky



Special thanks to Oliver Bettis, Walt Beyeler, Peter Brooks, Virginia Dale

UTAH DINOSAUR HUNTERS | THE SOUL OF PARIS

MAY 2014

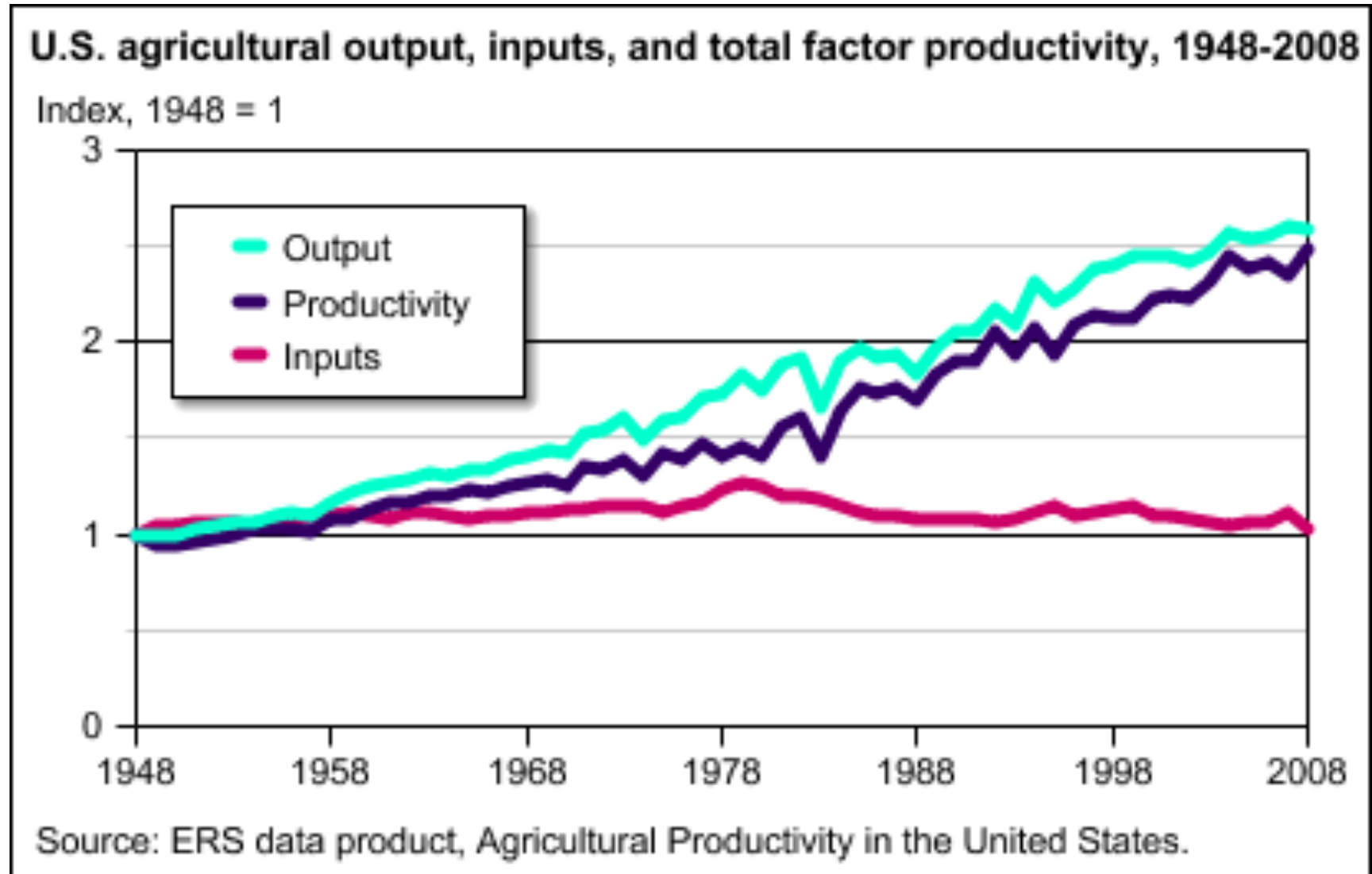
NATIONAL
GEOGRAPHIC



*Serving
more than
7 billion
every day*

THE NEW
FOOD
REVOLUTION

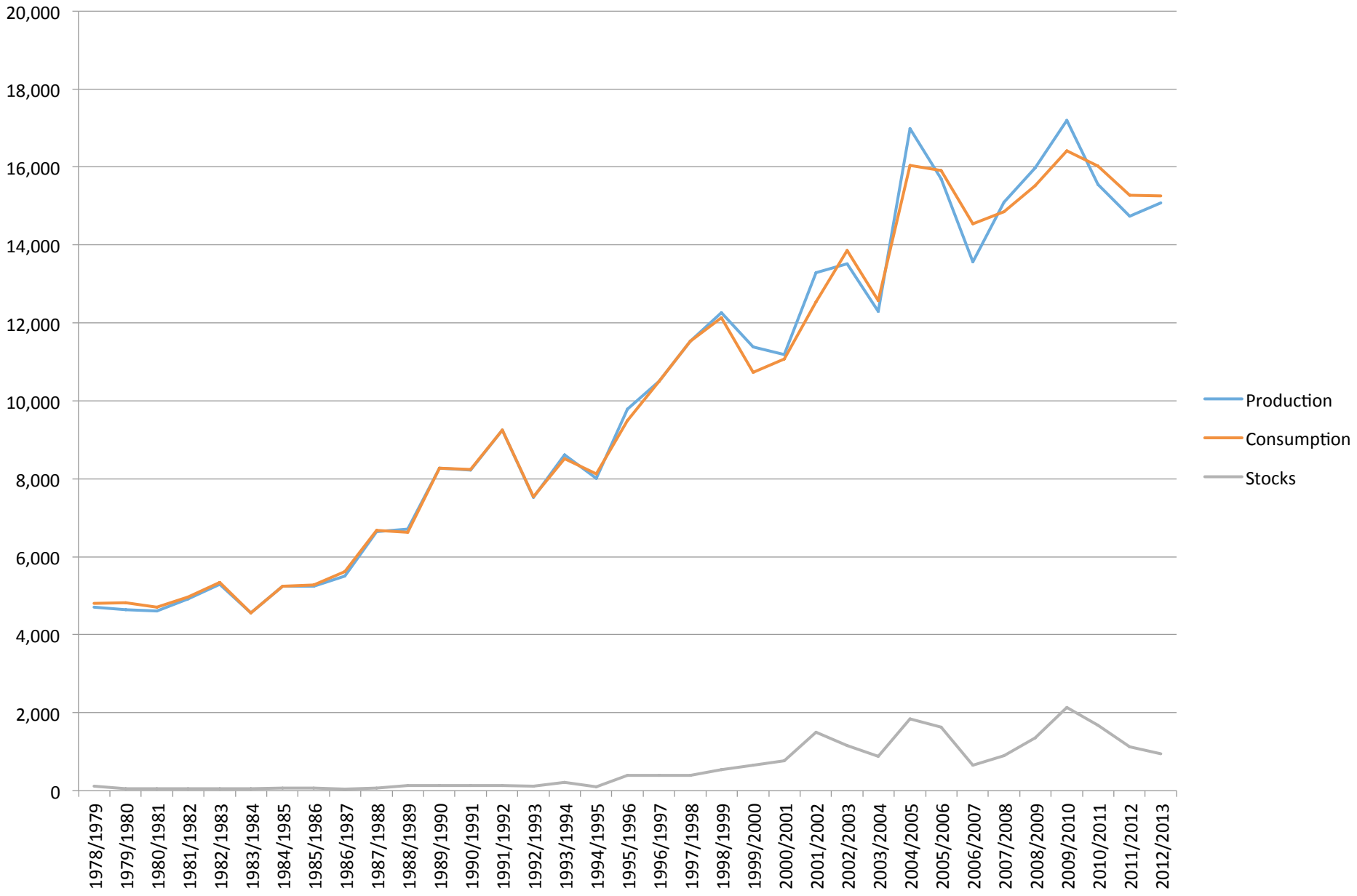
We've been stunningly successful in driving up agricultural productivity and efficiency.....



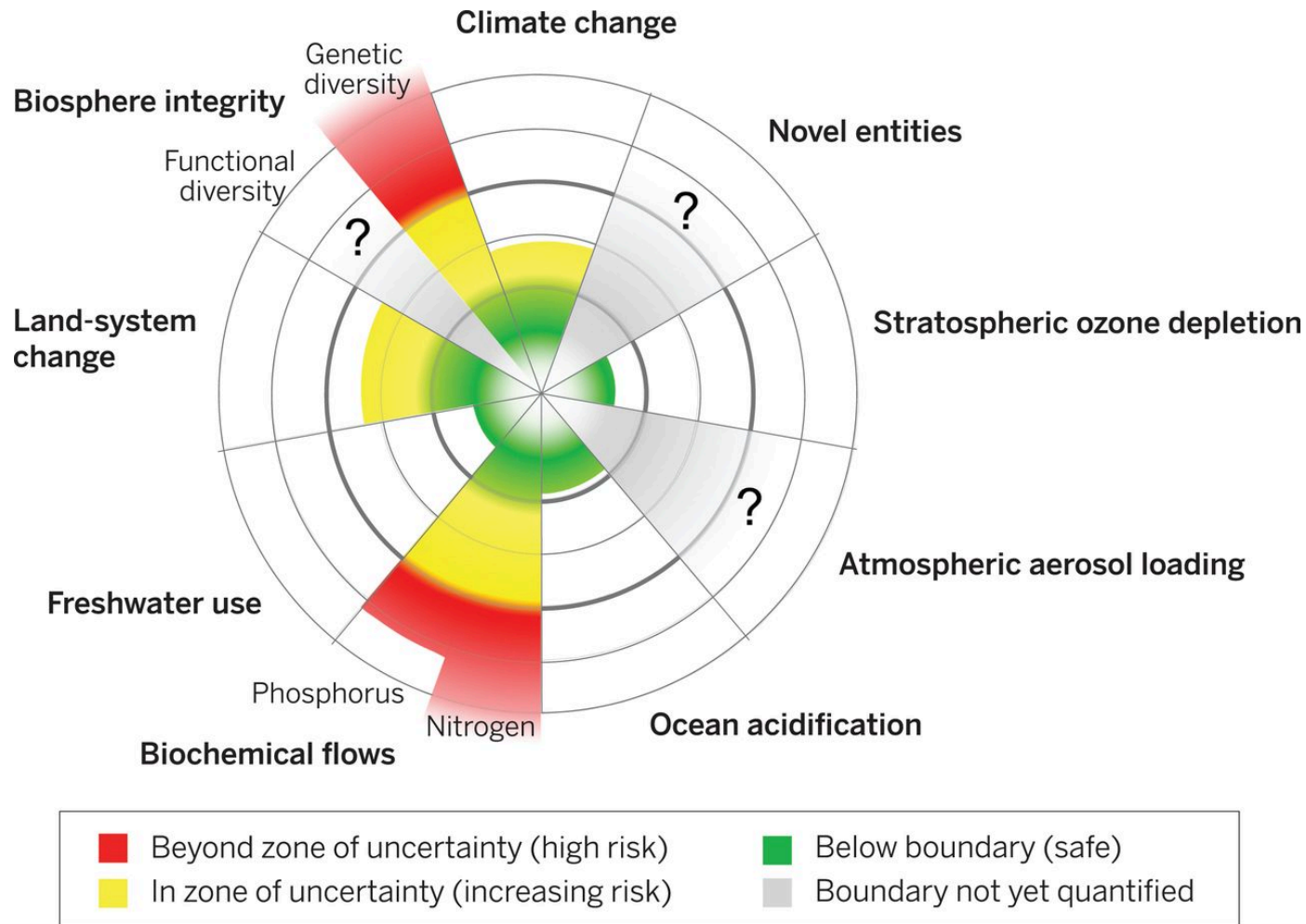


Our current theory is
“More, more, more will make it better, better, better”—
This blinds us to systems properties

“More, more, more.” Even in good years we eat almost all we produce



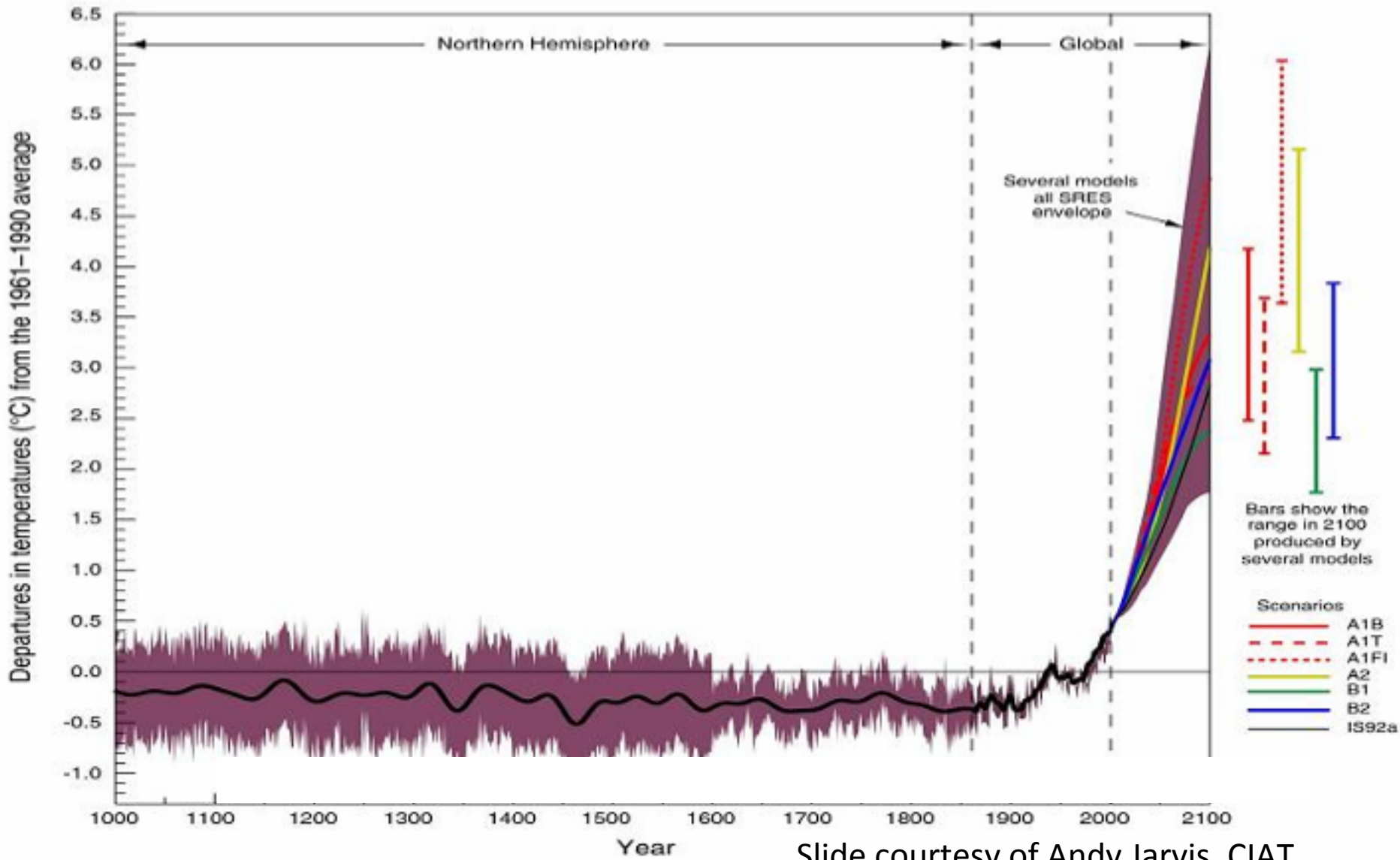
While we
run our
planet onto
the rocks♪





Not so Smart

Baseline conditions are changing



Slide courtesy of Andy Jarvis, CIAT

And our systems do not perform well enough today

7.4 billion people in the world

1.5 billion overweight

0.9 billion undernourished

1.3 billion tonnes of food wasted each year

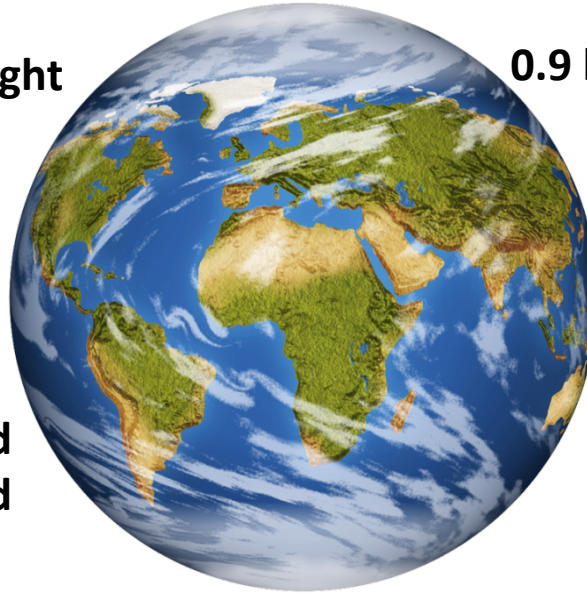
200+ million more hungry after 2007/8 price spikes

1.5 billion depend on degrading land

1.4 billion live on <USD1.25 / day

12 million ha of agricultural land degraded each year

7.5 billion USD lost to extreme weather in 2010





1950s — focus on insufficient production, population increase

1970s — focus on economic failures, interest in
purchasing power, markets

1980s — focus on political failures, equity, agency, access

1990s — focus on food as a human right,
rights-based development

2000s — focus on food insecurity as structural injustice

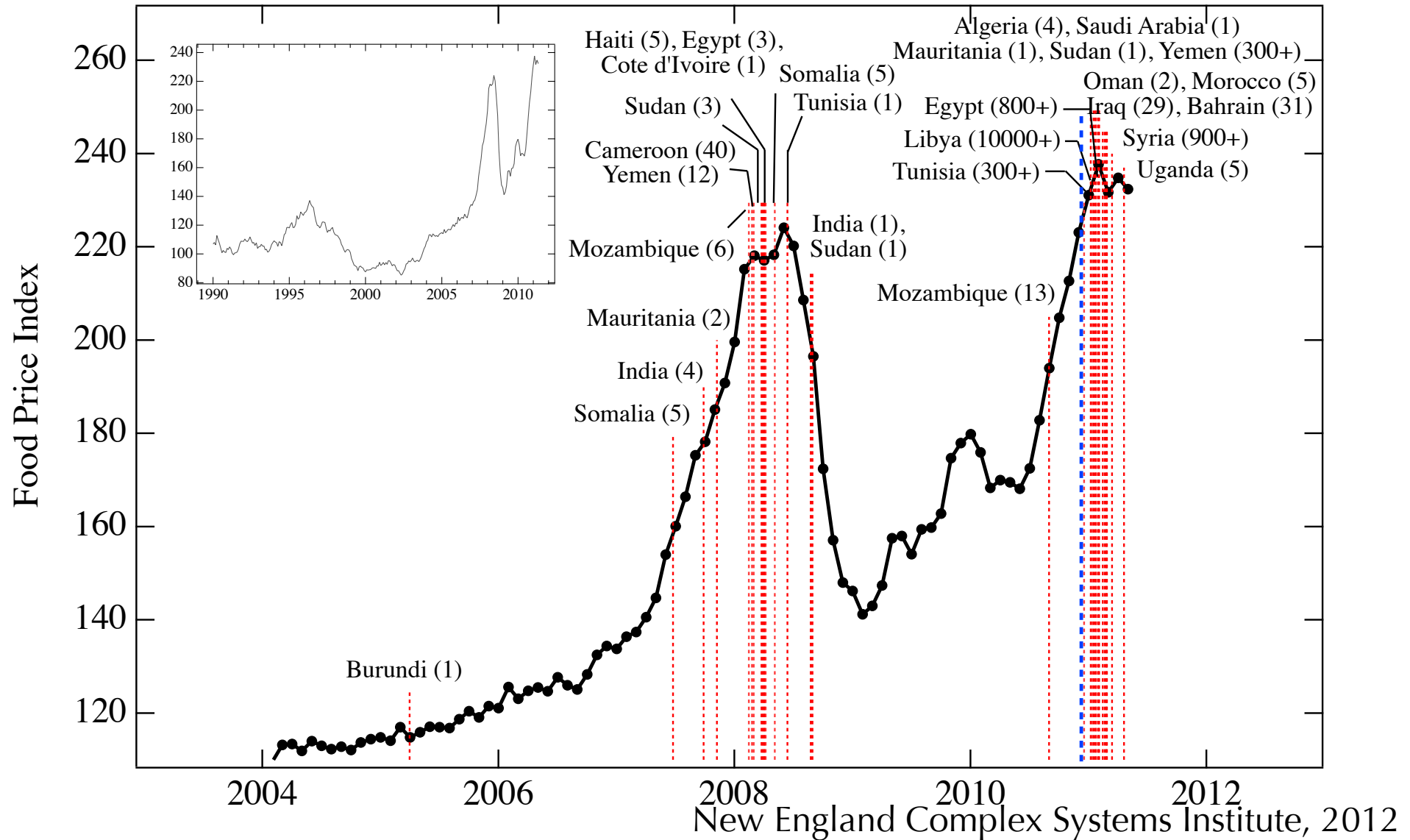
2010s — focus on food systems as facet of
global human security and human culture

after Elina Andersson



Patterns of civil instability overlaid with the food price index

Requires better event definition, fine-grained analysis, automated approaches to disparate data





Civil Unrest/Terrorism

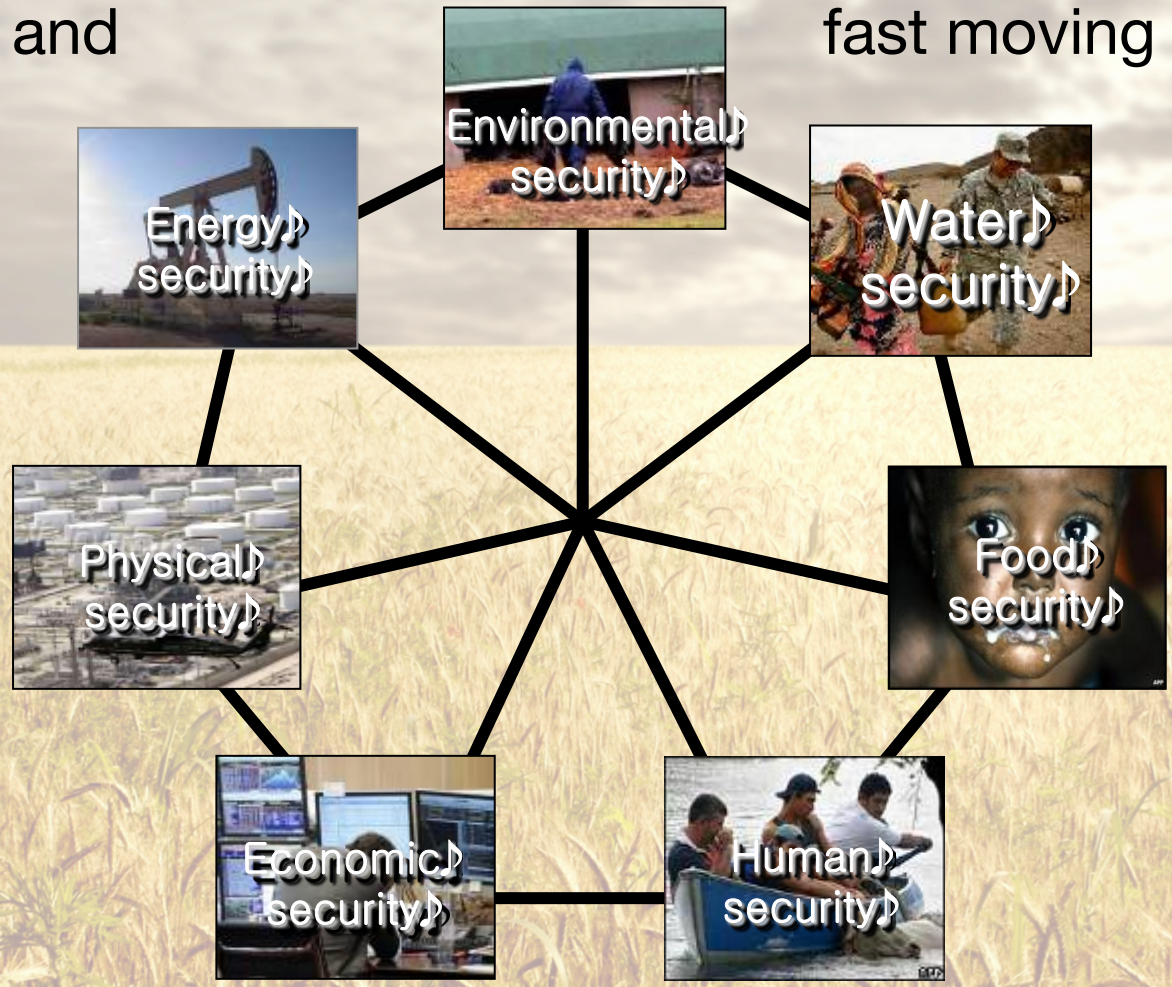
Climate change and
Extreme weather

Land Degradation

Diet-related health

Poverty

Food security is fundamentally connected to everything else
New intelligence paradigms focused on better
anticipatory insights, better multi-scale tools, better insights
slow and fast moving trends



The "Circle of Securities" –many opportunities for mathematicians

A call to action for SIAM's Mathematics of Planet Earth?

We're none too early to
set our sights on securing
a "safe operating space"
for our food systems and
our planet

Food systems include
agriculture, energy, water,
logistics and human
health and wellbeing in
balance with resources





Photos: Neil Palmer, CIAT

Introducing the International Commission on Sustainable Agriculture and Climate Change



CLIMATE
CHANGE
AGRICULTURE AND
FOOD SECURITY



Commission on Sustainable Agriculture and Climate Change

Recommendation 1: Integrate food security and sustainable agriculture into global and national policies

Recommendation 2: Significantly raise the level of global investment in sustainable agriculture and food systems in the next decade

Recommendation 3: Sustainably intensify agricultural production while reducing greenhouse gas emissions and other negative environmental impacts of agriculture

Recommendation 4: Target populations and sectors that are most vulnerable to climate change and food insecurity

Recommendation 5: Reshape food access and consumption patterns to ensure basic nutritional needs are met and to foster healthy and sustainable eating habits worldwide

Recommendation 6: Reduce loss and waste in food systems, particularly from infrastructure, farming practices, processing, distribution and household habits

***Recommendation 7:** Create comprehensive, shared, integrated information systems that encompass human and ecological dimensions of agricultural and food systems

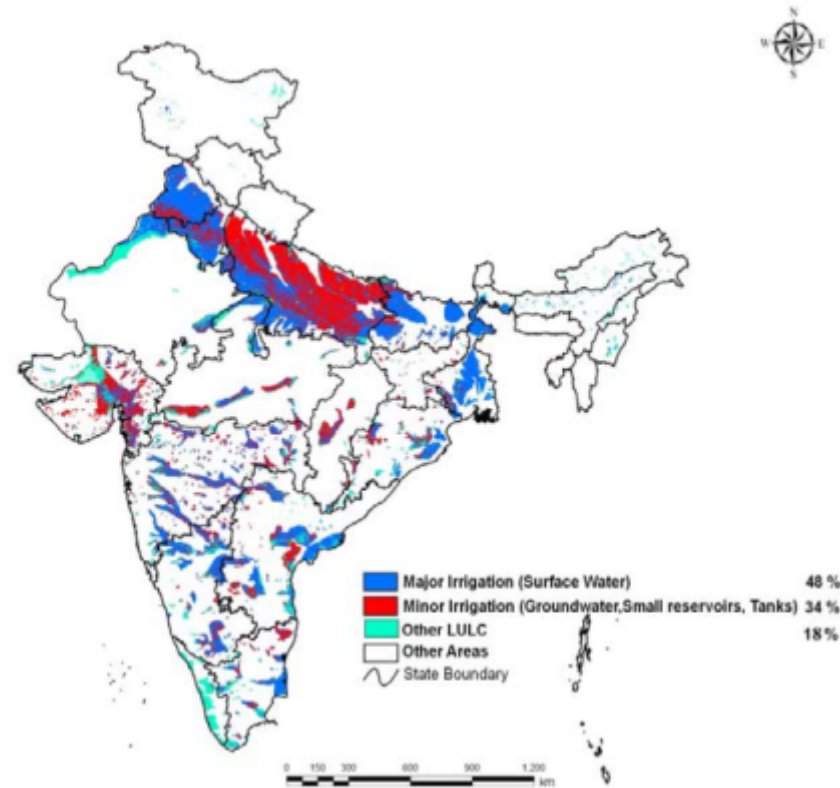
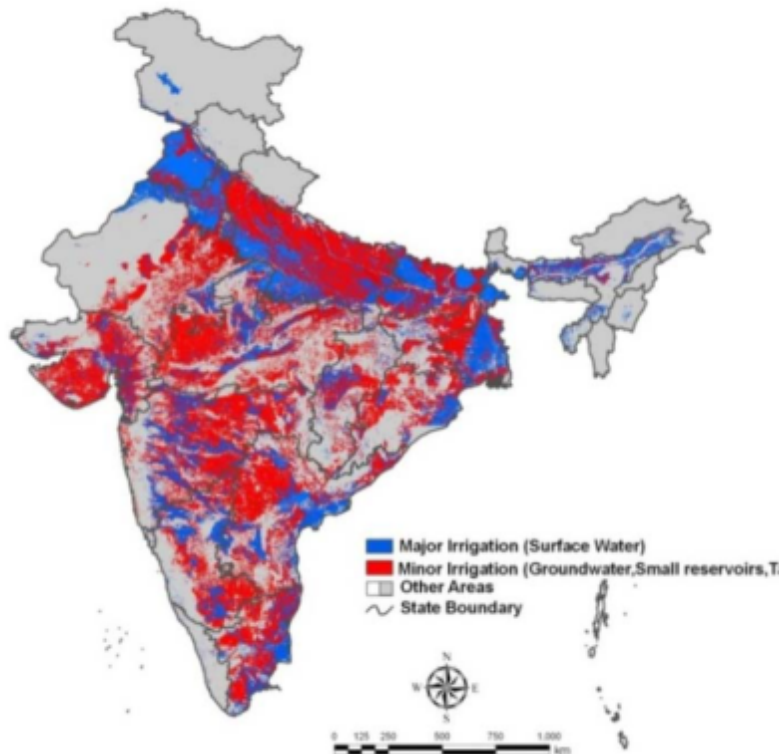


Photo: N. Palmer (CIAT)

Why is "Recommendation No. 7" so important? How much irrigated area in India?

Intl. Water Management Inst.
113 M ha (net)

Government of India
57-62 M ha



Source: Slide courtesy of T. Hertel and G.C. Nelson



Madame Under
Secretary,

Are you telling me that
the scientific community
doesn't have clear
consistent, trusted, ways
to share dynamic
information about our
food systems and the
potential implications for
national security?

-2010

Unnamed Senior Federal official



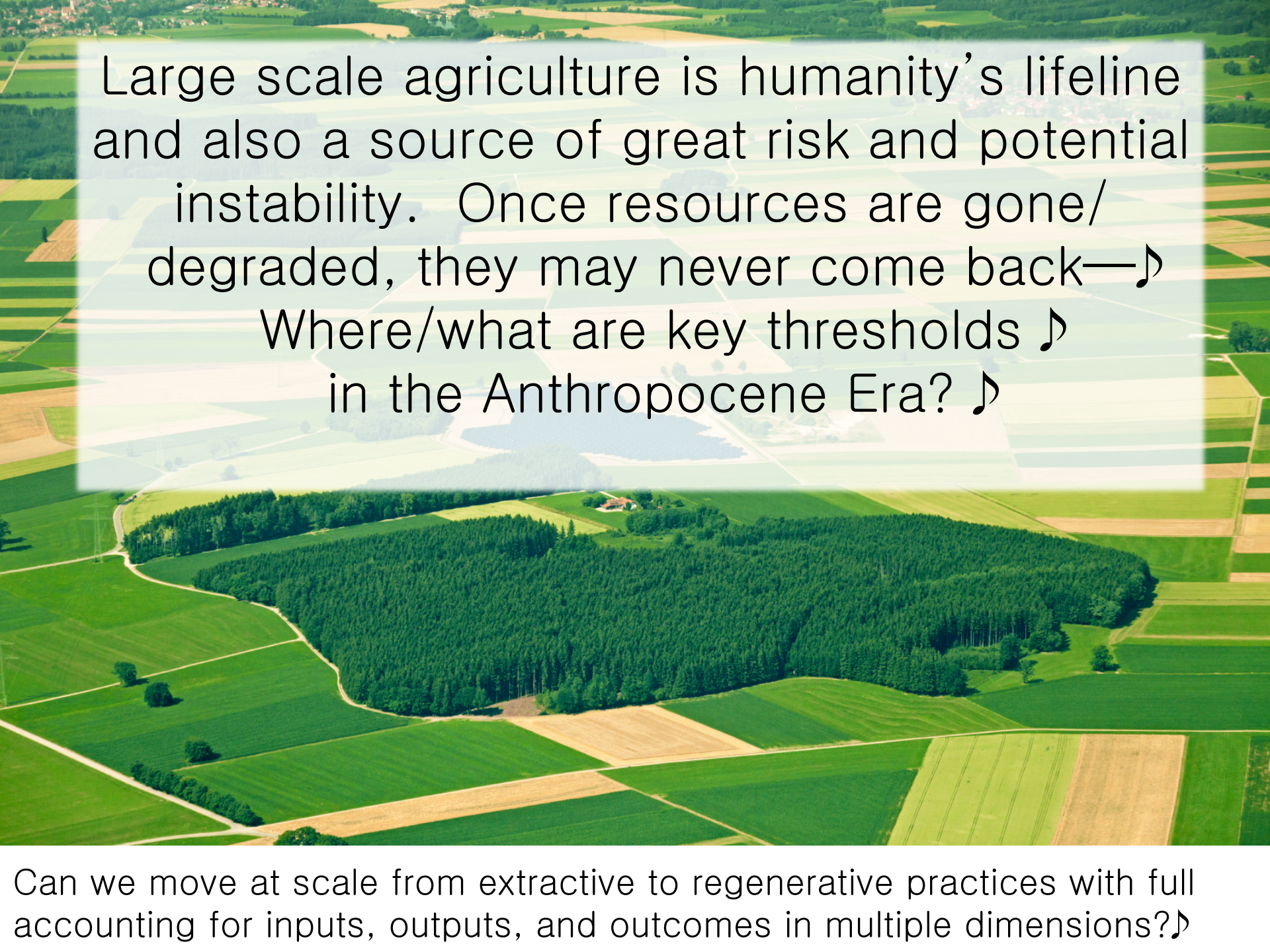
No, Sir.
We don't track our
food systems that
way....
We have lots of yield
estimates, we track
critical infrastructures
but I do see your
point, sir.....
But we'll get right on
that, sir.

9 Billion People / 1 Planet



Do we have a plan?♪

Food, Water, Clean Air, Energy, Materials for our kind♪
on a habitable beautiful planet♪

An aerial photograph of a rural landscape. The foreground and middle ground are dominated by a patchwork of green agricultural fields, some of which are in different stages of growth or harvest. A large, dense forest of tall, thin trees is situated in the center. In the background, a small pond or reservoir is visible, surrounded by more fields and a few buildings. The overall scene is a typical example of large-scale agriculture in a rural setting.

Large scale agriculture is humanity's lifeline and also a source of great risk and potential instability. Once resources are gone/ degraded, they may never come back—♪
Where/what are key thresholds ♪
in the Anthropocene Era? ♪

Can we move at scale from extractive to regenerative practices with full accounting for inputs, outputs, and outcomes in multiple dimensions?♪

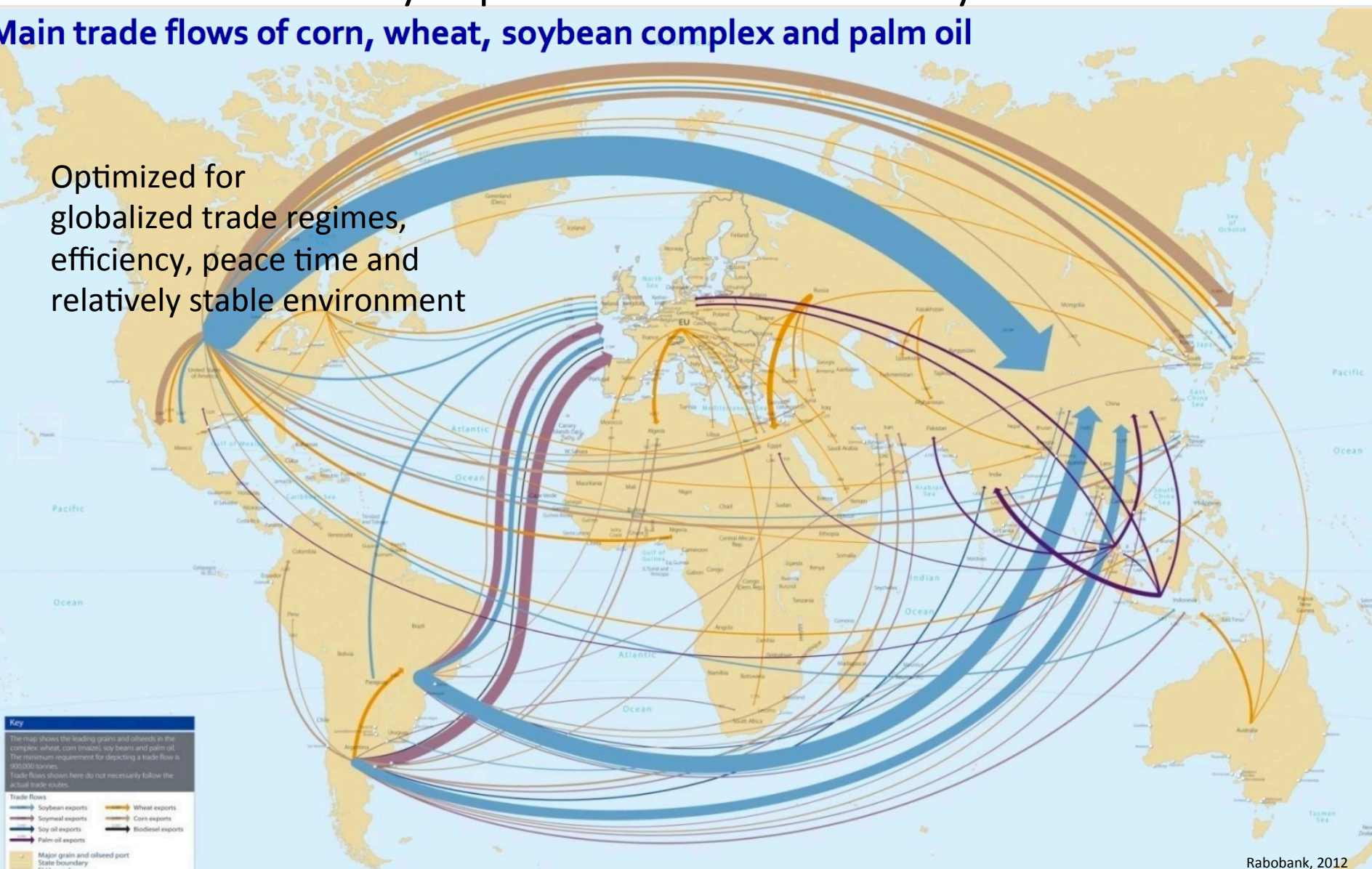
Some Challenges from my world to Mathematicians for Decision-Relevant Insights about Food Security and Food Systems



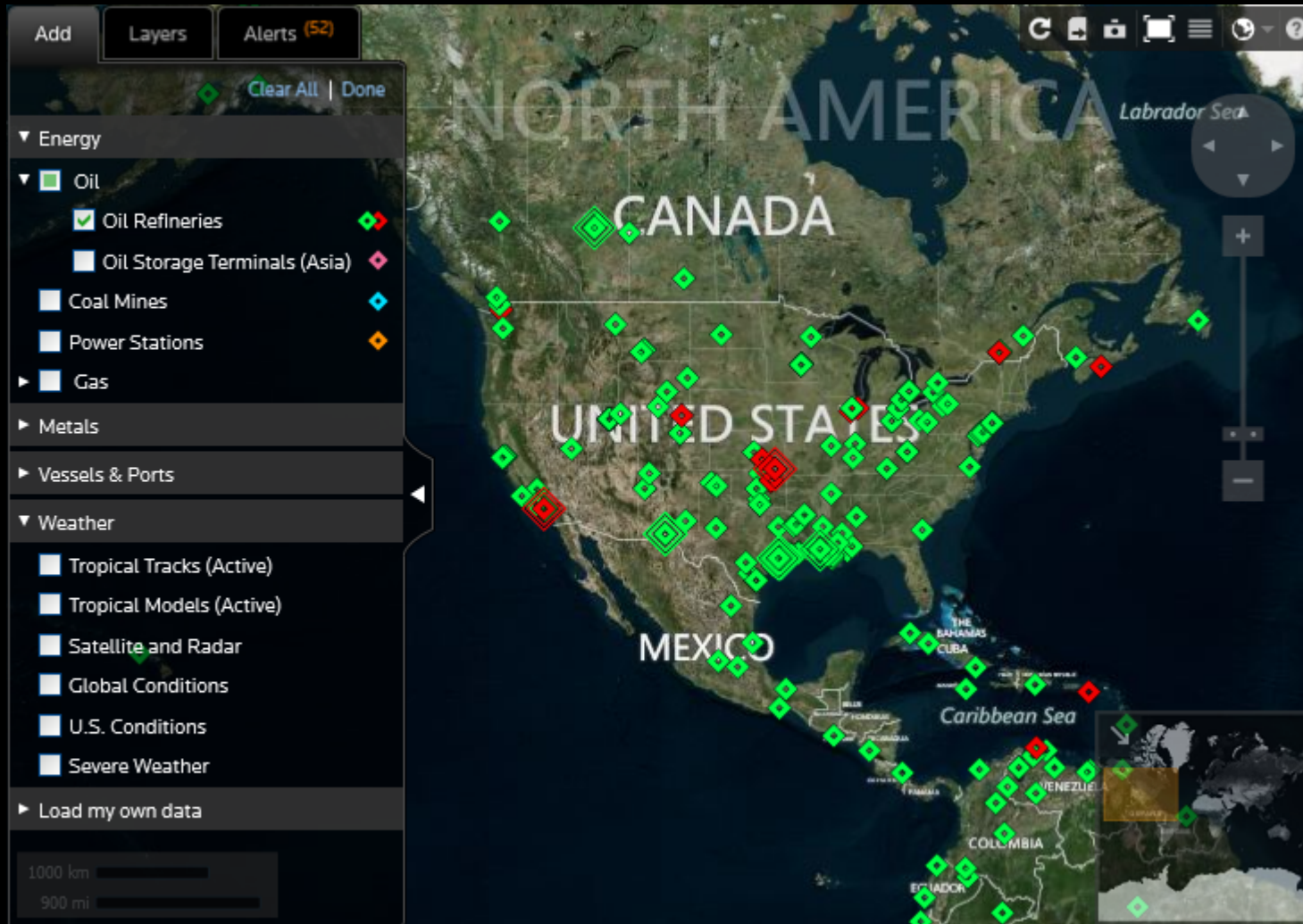
Modern food systems are a significant part of our species' massive energy and fossil water binge-- dynamic, complex and fundamentally important to human security and survival

Main trade flows of corn, wheat, soybean complex and palm oil

Optimized for globalized trade regimes, efficiency, peace time and relatively stable environment



Risks in the food system? tracking vessels, weather conditions, infrastructure— NRT interactive maps♪



- This is a vast network of networks that changes itself through time
- We have wildly disparate data about these flows, many types of data, data gaps, humans are key—sentiment analysis increasingly emphasized
- Ultimately it is the flow of energy in various forms around the planet including the energy in human beings but we can't "see" this properly
- What will the role of modeling be and data/model fusion to make a weather map like depiction of global food systems and its dynamics?
- We have extremely fragmented insight about the demand side of food systems, the results of the way our food systems work and therefore human outcomes
- And we have an extremely incomplete understanding of.....

A word cloud where the word 'risk' is the central focus, written in a large, bold, red serif font. Surrounding it are numerous other words in a smaller, grey, sans-serif font, all of which are blurred and tilted at various angles, creating a sense of motion and depth. The background is white.

risk

From productivity to risk analysis♪

Focus is moving from global to local ♪

From maximized local yield to improved overall system performance including humans and the planet, and resilience♪



Food Security and Food Systems

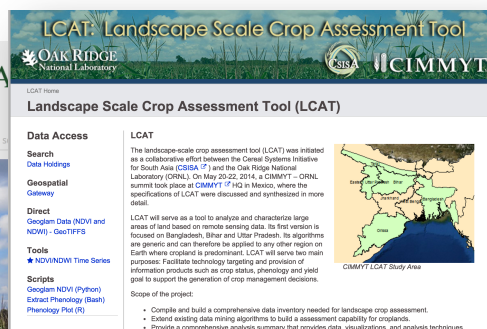
Data, analytics and theoretical gaps abound

No sector can go it alone

Increasingly unconventional partnerships
working to create transparency, trusted
information sharing environments in public/
pre-competitive space for collective benefit

An unconventional collaboration: Oak Ridge Nat Lab and an International Ag Research Center with a global research network GEOGLAM Landscape Scale Crop Assessment tool (LCAT)

Objective	<ul style="list-style-type: none"> • Compile and build a comprehensive data inventory needed for landscape crop assessment
Partnership Capabilities	<ul style="list-style-type: none"> • Extend existing data mining algorithms to build an assessment capability for croplands • Provide a comprehensive analysis summary that provides data, visualizations, and analysis techniques
Significance	<ul style="list-style-type: none"> • Cropland identification • Crop type classification • Crop Phenology • Crop Condition/Status • Yield forecasting



Principal Investigators:
Suresh Vannan(santhanavans@ornl.gov),
Budhendra Bhaduri

Public/Private Research Platforms Thomson Reuters Eikon

Powerful tools, news & analytics at our fingertips

The screenshot displays the Thomson Reuters Eikon Agriculture dashboard. At the top, a browser window shows the URL 'lanworth' and a status bar with 'SX3' and '1221 0/8 -4 0/8 -0.33% USc 13:25 5/21/2013'. The dashboard is organized into several sections:

- ASSET CLASSES:** A sidebar on the left lists various asset classes including Commodities, Energy, Metals, Agriculture (highlighted), Foreign Exchange, Money Markets, Fixed Income, Equities, Funds, Real Estate, and Islamic Finance.
- NEWS AND RESEARCH:** A sidebar on the left lists 'Reuters Top News', 'Breakingviews', 'FX Buzz', 'IFR Markets', 'Global Press', 'Advanced News Search', 'Advanced Research Search', 'My News', and 'Reuters Best'.
- MONITORING:** A sidebar on the left includes 'Create a New Flex' and 'SUPPORT' with a 'Get Help' link.
- AGRICULTURE QUOTES:** A table showing the latest prices and changes for various agricultural commodities.

Name	Last	Net Chng
CORN JUL3	638.25	-11.25
ICE SUG11 JUL3	16.88	0.07
SOYBEANS JUL3	1,477.00	12.50
WHEAT JUL3	680.50	-4.75
SOYBEAN OIL JUL3	49.48	0.28
LEAN HOGS JUN3	92.75	0.68
SOY MEAL JUL3	438.70	3.40
WHEAT JUL3	738.50	-6.50
- AGRICULTURE NEWS:** A section titled 'THOMSON REUTERS COMMODITIES RESEARCH & FORECASTS' featuring a news article: 'CORN FALLS AFTER RECORD PLANTING PACE; SOY UP AGAIN'. The article text states: 'CHICAGO, May 21 (Reuters) - U.S. corn futures dropped 1.5 percent, to their lowest since early April, on Tuesday as investors unwound bull spreads following a record planting pace last week that encouraged farmers to sell some old-crop supplies to ease cash market tightness, traders said.' Below the article is an image of a cornfield.
- LOCAL MARKETS - AGRICULTURE:** A table showing local market data for various agricultural contracts.

Name	Last	Net Chng
2YC Fob USG C1	298.95	-1.30
YC FOB ARG P1	258.07	-2.86
W Mill UA FOB P1		
2HRW Fob USG C1	324.41	2.83
2SRW Fob USG C1	281.10	+0.70
Dur.Fob LaPal P1	265.00	
YSB Up River P1	640.61	+4.59
YSB Paranagua C1	531.59	
2YSB Fob USG A1	593.10	+5.80
- ECONOMIC EVENTS - KEY:** A table listing key economic events.

Economic Events	Date & Time	Current	Reuters Poll
Russia-Inflation - PPI mm	20-May-2013 / 19:00 CST	-1.20	0.50
Ukraine-Money supply M3 (UAM3=ECI)	20-May-2013 / 19:00 CST	816.90	--
Russia-Inflation - PPI W	20-May-2013 / 19:00 CST	1.60	--
- KEY CHARTS:** A line chart titled 'Daily 3 Months' showing price movements for 'Wc1' (orange line) and 'BL2c1' (purple line) from February 21, 2013, to April 25, 2013. The Y-axis represents Price in EUR and USc. Key price points are highlighted: Wc1 at 680.50 and BL2c1 at 204.00.
- PRODUCT MESSAGES - COMMODITIES:** A section with links for 'Thomson Reuters Eikon - What's New for May', 'Thomson Reuters Eikon - What's New for April', and 'Upgrading to Thomson Reuters Eikon 3.2 FAQ'.
- MARKETING MESSAGES - AGRICULTURE:** A section at the bottom for agricultural marketing messages.




ASD NII / DOD CIO | USD(I) RFO | USA TRADOC

Multi Agency Collaboration Environment



Risk transparency is a key foundation for good governance of shared resources and a shared future





Where do we take
this information? ♪



To rule makers in
the financial
community to
inform risk to capital ♪

Risks, Actuaries and Systems Change



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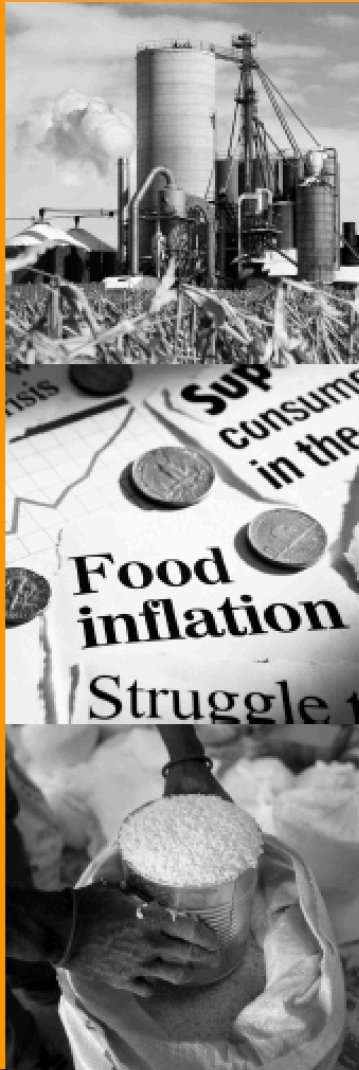


LLOYD'S

Food insecurity a significant risk
to “global society”

Insurance can play a large role in
risk mitigation/management
as well as innovation/investment

Active collaborations with the
actuarial profession in the UK
and North America



FEAST OR FAMINE

BUSINESS AND INSURANCE IMPLICATIONS OF FOOD
SAFETY AND SECURITY

Food insecurity will be one of the largest risks to global society over the next 10 years.

“The world’s resources are under huge stress and the issue of food security is receiving growing attention. Food security is a situation where ‘all people at all times have access to sufficient, safe, nutritious food to maintain a healthy and active life’. The average person needs 2,300 calories per day to live a healthy and active life. On average, in wealthy nations there is enough for each person to eat an additional 1,100 calories, while in low-income countries, national food supplies fall 100 calories short.”

Climate change is one of the most important supply side drivers of food insecurity with the potential to substantially change global food markets

“There is general consensus that the impact of climate change on food production will be largely negative and any modest increases in crop yields in high-latitude regions will be more than cancelled out by losses in the tropics and sub-tropics. Although there is great uncertainty about the location and magnitude of temperature changes, rainfall and extreme events, they all pose a significant threat to agricultural systems and therefore food supply. In many places, but particularly in poorer countries, climate change will act as a multiplier of existing threats to food security by 2050.”

The issues surrounding food safety and security create a number of direct and indirect risks, as well as opportunities for businesses

“Risks can be categorised as physical, operational, financial, reputational, geopolitical, regulatory, and societal”

The community now focused on “food security” once primarily anchored in “agriculture” is now very large, complex and widening with each shock

The exposures of food and drinks companies, in particular, have increased with the growth in global supply chains.

“The more complex and extensive a company’s food supply chain, the greater its supply chain risk. Contamination or disruption to one part can affect a number of downstream companies.”

In 2015: The “Lloyd’s food shock scenario

“Extreme” “Plausible” Food system shock scenario

- *Maize: 10% production shock*
- *Soy: 11% production shock*
- *Wheat: 7% production shock*
- *Rice: 7% production shock*



From left to right: Sophie Abraham (Willis), Lucy Stanbrough (Lloyd's), Dr John Alarcon (Willis), Oliver Bettis (Munich Re), Nigel Ralph (Lloyd's), Tom Hoad (Tokio Marine Kiln), Trevor Maynard (Lloyd's), Mike Maran (Catlin), Will Steeds (Catlin), Kenneth Donaldson (Munich Re), Dr Aled Jones (Anglia Ruskin University), Prof Molly Jahn (University of Wisconsin-Madison)

Attendees not pictured: Nick Beecroft (Lloyd's), Andrew Hitchcox (Tokio Marine Kiln), Falk Niehörster (RMS)



Possible Responses:

Nigerian civil war and terrorism in India

Greek Euro exit

Unrest in Middle East and North Africa

NATO/Russian tensions

STANDARD

& POOR'S

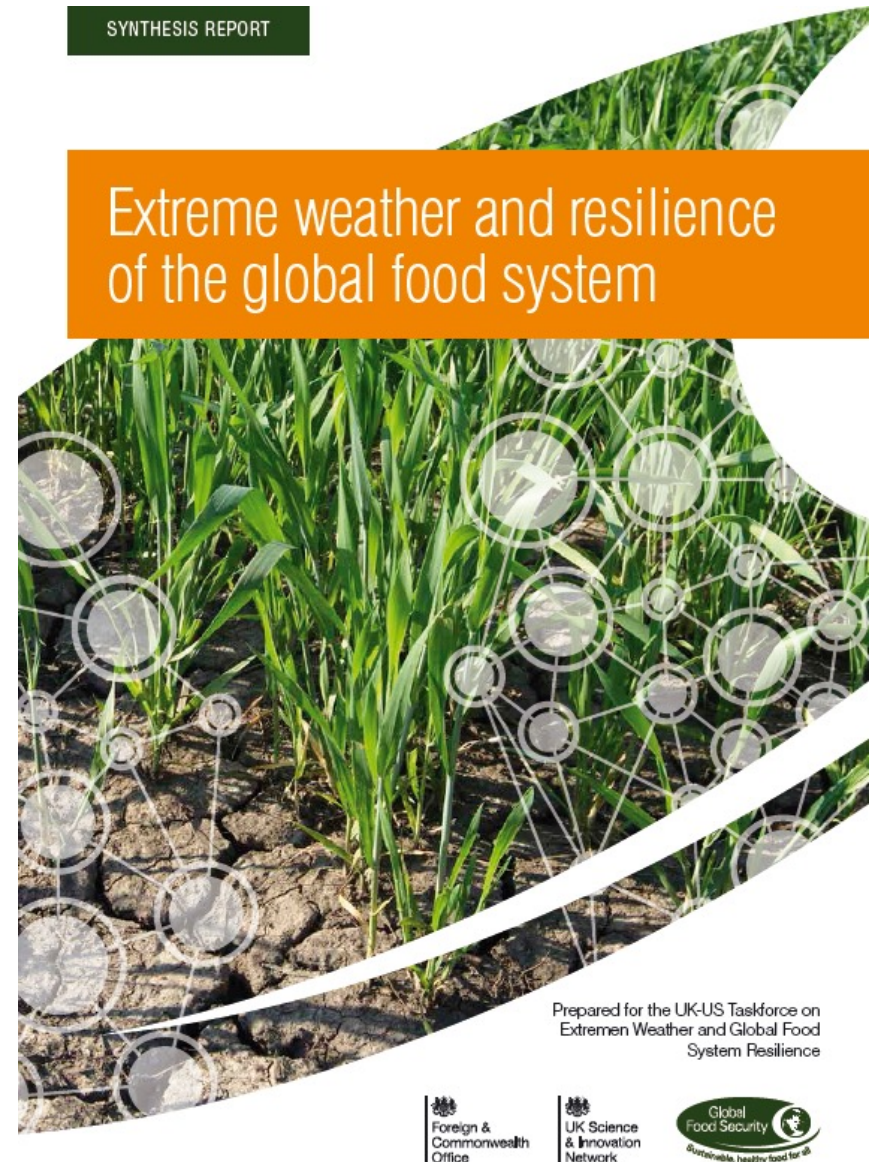
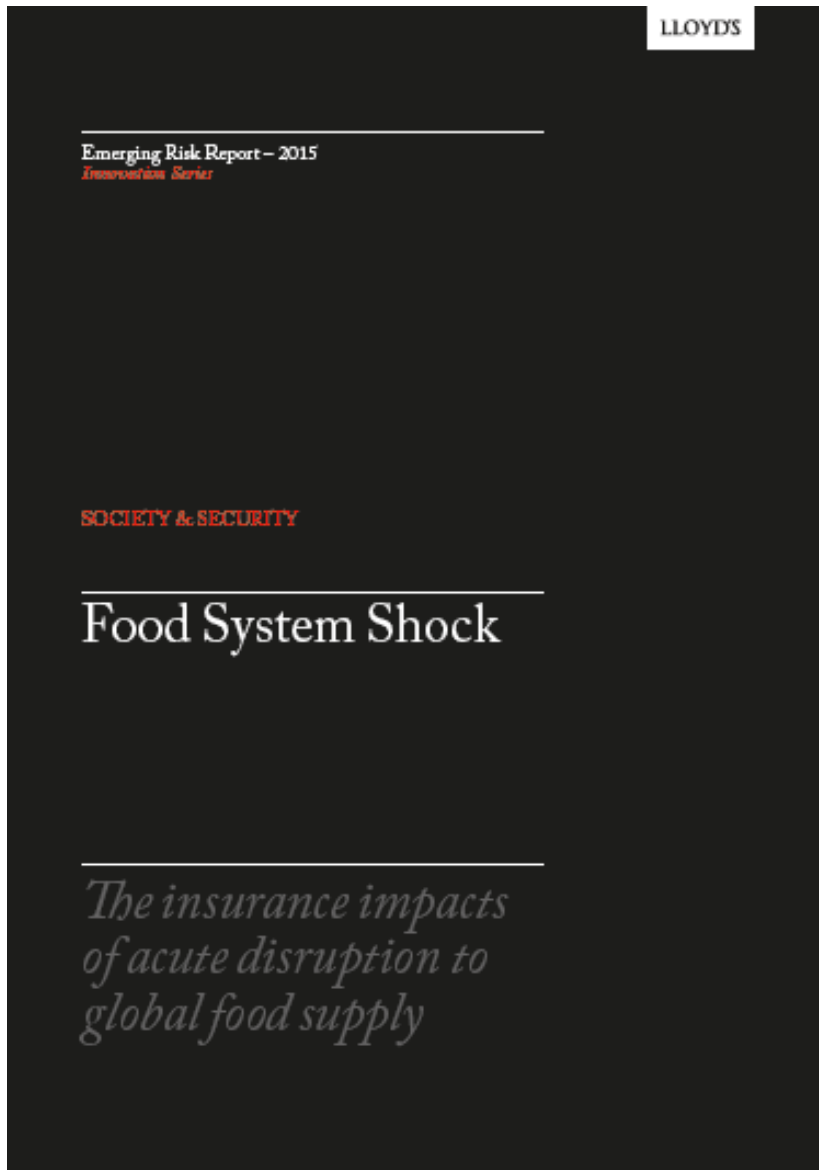
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with best science in accessible
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**Climate Change Will Likely Test The
Resilience Of Corporates'
Creditworthiness To Natural
Catastrophes**

Miroslav Petkov, S&P

More of our 2015 work..... Science + Capital + Policy



Overall global economic impact 🎵



US stocks lose
5% of value



EU stocks lose
10% of value



Global rice
production falls
by 7%



Global maize
production falls
by 10%



Global soybean
production falls
by 11%

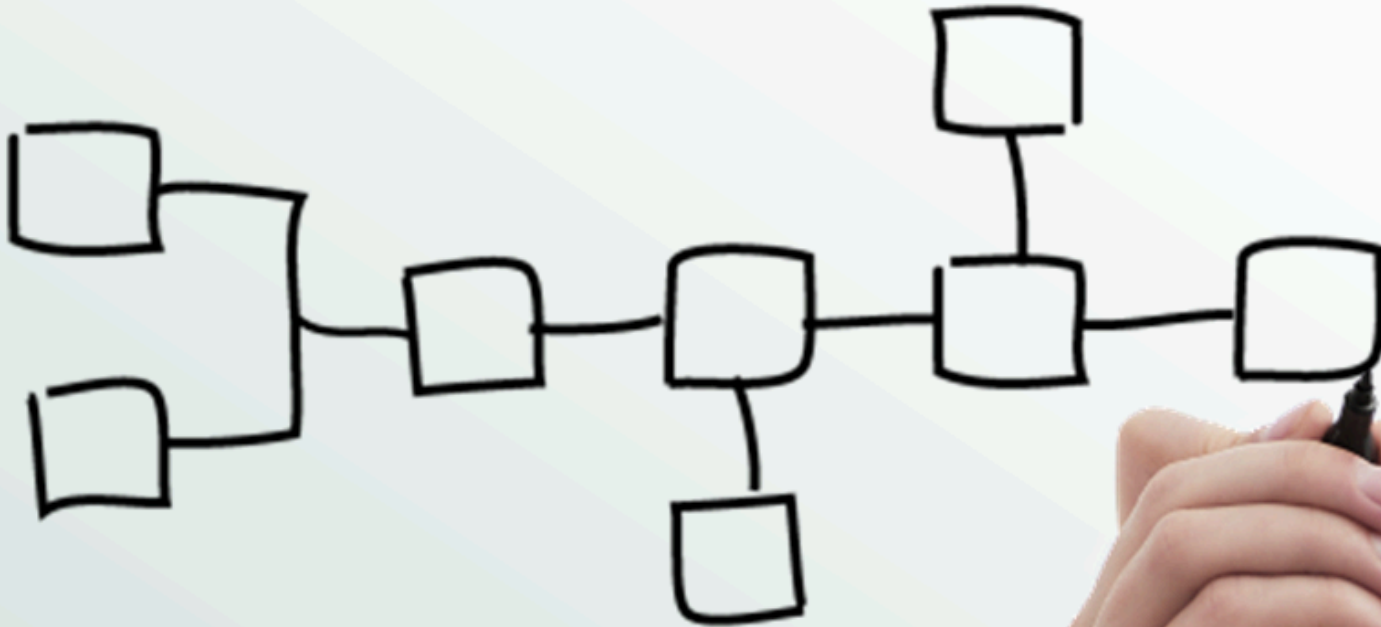


Rice prices
increase
by 500%



9-10 November 2015

WHAT IF?



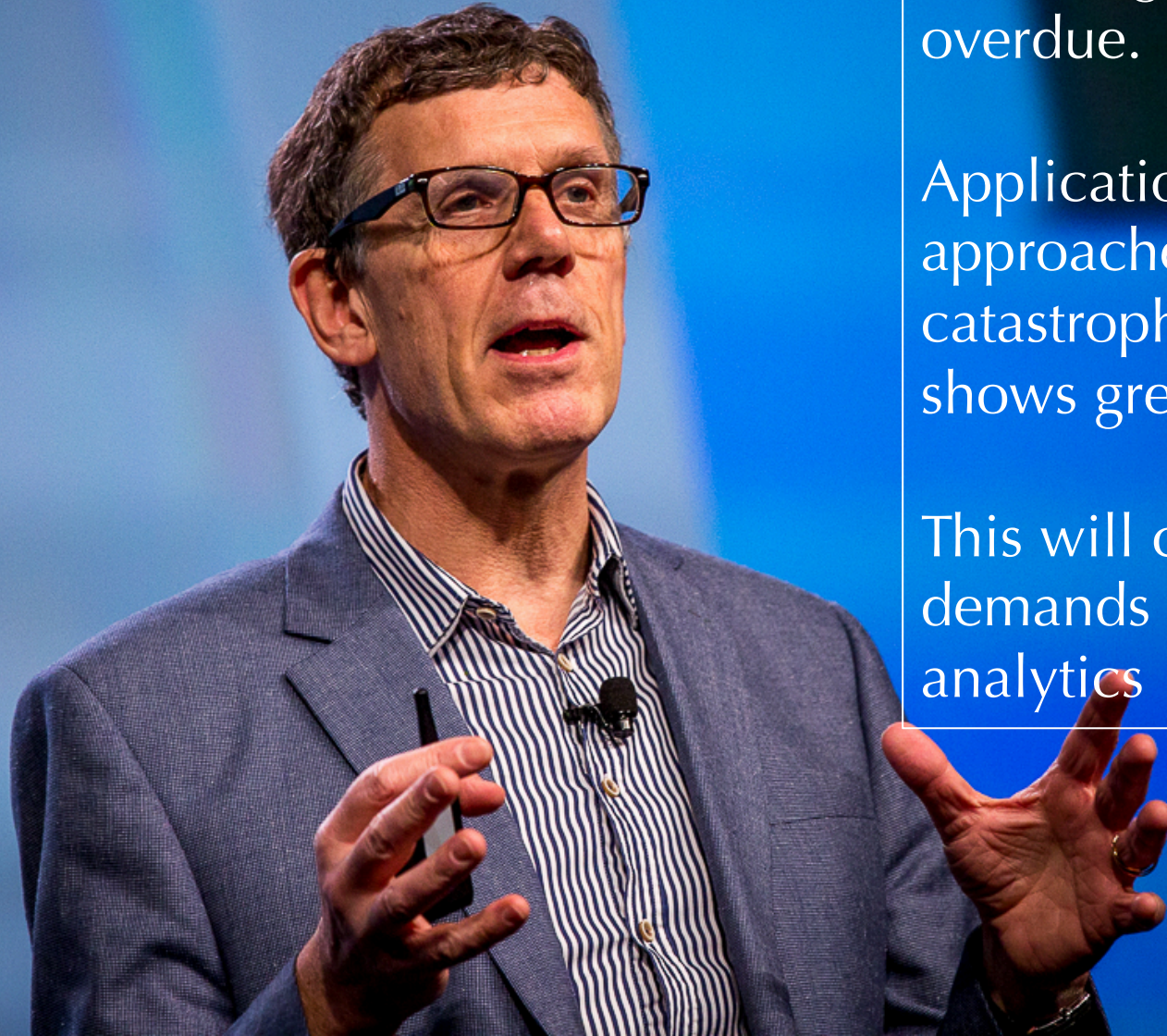
Mathematicians Got Involved Systematically at Large Scale?
Building and testing views of our modern food systems and
will require new data and models



Toward something more like personalized medicine for managing the planet♪

- In a globalized economy, where
♪ should we be doing what?♪
- Proactive responses focused on
♪ risk mitigation,
♪ stability/health ♪
- Toward productive, **resilient**
♪ systems with sufficiency in
♪ human dimensions♪
- Requires high resolution, geo-
♪ located data, new tools,
♪ new governance
♪ structures♪
- Partnerships across many
♪ different kinds of
♪ boundaries will be key♪

Robert Muir-Wood
Chief Research Officer
Risk Management Solutions, Inc.

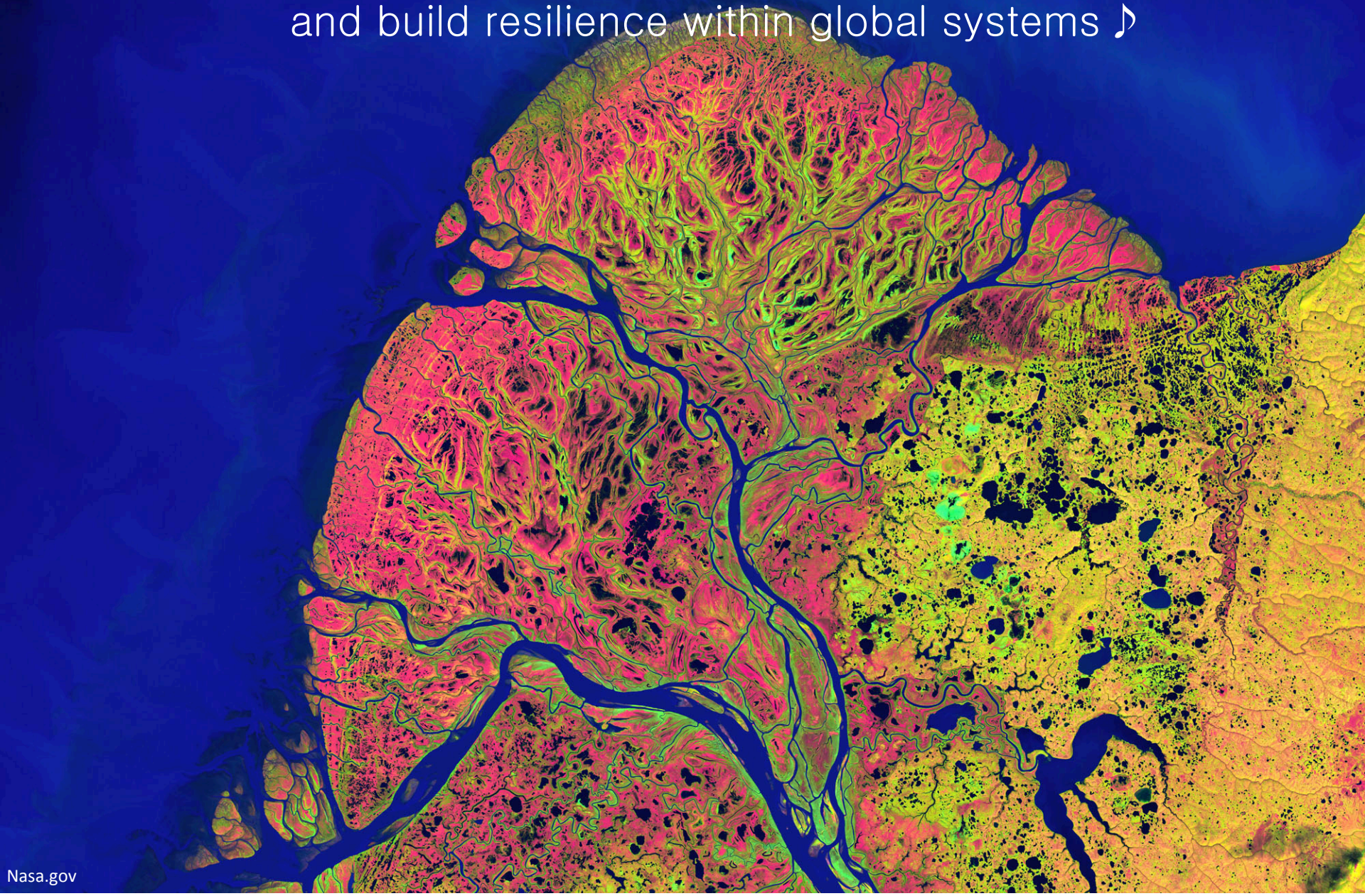


A focus on food systems in catastrophe modeling is long overdue.

Applications of hybrid approaches, like catastrophe modeling shows great promise

This will create new demands for data & analytics

If water, food and energy are essentially translatable currencies in the Earth–human system, there are many pathways to reduce risk and build resilience within global systems 🎵



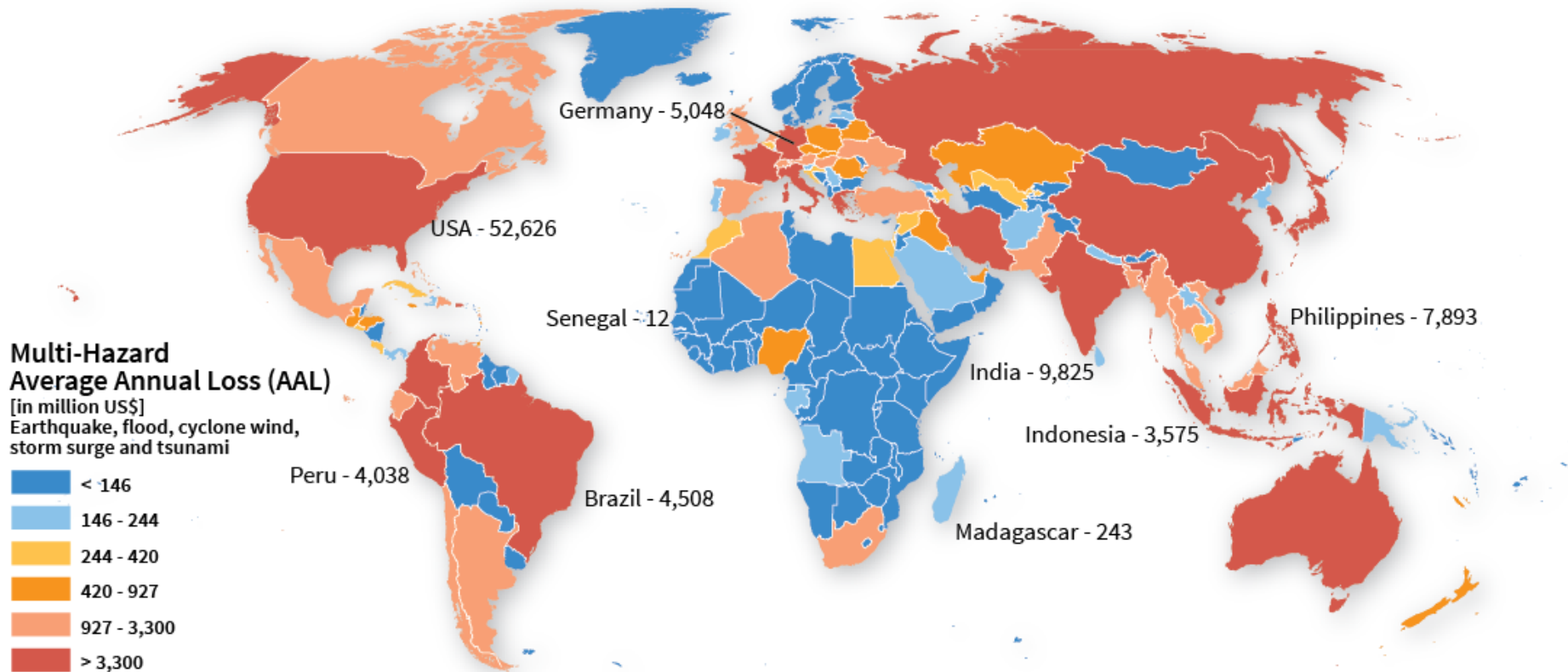
GVR

Global Assessment Report on Disaster Risk Reduction

2015

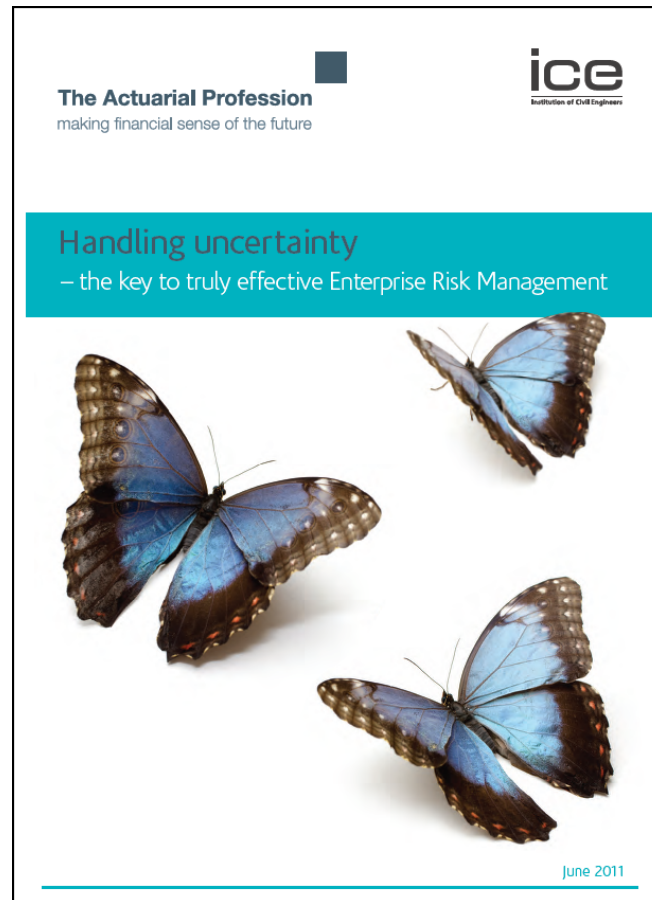
Making development sustainable: the future of
disaster risk management

We need mathematicians to help with probabilistic multihazard risk modeling for agriculture



Expected future disaster losses annualized over the long term

We need better integration of rigorous approaches to uncertainty



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and Faculty
of Actuaries

Joint paper on handling uncertainty with systems thinking, by the Institute and Faculty of Actuaries and the Institution of Civil Engineers. <https://www.actuaries.org.uk/documents/handling-uncertainty-key-truly-effective-enterprise-risk-management-0>

Report in from the Actuary/Scientist Front

We need better foundations in economic theory

PS I feel slightly strange talking in this way but need to explain my thinking. Did you ever see that war film "A Bridge Too Far" (some critics unkindly called it "An hour too long", but I liked it). It was about the parachute attack in Arnhem in 1944, trying to finish the war early. But it was too ambitious and ended in disaster. That's kind of my feeling about trying to link together those like you in the primary economy and like me in the tertiary economy. Until we have better economics, it's a very risky strategy. Finance professionals have no sound authority to talk about the internal workings of finance in normal times. How could they have reasonable grounds to figure out the impact on the finance sector of extreme events that occur in the primary economy?

Theoretical Inadequacies have major practical consequences

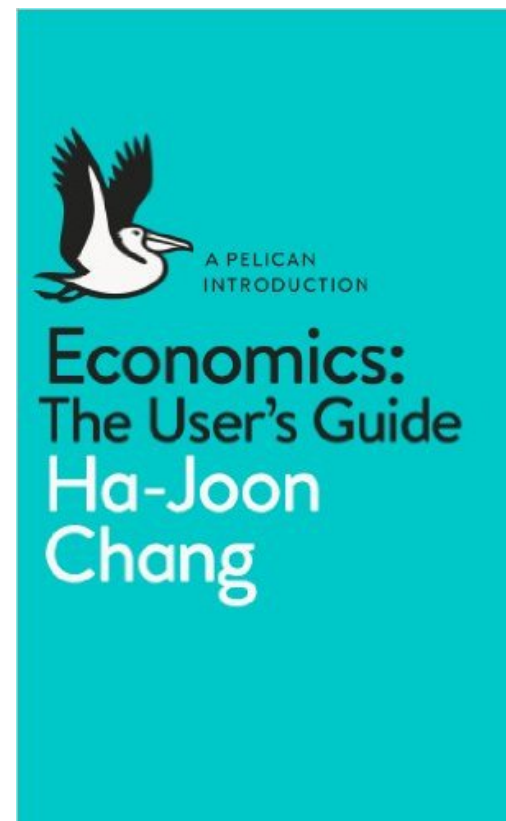
I see neoclassical economics as like a vast ancient, rotten, malevolent tree that's throwing its shade over the seeds and saplings underneath, blocking out the light and stopping them growing, with every grant proposal turned down and paper rejected. Cut down that tree and the seeds and saplings will grow and bloom. Those of us in the finance sector can attack in a certain way, while those in the primary economy have a different and complementary set of possibilities for attack (for example, most actuaries are mathematics graduates and don't know about thermodynamics)

More pluralism needed in economics

- All models are wrong, some models are useful
- Different models are needed for different purposes

Cambridge University economist Ha-Joon Chang's book "**Economics: The user's guide**" has introduction to other schools of economic thought

Also suggests that the old name "political economy" was better



'Economics: The User's Guide', by Ha-Joon Chang, Pelican 2014



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Exceptional service in the national interest



Food and Agriculture Attack Modeling and Simulation



We need models in which network growth dynamics interacts with network flow dynamics

Mathematics that are useful for considering tradeoffs in sustainability

- Systematic treatment of relationships
- Optimization
 - Spatially explicit
 - Multimetric
- Aggregation theory
 - Normalization
 - Weighing
 - Distance to target approach
- Gaming

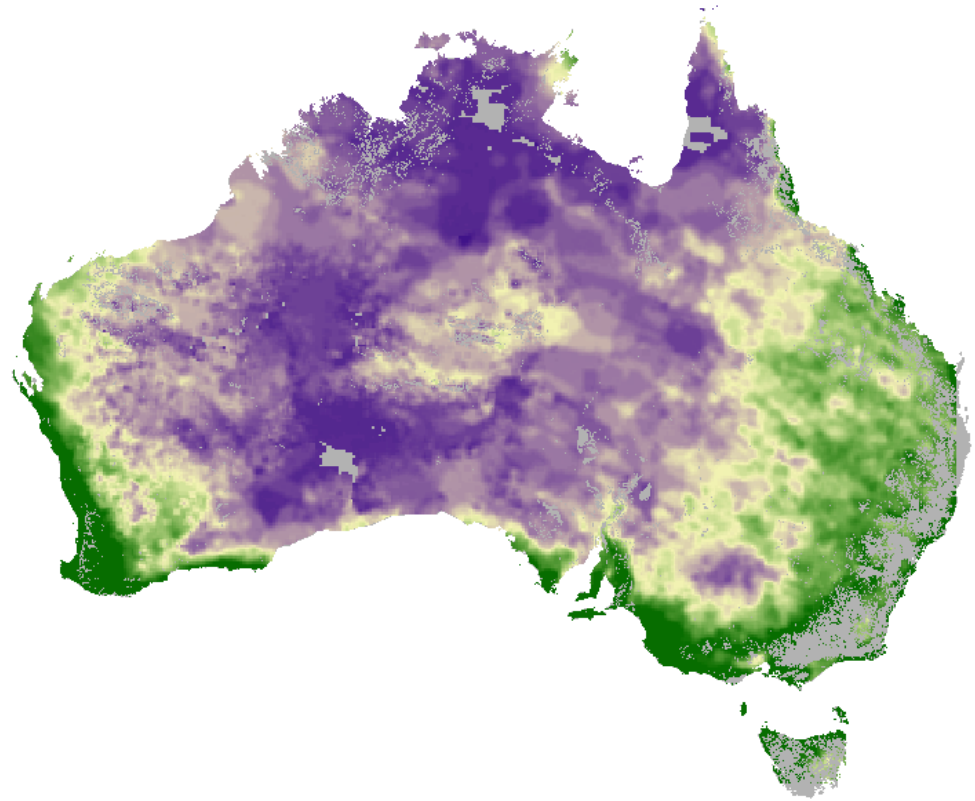


Potential Applications

Spatial crop modelling

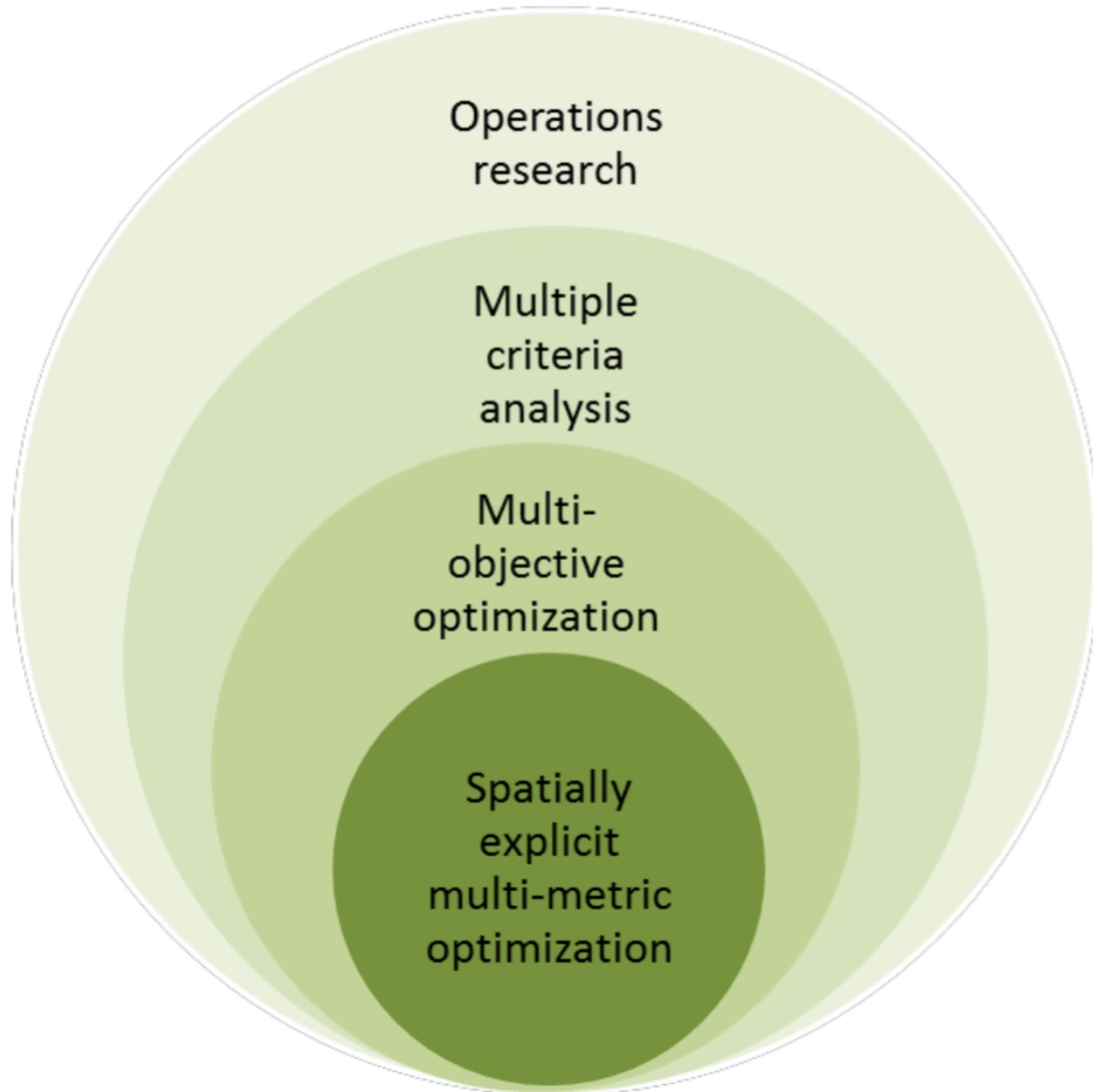
Water Limited Wheat Yield Potential

- Yield forecasting
- Crop insurance
- Futures markets trading
- Food security – future scenarios
- At the paddock, farm, region or nation



Connect modeling to real time streams of data – can we have soil moisture, soil carbon, soil nitrogen levels as we need them?

Optimization as a way to identify options



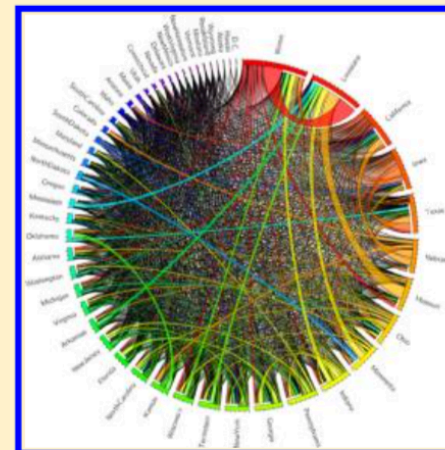
A Network Analysis of Food Flows within the United States of America

Xiaowen Lin,[†] Qian Dang,[†] and Megan Konar^{*,†}

[†]Department of Civil and Environmental Engineering, University of Illinois at Urbana–Champaign, Urbana, Illinois 61801, United States

S Supporting Information

ABSTRACT: The world food system is globalized and interconnected, in which trade plays an increasingly important role in facilitating food availability. We present a novel application of network analysis to domestic food flows within the USA, a country with global importance as a major agricultural producer and trade power. We find normal node degree distributions and Weibull node strength and betweenness centrality distributions. An unassortative network structure with high clustering coefficients exists. These network properties indicate that the USA food flow network is highly social and well-mixed. However, a power law relationship between node betweenness centrality and node degree indicates potential network vulnerability to the disturbance of key nodes. We perform an equality analysis which serves as a benchmark for global food trade, where the Gini coefficient = 0.579, Lorenz asymmetry coefficient = 0.966, and Hoover index = 0.442. These findings shed insight into trade network scaling and proxy free trade and equitable network architectures.



The risks of failing vulnerable people locally creates material systemic risks to capital

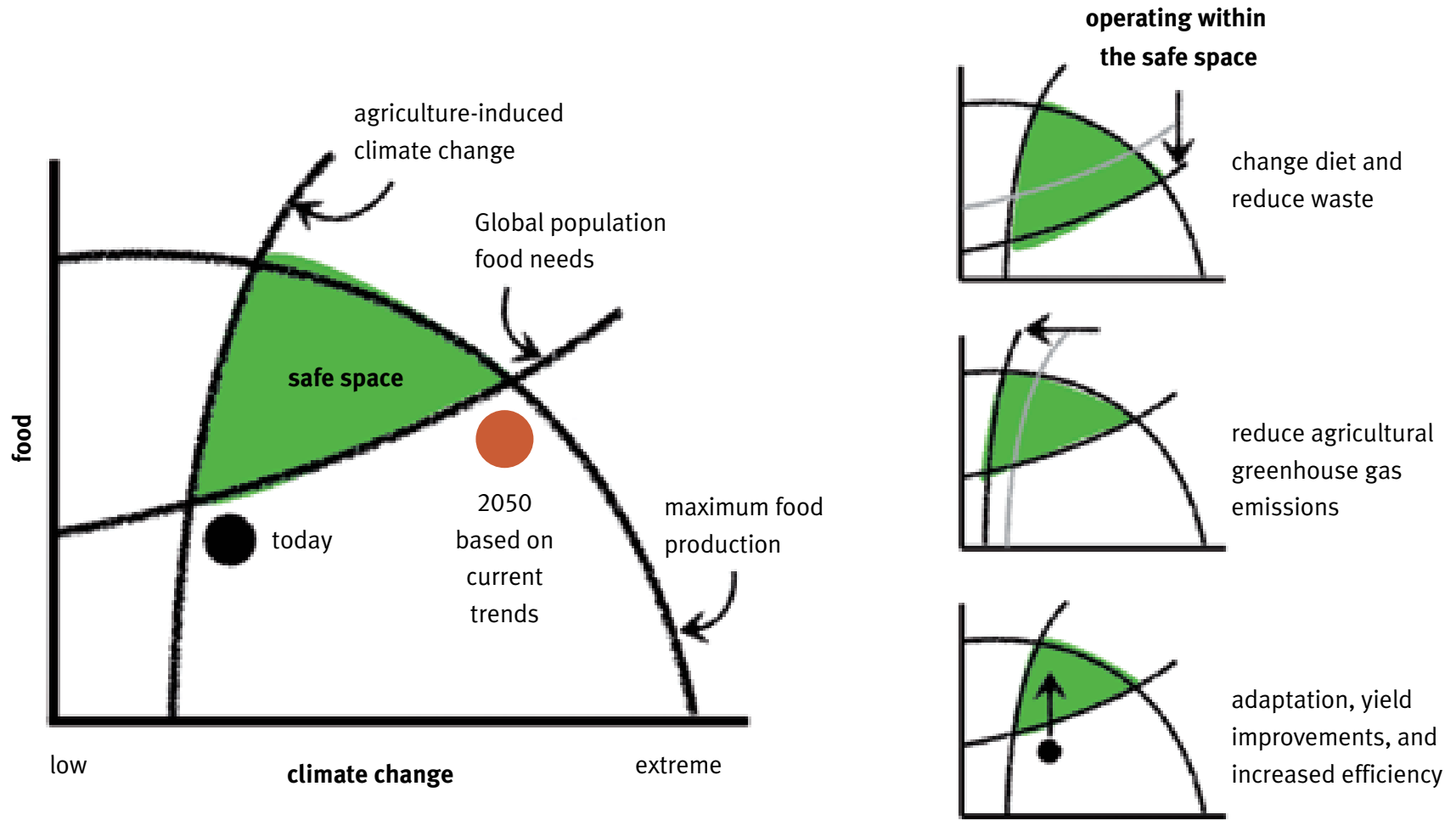
Therefore, the risks of failing vulnerable people are material systemic risks to all

We can and should learn to better objectively reflect these risks in actionable formats



What do we see looking forward, recognizing links between global and local scales, food and health, environment and security?—These are new frontiers

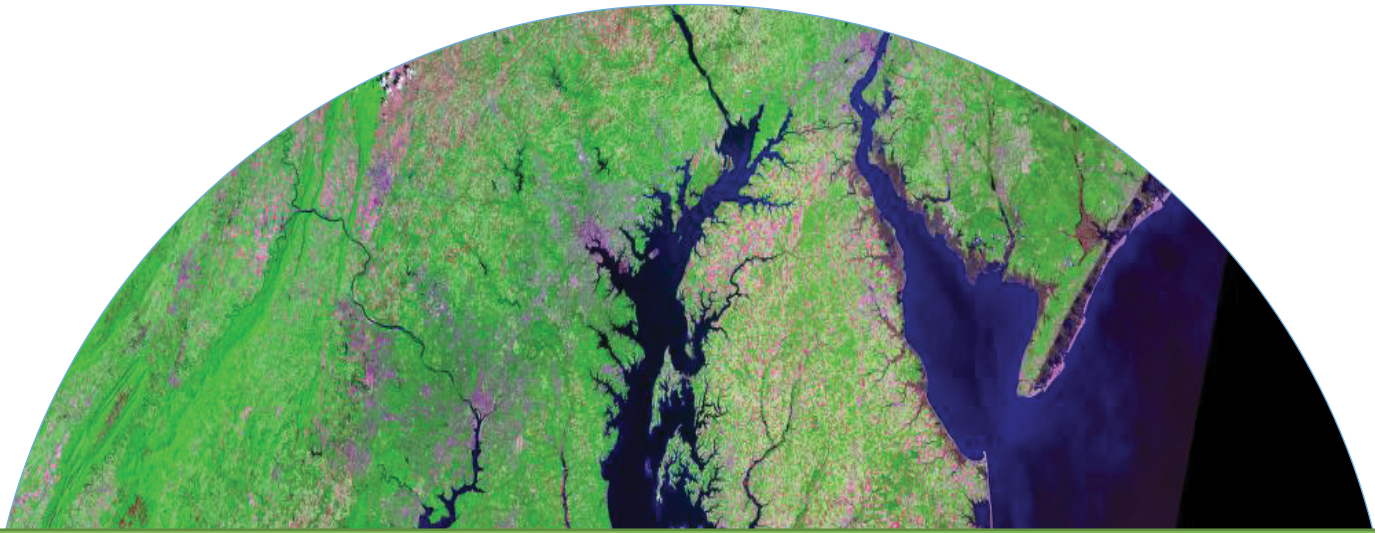
Can we drive our systems into safer space?





Nimble systems to scan integrated information assets for patterns that allow earlier detection and intervention--build new research capabilities focused on safer space





Design of adaptive actions in
“operations” mode.

Building experiments to design and test
timely preparedness for extreme events
while protecting human and civil rights





Sustainable Development Goals
spurring ambition for high-quality
decision-relevant NRT information that -
recognizes food/water/energy nexus, -
is relevant at smallest scales, and
- advances humanitarian commitments

Tracking Human
equity as a
component of
agricultural and
food systems





When we include humans in the picture there are♪
♪surprises....♪

What do wigs have to do with food security?♪



A balance...is really the basic goal...if humanity is to successfully pass through the present rapid growth stage, to which we are clearly well adapted, to the ultimate equilibrium-density stage, of which we as yet shows little understanding and to which we now shows little tendency to adapt.

E.P. Odum – Science 1969