

The effect of Russia-Ukraine war on selected indicators of the wheat economy in Egypt

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Article Info	Abstract
<p>Original Article Main Object: Economics Scope: Egypt, Russia-Ukraine war</p> <p>Received: 17 October 2023 Revised: 21 November 2023 Accepted: 26 November 2023 Published online: 10 December 2023</p> <p>Keywords: food security, food gap, sustainable development, wheat economy.</p>	<p>The current study in the framework of realism paradigm based on international political economy and emphasizing the importance of the concept of food security has investigated the impact of the war between Russia and Ukraine on the wheat economy in Egypt. The research methodology was calculation and analysis of selected indicators of wheat economy (food gap, self-sufficiency and foreign dependence). The Egyptian government has designed a package of measures to reduce the pressure of the crisis on its citizens, one of the most important of which is to encourage wheat farmers to produce more by increasing the guaranteed purchase price and completing strategic sheds and increasing storage capacity. Continuing to expand the area under cultivation of cereals, especially wheat, through horizontal development, continuing to support scientific and technical studies related to wheat, especially new varieties, diversifying imported markets and reducing the percentage of losses of produced and imported wheat are among the most important suggestions of this study.</p>
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Extended Abstract**Introduction**

The area under wheat cultivation in Egypt reached about 3.2 million hectares between 2014 and 2020. Production was 9.3 million tons at the beginning of the period, with a slight increase to 9.6 million tons in 2015, and after a slight decrease in 2017 and 2018, it reached the level of the beginning of the period (about 9.1 million tons) again in 2020. Therefore, it can be said that the volume of production with slight fluctuations is an average of 9 million tons per year and it is predicted that the amount will reach 9.8 million tons by the end of 2023 because the government seeks to support the increase in production so that the country is less affected by the consequences of Russia and Ukraine war (FAS, 2023).

Domestic consumption of wheat increased from 18 million tons in 2014 to 24 million tons in 2017 and 22 million tons in 2020, and it is estimated that this amount will reach 21 million tons by 2022 (Wally & Olutayo, 2022). The per capita consumption of wheat has also been increasing and reached 164 kg annually from 137 kg in 2014 to 164 kg in 2017, and although it decreased to 156 kg in 2020, it is still higher than the level of 2014, which indicates an increase in consumption at the macro level. and wisdom.

The amount of food gap increased from 8.5 million tons in 2014 to 16 million tons in 2017 and then decreased to 13 million tons in 2017. This gap represents total consumption exceeding production, so that it reached 51% during the years 2014 to 2020. Due to the continued increase in consumption, this gap will continue in 2021 and 2022 and the government should look for an alternative to Russia and Ukraine in order to control the domestic market.

On the other hand, the ratio of self-sufficiency decreased from about 52% in 2014 to about 34% in 2017, then with a slight increase, it reached 41% in 2020, but it has not reached the level at the beginning of the period. This means that the ratio of self-sufficiency has decreased by more than 20% between 2014 and 2020, the main cause of which is the continuous increase in consumption and the decrease in annual production.

Aims

This study examines the impact of the Russian-Ukraine war on Egypt's economy through the analysis of some indicators that show Egypt's ability to meet its wheat needs, and through this, offers some policy proposals to increase the self-sufficiency rate of this product in Egypt.

Methodology

The research methodology was calculation and analysis of selected indicators of wheat economy (food gap, self-sufficiency and foreign dependence).

Results

In the period under study, the amounts of imports increased from about 8 million tons in 2014 to about 13 million tons in 2020, which means a 59% increase in the volume of imports between 2014 and 2020.

The ratio of dependence on foreign countries to meet domestic consumption of wheat was estimated at 45% in 2014, which has increased significantly to 59% in 2020. This level of dependence on imports causes Egypt's economy to be heavily affected by global crises and developments.

Egypt imports its required wheat mainly from America, France, Russia, Ukraine, Australia, Romania and Argentina, among which the role of Russia and Ukraine is prominent; So that the amounts of imports from Russia in 2014 were 4 million tons, equivalent to 50% of the total wheat imports, and this amount reached more than 5.7 and 5.4 million tons during the years 2019 and 2020, respectively, which was equivalent to 46 and 42% of the total imports. The amount of wheat imported from Ukraine in 2014 were 2.8 million tons, which decreased to about 1.7 million tons in 2019 and increased to more than 2.3 million tons in 2020. In this way, Ukraine's share of total Egyptian wheat imports has increased from 35% in 2014 to 14% in 2019 and 18% in 2020 (FAO, 2021).

Conclusions

The Egyptian government has designed a package of measures to reduce the pressure of the crisis on its citizens, one of the most important of which is to encourage wheat farmers to produce more by increasing the guaranteed purchase price and completing strategic sheds and increasing storage capacity. Continuing to expand the area under cultivation of cereals, especially wheat, through horizontal development, continuing to support scientific and technical studies related to wheat, especially new varieties, diversifying with imported markets and reducing the percentage of losses of produced and imported wheat are among the most important suggestions of this study.

Conflict of interest

The authors declared no conflicts of interest.

Authors' contributions

All authors contributed to the original idea, study design.

Ethical considerations

The author has completely considered ethical issues, including informed consent, plagiarism, data fabrication, misconduct, and/or

falsification, double publication and/or redundancy, submission, etc.

Data availability

The dataset generated and analyzed during the current study is available from the corresponding author on reasonable request.

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