GEOPOLITICS OF FOOD AID

Dissertation submitted to Jawaharlal Nehru University in partial fulfilment of the requirements for the award of the Degree of

MASTER OF PHILOSOPHY

MANJEET SINGH

Centre for International Politics Organization and Disarmament School of International Studies Jawaharlal Nehru University New Delhi-110067

> INDIA 1995



जयाहरलाल नेहरू विश्वविद्यालय JAWAHARLAL NEHRU UNIVERSITY NEW DELHI-110067

Centre for International Politics Organization and Disarmament Studies School of International Studies

CERTIFICATE

Certified that the dissertation entitled **Geopolitics of Food Aid** submitted by **Manjeet Singh** is in partial fulfilment of **Master of Philosophy** (M.Phil) of this University. This dissertation is a bonafied work to the best of my knowledge and may be placed before the examiners for evaluation.

QC

(Prof. R.C.<u>Sharma)</u> Supervisor

Chairperson

Acknowledgement

I am deeply indebted to my supervisor Prof. R.C.Sharma, who has helped me in all possible ways in writing this dissertation. Thanks are also due to the faculty and staff of the Centre for International Politics Organization and Disarmament, especially to Dr. M.Mohanty for their timely help and cooperation.

I extend my gratitude to my friends who have helped me with the final formulation of this dissertation. Special thanks to Mr.Deepak Mehta and Mr. Suman Billa, for patiently proof reading the whole draft.

I would like to thank M/s. A.P.Computers for their excellent work in the typing of the manuscript.

Finally, special thanks to my family for having stood by me and supported me in writing this dissertation.

15 July, 1995 New Delhi

Manjeet Singh

·•• .

for my parents

CONTENTS

PAGE

	PREFACE i-ii
CHAPTER I	INTRODUCTION 1-25
CHAPTER II	POPULATION DYNAMICS AND FOOD RESOURCES IN THE THIRD WORLD
CHAPTER III	FOOD SECURITY SYSTEM AND DIMENSIONS OF FOOD AID
CHAPTER IV	GEOPOLITICS OF FOOD AID
CHAPTER V	CONCLUSION
	BIBLIOGRAPHY 115-121

The present study deals with the Geopolitics of Food Aid. Geopolitics is comprehensive in its scope and focused on the emerging issues on account of changing relationship between man, nature and technology. Food production, supplies and transfers are basically spatial in character and mostly governed by nature on one side and man's ingenuity on other side. Man's resourcefulness is in direct proportion to his technological capabilities. Food aid is a matter of ethics and choice governed by politics and the socio-economic factors. Within the ambit of geopolitics food aid is of crucial importance in deciding regional and global issues on account of population numbers and spatial feeding capabilities of nations. As such the theme of the dissertation is significant in throwing light on the man-nature relationship.

The present study is in 5 chapters. In the first chapter, Introduction the conceptual framework of the subject and the literature review has been discussed. The second chapter deals with the "Population Dynamics and Food Resources in the Third World". This chapter studies the growth in agricultural production specially the food production. The Third chapter is, "Food Security System and Dimensions of Food Aid", focussing on the Food Security System

i

of the developing countries and the various dimensions of food aid. In chapter four "Geopolitics of Food Aid", the politics involved in the provision of food aid has been discussed. This chapter also deals with the agricultural trade practices, policies and programmes of the doners, (both bilateral and multilateral), the advantages and disadvantages of food aid, and related issues. In the end is the conclusion.

The study has the following objectives in mind:

To access the relationship between the land, people, food, and environment and the imbalances existing in the third world; to study the existing food security systems and the international food trade; to examine critically the Geopolitics of food aid and the role of bilateral and multilateral aid agencies; and to explore viable sustainable food security systems and developmental policy option.

It is hoped that sufficient light is being thrown on this delicate relationship between man, nature and technology and explains the basic controls of politics, both at the regional and global levels. . · · ·

Chapter 1

INTRODUCTION

For much of human history the majority of human kind have been undernourished. With increasing gravity, from the late eighteenth century and mostly in the nineteenth century scholars begun to argue that hunger could be overcome.Some solutions to the problem have been proposed by scholars probing this problem intimately.

Indeed it was not until the IInd World War that Europeans and Americans began to concern themselves with the World food problem. With the foundation of the United Nations and its subsidiary Food and Agricultural Organisation (FAO) hunger and food have become important subjects of study in the past four decades or so.

The world food problem since 1950 is that a large proportion of the population of Africa, Asia and Latin America is either under nourished or malnourished or both. This has attained a chronic nature.

In order to overcome these vast shortages in food in the developing countries food aid has become a permanent feature of international assistance to the developing world. The general term 'Food Aid' suggests food given extensively on a grant basis. However the greater part of food aid donations

have been concessional sales of food to recipients from bilateral donors. But all multilateral food donations have been given on a grant basis.

Conceptual Framework

The balance between growth in population and food production has been a precarious one during the history of the human race. The recent dynamics of this balance are particularly complex and uneven with the developed world achiving a consistently higher equilibrium between food supply and food demand then its developing counterpart. This division highlights 3 important features of the existing food system the vastly uneven distribution in food purchasing power in food production per person and in food consumption per person.

Continuing discussions about the world food problem reflect a global concern that the minimum quantities of food necessary for survival should be available to all people at all times. Although the concern is world wide the problem itself is specific to certain group of people in particular locations. Further the most severely affected areas are not static but change over time.

During the part 40 years, dynamic Processes have virtually eliminated the threat of hunger from Europe and parts of Asia, Latin America and the Near East, while increasing the fragility of the food condition in low income food deficit countries African ones in particular.

But inspite of the development of agriculture and increase in agricultural production in various parts of the world there still exists a large number of people who fear the fangs of hunger and starvation and live in abject poverty. The continent of Africa is the most affected where famines caused by drought and other physical as well as human factors pose a serious food problem. Also countries from Asia and Latin America are facing serious food security problems such an Bangladesh Combodia, etc.

Much of the South block countries demand sizeable financial assistance to achieve morally and political acceptable rates of economic and social development. Indeed, many of these countries may require massive help to avoid widespread starvation.

In the developing countries of the world food aid can play a pivotal role in improving food security. In many of these countries food supplies fluctuate widely depending on the degree of production variability and the extent to which this variability is compensated by changes in imports and stocks.

Food Aid How did it Start

A look at the history of food aid shows how society has perceived hunger and responded to it. Our understandings of the problem of hunger has changed dramatically and our response has been much more complex then simply a humanitarian desire to feed hungry people.

Food aid can said to have existed in one form or another for almost as long as society itself. All comunities have provided relief to their numbers in times of emergency, war or other disasters. The first well documented food aid gesture was that of the USA in providing emergency aid to earthquake victims in venezuela in 1812 worth US \$ 50,000.¹

Britain was also one of the pioneers in giving food aid. This was primarily as a means of colonial famine relief and supplies of wheat were purchased for distribution in the Indian famine of the 1890s and also for British Somali land and th Sudan in the early 1900s. 2

Food Aid Programmes developed considerably over the postwar period.

Hans Singer, John Wood, Tony Jennings, <u>Food Aid: The Challenge and</u> <u>the Opportunity</u> (Oxford: Clarendon Press 1987), p.20.

² Ibid.

1

Rapid Population growth, increasing urbanisation, and the poor performance of agricultural production particularly in Africa led to a rising demand for food Aid. The Post war period saw the emergence and growth of multilateral agencies whose share grew from only 1% of food aid in 1960-62 to most than 20% in 1979-81.³ This growth in multilateral food aid was due primarily to the emergence of the WFP (World Food Programme) as the largest source of assistance in dollar terms, after the world Bank within the UN system. Many recipients objected to being tied to bilateral food aid relationship and welcomed the means of escape through multilateral food aid.

The European Recovery Programme more popularly known as 'Marshal Plan' was the first large transfer of bilateral aid in world history. Humanitarianism was important, but it was not the only factor in encouraging countries to make such heavy commodity commitments under the Marshal plan (80% of which came from the US and Canada). Strategic considerations were seen by some in the US as of paramount importance in deciding where the aid should go. Political motives were also important. Communism was seen as a threat due not only to Soviet military expansion but also to national communist movements.

³ Ibid.

 $\mathbf{5}$

There have been many calls for a Marshal Plan type programme to be repeated for the Third World. Unfortunately the parallel between contemporary North-South and US - Europe Marshal plan should not be drawn too closely. Much of the physical and institutional infrastructure and expertise of the European economies remained intact. The aid was used to rehabilitate industries rather than create new industries so that food aid was necessary for only a short time. Nevertheless the experience of the Marshal plan may be seen as an important advance in the evolution of food aid and many parts of the programme worse incorporated in later food aid programmes.

In the history of Food Aid the US has remained the single largest food aid donor till date. The legal basis of modern American food aid was Laid with the enactment of Public Law 480 known as the Agricultural Trade development Act which was passed ultimately due to the support of the US farmers represented by their principal lobbying group the American Farm Bureau Federation (AFBF). The PL-480 was primarily meant for disposal of surplus food but its humanitarian motive was also evident as clear form JF Kennedys Pre-elections Campaign Speech.

"I don't regard the existence of agricultural surplus as a problem. I regard it as an opportunity. I think the farmer can bring more credit, more

lasting goodwill, more chance of peace, than almost any other group of Americans in the next years if we recognise that food is strength, and food is peace and food is freedom, and food is a helping hand to people around the world whose goodwill and friendship we want".⁴

In 1960s the emphasis on surplus in the food aid programme was changed into the use of food as a long range investment in progress in accordance with, Kennedy. Further PL 480 started focussing on food for development and food for peace Programmes.

The European Community has been the second important source of food aid. The EC community programme resources have been channeled bilaterally, multilaterally and via non governmental organisations. The reluctant EC's attitude to food aid shifted only with the growth of big. Surpluses which were a result of subsidies to EC farmers from the common Agricultural Policy. A large part of the EC food aid programme involves grants of surplus dairy products such as dried skimmed milk, butter oil, and butter.

Multilateral Food Aid

The Creation of an effective system of multilateral food aid proved to be

Ibid, p.22.

more difficult and slower than the growth of a framework of bilateral food aid. This is hardly surprising given the natural unwillingness of nation states to relinquish control over such a useful instrument of domestic and foreign policy.

The credit for initiating a step towards multilateral food aid goes to Franklin D Roosevelt, who convened a meeting in May 1943 at Hot Springs, Virginia where the foundation for the creation of the FAO was laid. Also in November 1943 an agreement was signed in Washington DC which established the United Nations Relief and Rehabilitation Administration (UNRRA) which became the first significant experiment of a multilateral agency to deal with food Aid. But the UNRRA was terminated in 1949 marking an end to operational multilateral food aid until the foundation of the World Food Programme in 1963.⁵

In the setting up of the WFP the role played by McGovern as US delegate to the inter-governmental Advisory Committee and also as president Kennedy's food for peace commissioner was significant.⁶

Overcoming early problems such as Lukewarm response from donors as

⁶ Ibid, p.28.

⁵ Ibid, p.21.

well as recipients, working of the WFP under th shadow of PL480 etc, the WFP went from to strength working of the WFP under the shadow of PL480 etc, the WFP went from strength to strength and has emerged as the single most important multilateral aid agency.

Non Governmental Organisations:

A striking feature of the history of food aid in the post war period has been the growth of the contribution of Non-Governmental Organisation. Their evolution has in many ways mirrored the changes in the objectives and experience of bilateral and multilateral food aid agencies. Organisations such as a 'Christian aid', 'Save the Children Fund', CARE (Cooperation for American Remittance to Europe), Oxfam etc. have contributed in a significant way towards food aid.

Food Aid for Emergency or Development?

Meeting food gaps while necessary may do nothing to reduce future food aid needs. A country unable to import food commercially this year may be even less able to do so next year; a family too poor to buy food now may grow even poorer; dealing with todays emergencies does not necessarily prevent tomorrows. Causes as well as symptoms of poverty and hunger must be addressed. There has therefore been a strong trend in the 1980s to treat food aid less as a welfare handout and more as a resource for economic and social development. This trend has not yet succeeded in erasing the persistent image of food aid as just a give away from surplus stocks but it has revealed the great variety of ways many quite drastic in which food aid is used to promote development and lasting solutions to hunger end poverty.

To use food aid to combat hunger and poverty it should be made part of national development plans and programmes specifically aimed at these objectives. The United Nations Committee for Development Planning (CDP) has proposed four interrelated Key elements for such as strategy accelerated economic growth greater concern for human development an absolute reduction in the number of people suffering from extreme poverty and deprivation and restraining deterioration of the physical environment. These four elements are not to be seen, as separate issues to be addressed independently but should form four strands of a coherent approach to development.

The essence of this proposed strategy is to eliminate poverty and hunger on a lasting and sustainable basis through broad based economic growth that respects the natural resource base and builds on the capacities of all people including the poor.⁷

Food Aid can play a major role in addressing this fundamental problem only if both donors and recipients are determined to apply it to these goals. Too much food aid has gone for essentially commercial or political purposes. In these cases food aid's potential for development has gone unrealized and the poor have seen little or none of it.

Food aid for emergencies must first and foremost save lives. But it too with proper planning can support development. The timely provision of emergency food saves hard pressed governments both foreign exchange and local currency which can instead be used for investment in economic growth, human remove development, poverty alleviation, and environmental protection. More directly emergency food aid prevents the severe malnutrition that leads to unhealthy and un-productive lives when it does not lead to death. It can be used to keep poor households from moving away from their lands and abandoning their livelihoods. In the case of refugees and displaced people who often bring great pressure to bear on the local environment, food aid can be used to prevent, limit or repair ecological damage.

World Food Programme, 'Annual Report', (Rome: WFP, 1990), p.10.

Food aid could not only be used to meet the more immediate food security needs in the developing world but also their development needs through programmes such as Food For Work by the World Food Programme WFP. In general food aid could represent a more efficient means of meeting temporary food needs than any type of domestic stocking programme. National level stocks tend to be very large and expensive. Food aid provided at commercially concessional rates under aid is therefore a better alternative.

A large body of literature argues that food aid has no appreciable effect an economic development. The marginal propensities of the poor to spend on food is high (ie 0.6 to 0.8), and any growth strategy that leads to a rapid increase in employment will necessarily generate an increased demand for food.⁸ In the absence of sufficient food supplies, such increased demand will tend to restrict the mobilisation of labour, as rising real food prices reduce the demand for labour. It is observed that as labour is mobilised and receives a large share of the total wage pool, it spends most of that increased income on food. Additional surplus of food is therefore needed to prevent the type of increases in food prices and wages that would reduce the demand for labour. In countries where foreign exchange reserves are limited, food aid can play a critical role in

David. Grigg, <u>The World Food Problem</u>, (Oxford, New York: Basil Blackwell Ltd. 1985), p.20.

relieving the resulting pressure on food supplies.

The dynamics of these relations, are exhibited by the Food for Work Programmes, which link employment and payment of food directly. Such programmes are also attractive to donors because their benefits for the poor are highly visible.

In Asia, particularly South Asia, there is a large stock of labour that can be mobilised readily for growth. The addition of wage goods would pull that labour from agriculture with little or no decline in agricultural production. In Africa, however the situation is more complex as one can expect a nearly proportional decline in agricultural output as labour is withdrawn from agriculture, as the agroclimatic and technological conditions dominate. African agriculture tend to cause low labour productivity and a scarcity of labour in peak seasons. Thus a short run withdrawal of labour from food production causes a much more substantial decline in food production in Africa then in Asia.⁹ In such a situation food aid can be used to support the increased consumption and the decreased production provided, infrastructure and other investment is provided to raise food production in the long run.

Ibid.

g

Ironically the very factors facilitating the use of food aid as an escape from the current food conditions between the demands and needs of the poor and the ability and desire of the rich to respond to these needs are exactly those that render food aid a highly controversial, difficult and potentially dangerous undertaking.

The most subtle and locally advocated reason given by donors for their aid is based on humanitarian considerations but the recipients considers food aid by the developed world as a surplus disposal mechanism and a way to derive political mileau and manor at the cost of the recipient country.

Some the scholars are also of the view that food aid has a depressing effect on the recipients agriculture. The prices of the food stuff get depressed on the introduction of food aid and farmers do not find it profitable to grow that particular food commodity leading to a decrease in production and further aggrevating the situation.

It is undeniable that food aid does provide the much needed relief not only for emergencies but also for long term perspectives as evident from 'Food for Work' programme and other programmes which are engaged in development through food aid. Food aid meets both the undernourishment and malnourishment needs of the poor and frees the people from the clutches of hunger such that they can engage their efforts towards economic development. Also the recipient saves precious foreign exchange which can be used for import of technology and machinery for economic development as is evident by the Indian example. The money saved from the concessional food aid under PL 480 was used by India in developmental activities and import better agricultural technology which ultimately lead to the green revolution in the 1970s.¹⁰

With the coming in of the multilateral food agencies and the NGO's the intervention of the donors in the recipient countries economy and polity has been reduced considerably and has also made the food aid objectives more significant and effective. It has reduced bureaucratic hurdles to a certain extent and has gone a long way in alleviating food shortages as also helping the recipient economy's growth through development programmes.

Review of Literature

There is no dearth of literature on food aid. There is abundant Literature including books, Journals and Articles in various Magazines.

¹⁰ Ibid, p.60.

The most important source of Literature is the World Food Programme publication as also the Food and Agricultural Organisation's Publications. Apart from these two, publications of International Fund for Agricultural Development (IFAD), International Food Policy Research (IFPRI) and the World Bank also are of great help.

As Primary source for this work the World Food Programme's (WFP) publication have been considered. The World Food Programme's Annual Report published every year contains details of food aid provided to various countries and continents the various programmes covered by the WFP that year and the trend of food aid for the past few years and also future projections. Another publication of the WFP, is the 'Food Aid in Figures' which is published once or twice a year. It shows the details of major donors major recipients and the amount of food commodities involved as well as the money value of food shipments. This contains not only the worlds total Food Aid figures for the past year but also figures relating to special assistance programmess under emergency relief, developmental aid etc, as also the WFP's own programme figures.

Another important publication of the World Food Programme is the 'Food Aid Review' published annually. The journal consists of articles basically published by the WFP receiving the food security needs, production potential, and fulfillment of needs of various recipient countries as well as the policies of major donors. On policies and programmes the WFP comes out with a publication 'Food Aid; Policies and Programmes' which is again an annual publication solely dedicated to the policies and programmes of bilateral and multilateral aid. This concerns itself mainly with the policies of the major donors for example the US PL 480, the EC food aid etc. It also publishes the programme's content of these aid programmes. The WFP's own policies and programme details are also published in the journal.

The Food and Agricultural Organisation of the United Nations comes out with publications at random which deals with food aid and the food and agricultural conditions of the world. These periodicals are 'Food and Nutrition', 'The State of Food and Agriculture', 'FAO Economic and Social Development Papers', 'Food Nutrition and Agriculture' etc. The FAO journals help a great deal in keeping pace with recent developments in the sphere of food security and food aid.

Where books are concerned there are a number of books written on the subject of 'food aid' but a few books have been very important in guiding this study.

The most important book for this study is "FOOD AID; The challenge and the opportunity", by Hans Singer, John Wood and Tony Jennings. This books deals with very aspect of food aid. This books was written by the authors of the Institute of Development Studies at the University of Sussex. It deals with the what?, How?, Where?, to whom?, from whom?, and why? of food aid. It also compares food aid with financial aid, and deals with the pros and cons of both. This book also deals with the control mechanism and the discrepancies of food aid. In the end the book considers future needs and future developments. This book shows clearly that food aid can make an important contribution to long term food security. It explains what this means in practical terms and draws attention to the careful planning and management needed to realize its full developmental potential. According to the authors, 'Food Aid will be with us through the rest of this century and it will only be as effective as donors and recipient together, choose to make it. This is the challenge and the opportunity'.¹¹

Another book by John Cathie, "The Political Economy of Food Aid" is very important. This book is mainly concerned with the politics involved with food aid. John Cathie has Laid stress on the food aid policy and the changes in food aid policy since the inception of food aid. He has dealt with the policies

¹¹ Singer, Wood, Jennings, n.2.

and programmes of the major bilateral food aid donors namely the USA and the EEC. From there has is gone on to deal with the evolution of multilateral food aid agencies, the principles of surplus disposal, the world food programme's contributions, and international food aid policy, the role and effectiveness of international food aid in developing countries the management of WFP aid and finally the procurement of food aid. In the end John Cathie has suggested a few proposals for the effective utilisation of food aid for developmental objectives. But he has criticised food aid and shown it to be inferior to untied financial aid. In his own words, "this work has not made an argument against aid in general but food aid in particular because of its weakness as an instrument of economic development. If the rich countries were to provide the third world with united financial aid, recipient countries would be able to choose whether they need food or not".¹²

Robert L. Bard's, 'Food Aid and International Agricultural Trade': A Study in Legal and Administrative Control' is another informative book which has dealt in main with the impact of food aid transactions on agricultural trade; both domestic and international. This book has two main purposes. The first has to "establish a comprehensive working model of the economic and

John Cathie, <u>The Political Economy of Food Aid</u>, (Chippenham; Antony Rowe Ltd., 1986, p.157.

financial interrelationship between food aid and commercial agricultural trade and to describe the effect of various possible control devices upon these relationships. The second purpose is to describe and analyse the standards and procedures now employed or seriously proposed to regulate the impact of food aid upon commercial agricultural trade".¹³

This book contributes to a clearer understanding of the complex economic and political factor which have shaped United States food policy and the later developments, thereof, pertaining to both bilateral and multilateral food aid programmes.

"The Food Resource" a book by John T. Pierce is one of the latest and most important books for the study of food resources in recent times. Pierce starts from the problem of abundance in the United States and the developed world and the moves on to the problem of scarcity in the developing world. This book deals with the supply side of the food equation as opposed to the demand side and attempts to asses critically human intervention in environment and the implications for agriculture. The author has dealt with the history of agricultural production, the present resources available for

¹³ Robert. L Bard, <u>Food Aid and International Agricultural Trade: A Study</u> <u>in Legal and Administrative Control</u>, (Massachusetts: DC Heath and Company, 1972), pp.XV,XVI.

agriculture and population pressures, importance of water resource, climatic factors in food production, and most important for our world the trends in world food production where he deals with the growth of population and food production. In the end the author thinks that the attempt of food resource development should be towards sustainable development. "Sustainable development over the long term is not a choice but an imperative for society. If we fail to make the conscious transition, the choice will be made for us-for sustainable development is a self-enforcing process capable of achieving its own equilibrium. We have the means to shape that equilibrium, to anticipate the necessary changes, but only if we are prepared collectively to reconsider, rethink and restructure our present modes of agricultural development".¹⁴

'The World Food Problem' by David Grigg is another important book dealing with the problem of food from 1950 to 1980. In this book the author has dealt with the problem of food from production to trade and its importance as food relief in meeting the needs of the hungry and the malnourished.¹⁵

'Poverty, Development and Food' is a book edited by Edward Clay and

14

¹⁵ Grigg, n.2.



TH-5504

John T.Pierce, <u>The Food Resource</u>, (Hong Kong: Longman Group (FE) Ltd., 1990), p.313.

John Shaw. This book relates between food shortage and poverty in general. It consists of the following important articles. 'Approaches to Quantifying the World Food Problem' by Barbara Huddleston with the historical perspective and the approaches to the world food problem. 'The Changing Role of Developing Countries in Agricultural Trade' by Tim Josling deals with the potential of agricultural development in developing countries and their respective increase in agricultural production and trade. The most important article in this book is "Aid For Development: what motivates the Donors?" by Raymond F. Hopkins". This article as the heading suggests deals with the politics involved in bilateral trade or the motivation upon which the donor operates. 'Food Aid for Food Security and Economic Development by John. W. Mellor is another important article. Also the Roles of Non Governmental Organisation in Development" by Larry Minear dealing with the evolution of Non-Governmental Organisations and their increasing role in Food aid disbursements is an informative work. This book on the whole is a collection of outstanding articles from worthy authors.¹⁶

Another edited book, "The Political Economy of Food" by Vilho Harle¹⁷

¹⁶ Edward Clay and John Shaw, ed., <u>Poverty Development And Food</u>, (London: MacMillan Press, 1987).

Vilho Harle, ed., <u>The Political Economy of Food</u>, (Westmead, Farnborough Hants England: Saxon House, Teak Field Ltd., 1978.

is a storehouse of information. We concern ourselves here with the important work in the book. 'Food import and neocolonialism' by Helena Tuomi, concerns itself with the politics involved in the provision of food to the needy countries. Same is the them of Peter Wallensteen's "Scarce Goods as political Weapons: The Case of Food". As the heading suggests, this article criticizes the donor countries which use food as a political weapon to further their interests. Mervi Gustafsson traces "The development of International Food Aid". Lars Bondestam's The Politicals of Food on The Periphery', deals with the disposal of surplus food for furthering political interests by the developed world Vilho Harle in his article "The Dimensions of the World Food Problem" deals with the various aspects of food and the problem of scarcity. Another important article in this books in Jurgen Heinrichs's. "Political Economy of Hunger: Some Remarks and Topics for further Research".

Another book relevant to our study is "The Western Allies and the Politics of Food" by John E.Farquharson,¹⁸ which in concerned with the politics resorted to by the western allies in the trade of food, after the world war II period.

There are a number of books that were considered for this work under the General category of food, people, and development. These books are enlisted belows.

"People, Food, and Resources" by Sir Kenneth Blaxter¹⁹ has dealt with the per capita production of food and the over exploitation of other resources. This book has suggested answers to the present agricultural problems through sustainable development. 'Food Security for Developing Countries' an edited book by Alberto Ualdes²⁰ also deals with the same issue broadly.

'Nutrition and Development' an edited book by Margaret Biswas and Per Pinstrup-Anderson²¹ is a commendable work which consists of compiled chapters within the broad framework of food for nutrition and development.

Nance Lui Fyson's 'World Food'²² is a general book dealing with the production and trade of food. It also deals with the surplus production and food

¹⁹ Sir Kenneth Blaxter, <u>People Food and Resources</u> (London: Cambridge University Press 1986).

²⁰ Alberto Valdes, <u>Food Security for Developing Countries</u>, ed., (Boulder, Colorado, USA: Westview Press, 1981).

²¹ Margaret Biswas and Per Pinstrup-Andersen, <u>Nutrition and</u> <u>Development</u>, (Oxford: Oxford University Press, 1985).

²² Nance Lui Fyson World Food, (London: BT. Bats Ford Ltd., 1972).

scarcity regions and therefore the need for food relief.

Galal. A. Amin's "Food Supply and Economic Development²³ is also on important book though a little old. The book has tried to establish the relationship between agricultural production food trade and use of food for economic development.

Galal. A. Amin, <u>Food Supply and Economic Development</u>, (London: Frank Cass and Co. Ltd., 1966).

Chapter 2

POPULATION DYNAMICS AND FOOD RESOURCES IN THE THIRD WORLD

The balance between growth in population and food production has been a precarious one during the history of the human race. The recent dynamics of this balance are particularly complex and uneven, with the developed world achieving a consistently higher equilibrium between food supply and food demand than its developing counterpart. This division highlights three important features of the existing food system - the vastly uneven distribution in food purchasing power, in food production per person and in food consumption per person.

The growth of the world's food production and how it matches the world population growth is the basic theme of this chapter.

Growth of Population and Food Production

Any discussion about the relationship of population dynamics and food resources must be traced back to Thomas Robert Malthus who in 1798 wrote an essay rejecting the then current view. Malthus postulated that firstly food is necessary for the existence of man and secondly that the passion between the two sexes is necessary and will remain nearly in its present state.

He then stated : "Assuming these postulates as granted, I say that the power of population is indefinitely greater than the power of earth to produce subsistence for more population when unchecked, increase in a geometric ratio. Subsistence increases only in an arithmetic ratio".¹

Malthus then added that to achieve stability of population in these circumstances "implies a strong and consistently operating check on population from the difficulty of subsistence".²

Malthus thus was infact the first person to draw attention towards the rapid growth of population related to food security.

In the 1930s malnutrition was thought to be due to poverty, few attributed the problems in Europe or the United States to excessive population growth. In fact, the prime concern of demographers of the time was why European population was so low. The world Food Survey (1946) also argued that the extent of hunger was due to poverty and had little to say about population growth in the developing countries, (which was becoming apparent as the first censuses taken for some time became available) might prevent the elimination of hunger. Throughout the 1950s and 1960s it came to be assumed

Sir Kenneth Blaxter, <u>People Food and Resources</u>, (London: Cambridge Press), p.20.

Ibid.

1

 $\mathbf{2}$

that the major cause of hunger in the developing countries was population growth the reasons being the fast growth in populations of the developing world as compared to the capacity of agriculture to provide food.

By the 1970s, however, this point of view was under challenge. It could be shown first that per capita food supplies were very low in the developing countries in the 1930s so that although post war population growth may have prevented the improvement of post-war consumption levels it could hardly be said to have caused their Lowness. Second, after all the gloomy predictions of 1950s and 1960s it seemed clear that at the world level food production had kept up with population growth and that world food supplies per capita were somewhat above the level of the 1930s or early 1950's. It became common to attribute hunger in the developing countries to poverty and efforts were made to measure the numbers without the resources to acquire food.³

Unfortunately these conflicting views of the problem have been connected with opposing ideological views of the world. At any one time the existence of undernutrition or malnutrition is surely due to poverty, to the lack of income, employment opportunities or sufficient land. But overtime,

United Nations; <u>Demographic Yearbook-1980</u>, (New York: United Nations, 1982), p.133.

population growth is equally surely one cause of poverty.

The rapid growth of population since 1950 has increased the number of consumers of food, and the changing geographical distribution has influenced levels of consumption. Increasing numbers have also of course, increased the uumber of producers of food.

There is no doubting the rapidity of population growth in the developing countries between 1950 and 1980; not only did the population of Africa, Asia and Latin America increase far more rapidly than the developed countries in the same period but far more rapidly than in any part of the world before $1950.^4$

Between 1950 and 1990 the population of the developing world has more than doubled. However, the rate reached a peak in the early 1960s and has since fallen slightly. The exception to this trend is Africa, whose rate of increase has risen throughout the period. Although the rate of increase in the developed world has been less then half that in the developing world, there have been considerable absolute increases in the population of these countries in the last 30 years, a fact that is sometime overlooked. The rate of increase

Ibid.

in the developed world reached a peak in the late 1950s and has since steadily declined.⁵

There are, however, quite significant regional differences within the two spheres. Within the developed countries the increase 1950-80 has been least in Western Europe and most in North America and Australia. Within the developing world the increase has been greatest in Central America, Northern South America, part of Africa, South West Asia and parts of South East Asia. However, in China and India, by far the most populous countries in the world, post war population increase has been comparatively modest; indeed part of the developed world's population has increased as rapidly.

"Although some parts of the developing world experienced an increase in fertility in the 1950's and 1960's there is no doubt that the main cause of the great upsurge in population has been a decline in mortality combined with until recently, little or no change in fertility".⁶ In most developing countries the crude death rate is now half what it was just after the second world war and there has been a dramatic decline in infant and child mortality. The

⁵ David Grigg, <u>The World Food Problem</u>, (Oxford: Basil Blackwell Ltd., 1985), pp.56-57.

⁶ Ibid.

reasons for this decline are not entirely clear but are attributed to improvement in medical facilities in preventing bacterial illness, infections and prevalence of certain contagious diseases. Also an increase in per capita income may have contributed to the decline in death rate; by improving nutrition, increasing the provisions of medical services and raising standards of literacy and general education. The better education of women has been particularly important in the reduction of infant and child mortality. Although crude death rates are still declining in the developing world, in most countries the rate of decline was great before the mid 1960s than since.

The decline in mortality that was so rapid in the 1950's was not at first accompanied by any change in the crude birth rate which was high particularly in Africa and Latin America. This was because marriage was almost universal in the developing countries. Most women married when very young and there was little attempt to control births within marriage. However, by the mid 1960s signs of decline in fertility were becoming apparent in countries with a Chinese population such as Taiwan, Malaya and Singapore and also in China itself. Later there was fertility decline in other parts of Asia and in Latin America, but not as yet in Africa. "This fall in fertility seem to have been due not only to the spread of family planning methods, but also to a rise in the age of marriage of women and some decline in the proportion of women ever married".7

In the immediate aftermath of the Second World War many writers believed not only that there would be very rapid population growth in the forthcoming decade, but also that there was little prospect of any substantial increase in agricultural output.

Little is known of the trends in agricultural production before the eighteenth century. In the eighteenth century food output began a steady and continuous increase, and it is this period that has been described as one of agricultural revolution. Even so, estimates of the rate of increase by various scholars suggest that growth was slow.

In the nineteenth century output grew more rapidly in the developed world. There are few estimates of the growth of food output in the developing world before 1950s, for there were few agricultural censuses. "There was undoubtedly a rapid development of agricultural output in Latin America, Africa and parts of South East Asia between 1870s and 1930, but most of this was for export to Europe and the United States".⁸

Ibid, p.60.

7

8

Ibid, p.73.

According to John T Pierce, "change within the food system has manifested itself in two distinct forms. In addition to the physical increase in the volume of food produced there has been considerable structural change and reorganization in the system itself".⁹ From either perspective, the growth in the productive capacity of the system in response to increasing population and demand pressures is without precedent.

In the period following 1950 while the developed world experienced general declines in its rates of population growth the majority of countries in the developing world sustained or increased their rates of growth. Average annual rates of growth for the period 1950-80 was over 3% for developing countries. During the same period, food production more than doubled, with developing countries registering a large increase of 17%. But the per capita production increased only marginally (0.4% year) as compared to the developed world (1.4% year).¹⁰

According to N. Sadik, "a country's ability to feed itself very much depends on these factors, availability of arable land accessible water and

⁹ John T. Pierce, <u>The Food Resource</u>, (Hong Kong: Longman Group UK. Ltd., 1990), p.37.

¹⁰ Ibid, p.38.

population pressure".¹¹ This means the more people there are the fewer resources there will be to meet the basis needs especially in poor countries which have limited amounts of land and water. The rapid population growth in poor countries greatly undermine attempts to increase food production and consumption. If basic needs are not met, then the process of development stalls and economies begin to unravel. Apart from population growth, other factors such as migration from rural to urban area; unequal land distribution; shrinking land holding; deepening rural poverty and windespread land degradation also undermine the effects aimed towards increasing production of food and its consumption. "Lower birth rates, along with better management of Land and waste resources, are necessary to avert chronic food shortages".¹²

Current Demographic Situation and Future Change

Not long ago in the mid 1980's it seemed as if the rate of population growth was slowing everywhere except in Africa and parts of Southern Asia. Today, the situation looks less promising since progress made toward reducing birth rates has been slower then expected. The world population now 5300 million is increasing by approximately 250,000 people everyday. It is estimated

¹² Ibid.

¹¹ N.Sadik: "Population Growth and the Food Crises", <u>In Food Nutrition</u> <u>and Agriculture</u>, vol.1, (Rome: FAO 1991), p.3.

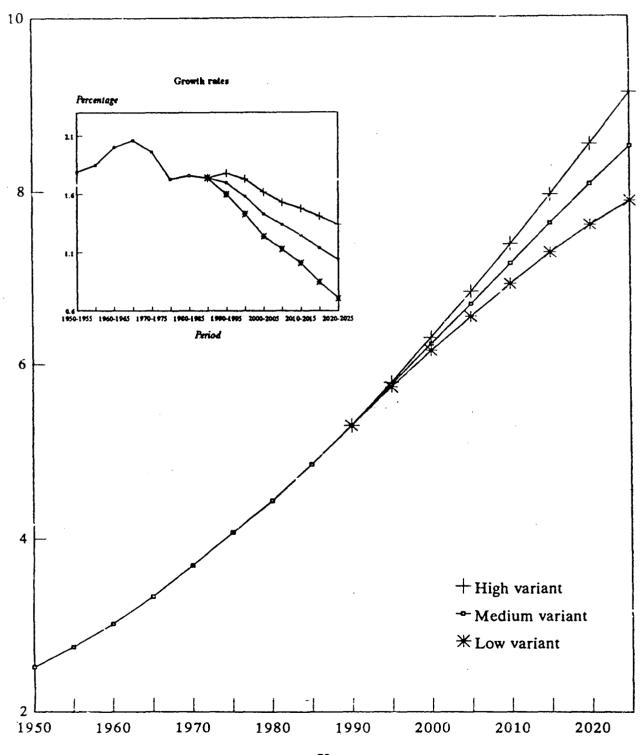


Figure 1. World population size: medium, high and low variants

Population (billions)



Source: World Population Prospects: The 1992 Revision, United Nations, New York, 1993.

that 1000 million people will be born during this decade and the people living in developing countries will expand to over 900 million.¹³

The population of the world is estimated to be 5.5 billion persons at mid-1992. It is growing at a rate of 1.7 percent annum, which means that an additional 93 million persons were added to the world total population during 1992.¹⁴

The world population more than doubled between 1950 and 1992, from 2.5 billion to 5.5 billion persons. By the end of the twentieth century, the total population will further increase by an additional 749 million to reach 6.2 billion, and by the year 2025, the medium variant projections indicate that world population may reach 8.4 billion (table 1).

Having held steady at about 1.7 percent per annum since 1975, the world population growth is expected to decrease to 1.6 percent per annum during 1995-2000 (table 2). This growth rate of 1.6 would be the lowest of the post-Second World War period. Beyond 2000, the world population growth rate

¹³ Ibid, p.4.

¹⁴ Department for Economic and Social Information and policy Analysis, <u>World Population Prospects</u>; <u>The 1992 Revision</u>, (New York: United Nations, 1993), p.6.

is expected to decline steadily to 1.0 in 2020-2025.¹⁵

Table 1

Year	Population (billions)		
1950	2.5		
1990	5.3		
1992	5.5		
2000	6.2		
2025	8.5		

World Population Medium Variant

Source: "World Population Prospects; The 1992 Revision" (New York: UN 1993), p.6.

The population of the world increased by 441 million persons, or 88 million additional persons a year, between 1985 and 1990. The annual addition to the population in 1950-1955 was 47 million per annum and has been growing since then.¹⁶

¹⁵ Ibid.

¹⁶ Ibid.

These population increments are expected to keep increasing up in the period 1995-2000 when 94 million additional people may be added to the population each year (table 2). But after 2000 the average annual increment to the world population is projected to decrease to 85 million persons per annum in 2020-2025.¹⁷

Table 2

		·	
Period	Annual increment (millions)	Annual growth rate (percentage)	
1950-1955	47	1.8	
1965-1970	72	2.1	
1975-1980	74	1.7	
1985-1990	88	1.7	
1990-1995	93	1.7	
1995-2000	94	1.6	
2020-2025	85	1.0	

World Population Growth and Annual Increment Medium-Variant Projections, 1950-2025

Source: "World Population Prospects; The 1992 Revision" (New York: UN 1993), p.6.

¹⁷ Ibid.

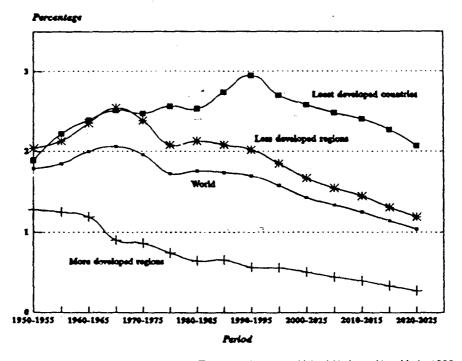
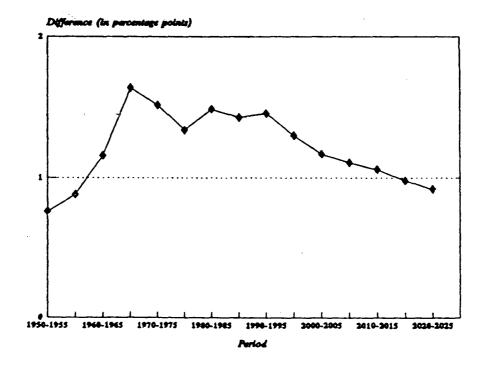


Figure 2. Growth rates: more developed and less developed regions and least developed countries

Source: World Population Prospects: The 1992 Revision, United Nations, New York, 1993.





Source: World Population Prospects: The 1992 Revision, United Nations, New York, 1993.

The above figures are from the medium variant of the United Nations global population projections. The population is also projected forward to the year 2025 under three other assumptions of the course of fertility. Starting from a population of 5.3 billion in 1990 as the base, world population is expected to reach 9.1 billion 2025 under the high fertility assumption (high variant), compared with 8.5 billion with the medium variant (figure 1). In the low-fertility variant projection, the 2025 population is expected to be 7.9 billion persons. As a comparison, a fourth assumption, constant fertility up to 2020-2025 at the 1985-1990 levels, was also projected. Under this assumption, the world population would reach 10.4 billion persons in 2025.¹⁸

(a) More developed and less developed regions

During the period 1985-1990, the annual population growth rate of the more developed regions of the world was 0.6 percent. The more developed regions were then growing at a rate less than one third of the growth rate of the less developed regions, which was 2.1 percent per annum. The 47 least developed countries, on the other hand, were growing at an even faster pace in the same period: their growth rate was 2.7 percent (figure 2).¹⁹

¹⁸ Ibid.

¹⁹ Ibid, p.18.

38 .

There has been a marked difference in growth rates between the more developed and less developed regions since at least 1950. During 1950-1955, the growth rate of the more developed regions was 1.3 and that of the less developed regions was about 60 percent higher, at 2.0 percent per annum. During this period, the less developed regions were at the beginning of phase I of the transition discussed above whereas the more developed regions were at the end of phase III of the transition. From 1950-1955 to 1965-1970, the less developed regions were growing very fast, with growth rate of 2.0 in 1950-1955 to 2.5 in 1965-1970. The growth rate of more developed regions, on the other hand, decreased from 1.3 percent per annum in 1950-1955 to 0.9 in 1965-1970. These trends resulted in an increase in the gap between the growth rate of the more developed and less developed regions from 0.8 percentage points in 1950-1955 to 1.6 percentage points in 1965-1970 (figure 3).²⁰ Since 1965, growth rates in both the developed and developing regions have been declining.

Beyond 1990, growth rates in both development regions are projected to continue their declining trend up to the end of the projection period in 2020-2025. By 2025, the growth rate of the more developed regions is projected to be 0.2 percent and that of the less developed regions, 1.2 percent. By

²⁰ Ibid.

contrast, among the least developed countries, there growth rate is expected to continue its increasing trend up to 1990-1995 when it may peak at 2.9 percent and then decline to 2.1 percent by 2020-2025. The growth rate of the least developed countries, during 1985-1990, is higher than growth rates of less developed regions at any period between 1950 and 2025.²¹

As a result of the differential growth rates in the more developed and less developed regions, between 1950 and 1990, 86 percent of the absolute growth in the world population occurred in the less developed regions and 14 percent in the more developed regions. Out of 888 million persons added each year during 1985-1990, 81 million were in the less developed regions, with 17 million additional people in China and 16 million in India. Over the next 35 years, 94 percent of population growth will occur in the less developed regions of the world. Together, the developing regions of the world will add 81 million or 96 percent of the average annual increment to the world population in 2020-2025.²²

Differential population growth rates between the more developed and less developed regions have resulted in an ever-increasing proportion of the

²² Ibid.

²¹ Ibid.

world population in less developed regions. Currently more than three quarters of the world population lives in the less developed regions of the world, whereas, in 1950, about two thirds of the world population were in the less developed regions. By 2025, this proportion may increase to 83 percent.²³

Meeting Food Needs

In recent decades there has been impressive growth in food production which has been attributed to the development of improved, decrease resistant varieties of staple crops, the increased use of chemical fertilizers and pesticides and the expansion of irrigated cropland. ^{XXXXX}Nevertheless per capita food production actually declined in 51 developing countries while rising in only 43 between 1979-81 and 1986- 87. Among the African countries 25 experienced a drop in per capita cereal production. In Latin America production was also disappointing, 17 countries suffered a decline. In Asia Food Production has managed to keep slightly ahead of population growth largely because of new breeds of Asian rice and the use of tremendous amounts of agricultural chemicals. However, in some areas losses from poor land management have erased the benefits which have been gained. Consequently developing countries

²³ Ibid.

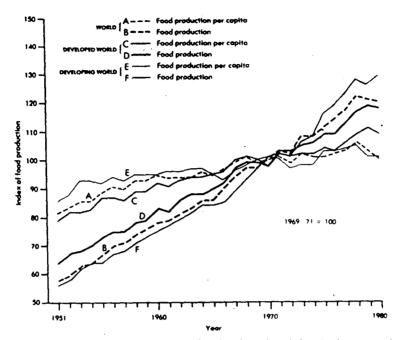
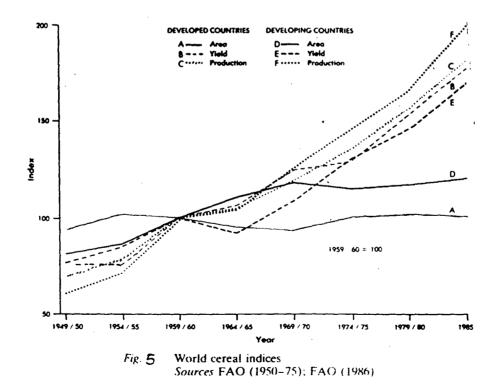


Fig. 4 Indices of food production for developed and developing countries. Source USDA (1981)



.

food imports are rising dramatically to compensate for local deficits.²⁴ Shaping most of the growth of world food production has been the growth in world cereal production which increased by 149 percent between 1950 and 1980 (Fig 5). Cereal production occurs on approximately 50 percent of the world's cropland base and accounts for 75 percent of world caloric production from crops. Cereals account for over half of the world's per Capita calorie and protein intake consumed directly as food.²⁵

Indirectly, cereals are an important source of colories and protein through the consumption of animal products. In 1981 47 percent of world cereal production was fed to animals. This amounted to some 600 million metric tonnes which was sufficient in caloric terms to feed 2 to 2.5 billion persons. Whereas approximately 72 percent of all grains consumed in the early 1980s in developed countries went to feed for animals, only 13 percent was used for the purpose in developing countries. World cereal production in 1982/83 was almost equally divided between developed (875 million metric tonnes) and developing countries (827 million metric tonnes). The cultivated land base of the former was 304 million hectares, compared to 411 million

²⁴ UNFPA, <u>The State of World Population</u>, (New York: United Nations 1990), p.67.

²⁵ Pierce, n.2, p.39.

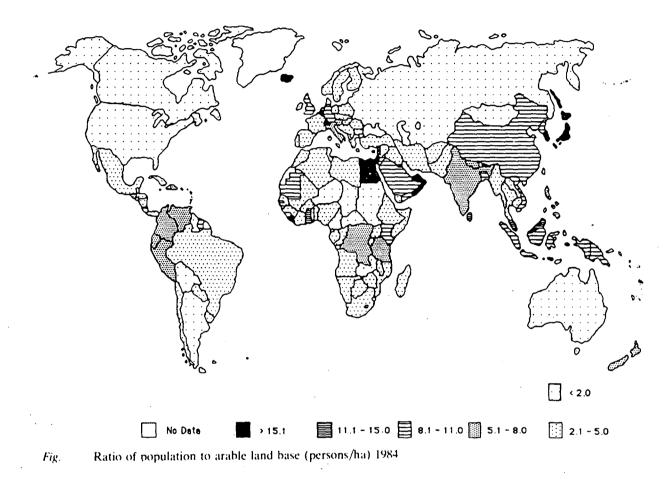
hectares for the Latter. Fisure 5 Provides a profile of indexed production, area and yield for developed and developing nations.²⁶

In a study conducted by the FAOUN called. 'The State of Food and Agriculture (1990). It was found out that Food Production Lagged behind population growth in 49 out of 72 developing countries (68%) that recorded significant changes in per caput food production in 1985-89. Out of these 72 countries, per caput food production fell significantly in about 80% of the total number of countries in Africa about 65% of those in the Near East and Asia and the Pacific, while in Latin America and the caribbean about the same number of countries experienced increases and declines in per caput production. However, food production exceeded, population growth in several of the most populous developing countries of China, India, Indonesia, Brazil and Columbia. By contrast in Africa, countries with declining per caput production accounted for an overwhelming majority of the region's population.²⁷

Population pressure continue to tip the balance against proper land and water management in many developing countries while agricultural production

²⁶ Ibid, p.40.

FAOUN, The State of Food and Agriculture, (Rome: FAOUN- 1990).



•

Source: John T.Pierce, The Food Resource, 1990.

is critical for any form of sustainable future focusing on the agricultural sector alone without regard for other important factors which influence food production is certainly not the way to tackle the problems. 'Population Programmes must be integrated into overall development objectives and be linked to other resource issues.

In order for hard pressed developing countries to come to grips with falling per caput food production and resource degradation they need strategic plans that incorporate population concerns such as population growth distribution and rural urban migration patterns. Wherever possible community development strategies which integrate essential social services as well as production resource should be encouraged.

Sustainable development strategies which combat soil erosion and improverishment should be formulated along with rural agricultural extension schemes which provide credit, seeds, fertilizers and advice to poorer farmers regardless of whether they are men or women. Also support must be given to research and integration of traditional and emerging technologies for food production. Given the current levels of population and likely trends it is imperative to anticipate future needs.

At the same time improved resource management would go a long way towards increasing crop yields, preventing land degradation in the first place and providing sustainable livelihood for millions of rural poor. The management of natural resources will require an equal commitment to the development of human resources: this means among other things extending population pogrammes and family planning services to these millions who lack them. With such efforts there is a chance of increasing food production while at the same time protecting the environment and the burden of the rural poor.

Too many People or Too Much Poverty

"We need to realize that the real population problem is not that there are too many people but that there are too many poor people today over one billion in absolute poverty".²⁸

At the United Nations Conference on Population and Development, held in Cairo from 5-12 September, President International Fund for Agricultural Development, Al-Sultan observed, "I am glad to see in the draft plan of Action that we have progressed beyond the simple Malthusion notion that rising population inevitably leads to poverty and famine. We are now closer to an understanding that reducing population growth is itself, dependent on

²⁸ Ibid.

improving the productivity incomes and conditions of life of the poor groups who account for much of this growth. Thus, it is the access of the poor to the productive resources as well as availability of family planning services which will be decisive. This will ultimately determine when population will be stabilized and indeed whether the overall goal of sustainable development will be achieved."²⁹

Income Changes and Food consumption

If poverty in the major cause of hunger the changes in income and income distribution are at the root of the problems of the developing countries. Thus, the progress of economic growth over the last 40 year since 1950 is of fundamental importance in explaining the persistance and distribution of hunger.

In the 1950s it was thought that population growth would not only reduce food supplies per capita but also prevent any increase in income per caput. Many argued that increases in population would prevent the accumulation of the capital that was necessary for economic growth. In the event this was not so, Gross Domestic Product and the value of all goods and

Fawzi H.Al-Sultan as Quoted in <u>IFAD Update</u>, Bulletin of the International Fund for Agricultural Development of the United Nations, November 1994, Issue no.13, p.15.

services produced in a year has risen per capita in virtually all of both the industrial countries and those defined by the World Bank as middle income and low income.

Table 3

	GDP Per Capita 1980 (US\$)			Avg. Annual rate of growth (%)	
	1950	1960	1980	1950-60	1960-80
Industrial Countries	3841	5197	9684	3.1	3.2
Middle Income Countries	625	802	1521	2.5	3.3
Low Income Countries	164	174	245	0.6	1.7

Changes in Gross Domestic Product

Source: World Bank, World Development Report, 1980, Washington DC (1980, p.35).

In the 1950s the rate of increase was greatest in the industrialised countries and least in the low income countries, but between 1960 and 1980 the middle income countries were increasing more rapidly that he developed countries. But the contrast between the developed countries and the developing countries persists, and indeed, some would argue, the gap between them has widened. But perhaps the most notable chance has been increasing divergence between the income levels of the various developing countries. Latin American GDP per capita has always been above Africa and Asia but the growth of oil exports, the successful development of manufacturing in countries such as Mexico or Brazil, Korea, Taiwan, Hong Kong and Singapore has widened the gap in income levels between various union countries in the developing world.³⁰

³⁰ World Bank, <u>World Development Report</u>, (Washington DC: World Bank, 1980), p.35.

Chapter 3

FOOD SECURITY SYSTEM AND DIMENSIONS OF FOOD AID

During the last 200 years humans have increasingly expanded their control over the bio-physical environment. With the cumulative growth in knowledge and its scientific, technical and social applications, the role of environmental resources in affecting human welfare has changed critically. The quantity and type of food produced were once rigidly tied to given environmental parameters of light, heat, moisture and nutrients. Now the application of knowledge from the industrial and scientific revolutions has loosened that tie and made humans the prime agent of change in the biosphere and much more the master of these resources than a servant. The development of artificial fertilisers, herbicides and a wide variety of plant hybrids together with new storage and transportational facilities, has greatly extended market areas and increased the supply, variety, and nutritional content of food.

In other words, technology has placed immense power in the hands of humans. Yet this control of resources is very much a double edged sword. In addition to promoting abundance and pushing back the frontier of scarcity it also place, extremely heavy demands on the resource have itself. This occurs not only in terms of inputs to the production process but also in terms of the delicate physical and biological balances which sustain life systems and make agricultural production possible. In western industrialised countries, the growth of food supply has been distinguished by rates of production far in excess of addition to the population base. Productivity has increased here as technilogical inputs expanded and energy use intensified. Not surprisingly, the importance of land has declined relative to other inputs since the 1940's. This growth in production capacity has also been distinguished by enormous gains in the level of certainty and security with which food is produced. The phenomenal growth of world transport and communications has greatly relaxed the risks associated with related food production. "Together, increasing productions and security of supply have been instrumental in facilitating the shift in the structure and function of society from rural-agricultural to urban- industrial and in contributing to the confidence with which western society can plan for growth and change through both market and non market means."¹

In numerous developing countries, a similar pattern of growth in the agricultural sector has been apparent in the last two decades. The tremendous expansion in food output along with growth in demand, is a direct result of a push to industrialize, an increase in resource inputs as compared to land inputs and a trend toward a more science-based agricultural system. This is

John T. Pierce, <u>The Food Resource</u>, (Hong Kong: Longman Group UK. Ltd., 1990), p.2.

evident from the adoption of the Green Revolution technology in India which saw the introduction of energy instensive inputs (fertilizers, pesticides, irrigation) with high yielding varities of grain, all of which helped in keeping food production to keep pace with population growth.

However, there are many developing countries in Asia and Africa which have been unable to balance much less increase, food output in relation to population growth. The decline in food self-sufficiency is more marked in Africa in the Sahel. For those few developing countries with high rates of economic growth, food consumption has not suffered; but for those less successful economically per capita food availability has greatly suffered. The lack of ability to pay for needed food stuffs represents one of the fundamental stumbling blocks to the achievement of proper nutrition in many of these countries. It also highlights the increasing population pressures on environmental resources and the need to better understand the relationship between agriculture and the environment.

The regional dimensions of hunger and inadequate food supply are clear as are to a lesser degree a number of environmental impacts of extensification and intensification of the food system. But the solutions to the problems and the implications for world political, economic and environmental stability are

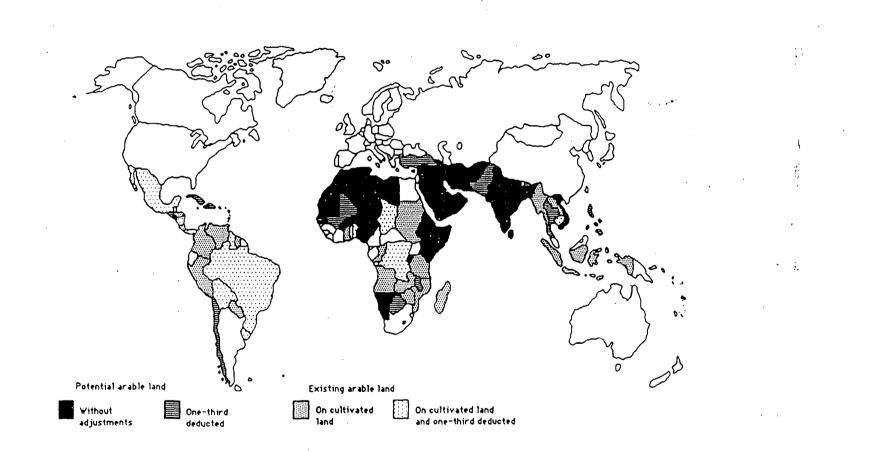


Fig. * Critical countries at low input level (supporting capacities below population) according to adjustments in the arable land base

Source: John T.Pierce, The Food Resource, 1990.

s. 1

not. The expected growth in world population and national incomes during the next couple of decades will increase the demand for food and fibre at an unprecedented scale. To sustain growth in productive capacity of the worldwide food system, large increases in resource productivity and resource inputs will be required. The relative scarcity of these resources, the growth in technological innovation and the environmental impact of increased resource demands will determine the economic and environmental costs of growth in demand and ultimately the sustainability of our practices.

Famine Vulnerability

Since the 1980s, an increasing number of discussions have been conducted on whether conventional agricultural geography should recorient itself so as to be better equipped to deal with the changes and new problems in agriculture and to pursue hitherto neglected questions with greater intensity. Issues of Food Security and the overriding role of food within agricultural production are at the centre of such considerations.

It has been realized that food shortages and famine are not solely covered by natural disasters but social, economic and political factors in particular are also responsible for such crises. Thus man himself moves to the centre of interest, along with questions as to a society's vulnerability to famine and to corresponding buffer against such crises. Therefore the two central issues of food security research are the risk that people face by food crises (vulnerability to crises) on the one hand, and the means of coping with this risk (crises management) on the other.

Numerous case studies especially on critical regions of the earth have meanwhile proven that food crises and famines can be understood as the results of a longer-term process, in the course of which the threat to certain groups of humans increases and the possibilities for successful crises management becomes more and more limited. According to Downing "the famine process displays individual stages of development that are characterised by an increased vulnerability of social groups to food shortage and an increased destabilisation of food systems up until the point when finally an acute famine situation may occur."² When, this famine crises situation is reached the food system rapidly distintegrates and the process comes to a decisive turning point. If countermeasures are not prompt or not effective the result is a 'famine disaster' with a complete break down of the food system.

Stabilization phases ('recovery') have diverse courses and begin at different

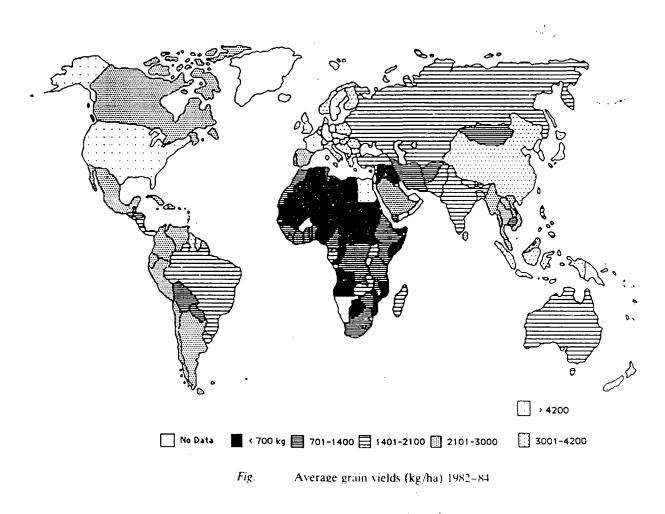
T. Downing, <u>Assessing Socio-Economic Vulnerability to Famine:</u> <u>Frameworks, Concepts and Applications</u>, FEWS Working Paper 2.1, January 30 - Providence, p.21.

times within the famine process. In these phases, stabilization tendencies prevail, the food situation improves. This might well be a return to the phase of baseline vulnerability; often however, thus is at a higher (instability) level. This raises the likelihood of a new crises, also accelerating the shifts from one crises phase to another. After the crises, however, a renewed rapidly increasing destabilization is also possible without any previous recovery to speak of. However, there are also instances where the baseline vulnerability can drop after the crises, due to new efficient forms of crises management or the implementation of a comprehensive social security system.³

Continuing discussions about the world food problems reflect a global concern that the minimum quantities of food necessary for survival should be available to all people at all times. Although the concern is worldwide, the problem itself is specific to certain groups of people in particular locations. Further, the most severely affected are not static but change over time.

During the past 50 years, dynamic processes have virtually eliminated the threat of hunger from Europe and parts of Asia, Latin America and the Near East, while increasing the fragility of the food situation in low income, food deficit countries, African countries in particular. In the longer term the

Ibid.



Source: John T.Pierce, The Food Resource, 1990.

problem has to be understood and quantified in terms of trends in production, income growth, demand, and trade so that areas with deteriorating food prospects can be identified and appropriate policy changes introduced. In the short term, however the problem must be assessed in terms of how many hungry people there are, where they are located and the kind and amounts of food they need so that practical help can be offered.

An important Point which affects both short and long term assessment is the fact that the world food problem is not just about food. Instead, some would argue it is not really about food at all, but is rather an aspect of the more general problem of poverty and unequal distribution of purchasing power among people and nations.

FAO's Fifth World Survey Provides a useful prospective on the problem. It notes that whereas hunger in the strict sense refers to undernutrition, that is, inadequate intake of calories for the size and activity level of the individual concerned, individuals may also suffer from a food problem if they lack certain essential nutrients, that is if they an malnourished.⁴

Food and Agricultural Organisation of the United Nations, <u>The Fifth</u> <u>World Food Survey</u>, (Rome: F.A.O., 1987), pp.1-77.

Food security means that all people at all times have both physical and economic access to basic food. This required not just enough food to go round. It requires that people have ready access to food that they have an entitlement to food, by growing it for themselves, by buying it or by taking advantage of a public food distribution system. The availability of food is thus a necessary condition of security but not a sufficient one. People can still starve even when food is available as has happened during many famines. people go hungry not because food is unavailable but because they cannot offord it.

The overall availability of food in the world is not a problem. Even in developing countries per capita food production increased by 18% on average in the 1980s. And there is enough food to offer eveyone in the world around 2,500 calories a day 200 calories more than the basic minimum.⁵

But this does not mean everyone gets enough to eat. The problem often is the poor distribution of food and lack of pruchasing power. Some 800 million people around the world go hungry. In Sub-Saharan Africa, despite considerable increases in the availability of food in recent years, some 240 million people (about 30% of the total) are undernourished. And in South Asia

5 .

United Nation Development Programme, <u>Human Development Report-</u> <u>1994</u>, (New Delhi: Oxford University Press, 1994, p.27.

30% of babies are born underweight,⁶ the highest ratio for any region of the world and a sad indication of inadequate access to food, particularly for women who are often the last to eat in the household.

Government and international agencies have tried many ways of increasing food security at both national and global levels. But these schemes have had only a limited impact. Access to food comes from access to assets, work and an assured income. And unless the question of assets, work and an assured income security is tackled upstream, state interventions can do little for food insecurity down stream.

What is Food Aid ?

Food aid is food which is given or lent as aid to developing and some developed countries. Since the early 1970s, between 60 and 70 per cent of the total has been in the form of grants. During the previous decade, the loan component was much higher. Most donors other than the USA operate purely grant programmes and their importance has increased relativity since 1970. The main loan food aid programmes is the USA; PL 480 Title I which is composed of Loans on soft terms but based on hard currency. In most cases recipient countries pay for transport cost, though some donors deliver free to

Ibid.

the recipient port for the poorest countries. Food aid takes 3 main forms.

1) 'Programme Food Aid' or direct transfers - The major proportion of all food aid between 60-70% is transferred to the IIIrd world governments, or their food purchasing and processing agencies, for them to distribute. It thus contributes primarily to normal consumption and to reducing the foreign exchange cost of importing food.

The main criticism of direct transfer food aid is that if generates dependence an imported foodstuffs often of sorts which cannot be produced domestically. The main defence is that it is a form of foreign exchange transfer thus increasing the capacity of the local government to perform its function and implement development policies. In majority of cases food aid does substitute at least a part for commercial purchases in the short run.

'Project Food Aid' is the next important form of food aid typically

2)

accounting for 20% of the total value of food aid. It takes two main forms. One is Food-For-Work, in which public (and sometimes private) works are undertaken by a labour force paid in food aid. By far the major supporter of this kind of food aid is the WFP-FAO. The other form of project food aid is 'Supplementary feeding' which is targeted at

special groups within the population for example nourishing mothers with children, small children, school children etc. Here again the WFP is the major donor although other NGOs mostly religious are also involved.

The major criticism leveled against food for work programme is in terms of the lack of development impact of the work performed. Critics say that 'Public Works', projects only too often benefit the rich alone, while there are cases where food for work labour has been done directly, for large private interests. But still 'Food-For-Work' provides food for the people who need it. Where supplementary feeding programmes are concerned it is criticized that many of the programmes achieve no nutritional improvement at all. One problem is that the family of the child or mother and child in question tend to reduce food purchases to offset the nutritional supplement provided. Also foodstuffs provided cannot be obtained without food aid leaving people where they were as soon as the project finishes.

3)

'Emergency Disaster' and refugee feeding is the 3rd category and typically takes between 10% and 15% of the total, though it has been over 20% in some recent years in Africa. There is no dispute about the necessity of this sort of food aid, but considerable critision of its actual working.

In the developing countries of the world food aid can play a pivotal role in improving food security. In many of these countries food supplies fluctuate widely, depending on the degree of production variability and the extent to which this variability is compensated by changes in imports and stocks.

It is important to realise that such fluctuations in supply have an immense impact on the poor. Research in India (Mellor, 1978) indicates that the poor spend between 60% to 80% of their increments on food.⁷ Thus, as food supplies decline and prices rise it is the poor who must bear the brunt of the burden. The poor suffer in two ways. First as food prices rise, the poor suffer a reduction in their real purchasing power. Second, as food prices increase, the wealthier classes tend to reduce their consumption of those labour-intensive goods and services that provide employment for the poor. With fewer employment opportunities, the poor suffer a decline in their ability to procure food at any price.

⁷ J.W. Mellor, "Food Aid For Food Security and Economic Development", in Edward Clay and John Shaw ed., <u>Poverty Development and Food</u>, (London: MacMillan Press, 1987), pp.28-35.

In recent decades the food security problem of the poor has been the product of two important forces: chronic food insecurity in most developing countries, and widespread fluctuations in annual food production in many other developing countries. The first is a long term problem of aggregate food supply, a problem that focuses attention on the need to use food aid to increase rate of food production growth throughout the developing world. The second problem is a short term problem that requires the extension of food aid in order to iron out those weather or price induced fluctuations in food production that have such a negative impact on the poor.

In recent years, the steady growth in world food production has also been accompanied by a rising degree of price variability. While international grain prices were relatively stable in the 1950s and 1960s, since 1971 they have become highly variable.⁸

What could food aid do to mitigate the impact of these fluctuations in production and price? Most obviously, food aid could be used to meet the more immediate food security needs in the developing countries. In general food aid could represent a more efficient means of meeting temporary food needs than any type of domestic stocking programme. Stocks held at the national level

Ibid.

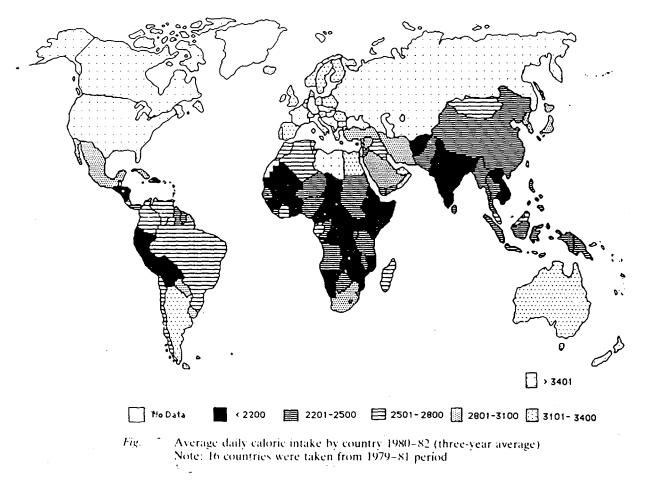
8

tend to be very large and expensive because of the random occurrence of poor crop years and the potential for a sequence of bad years.

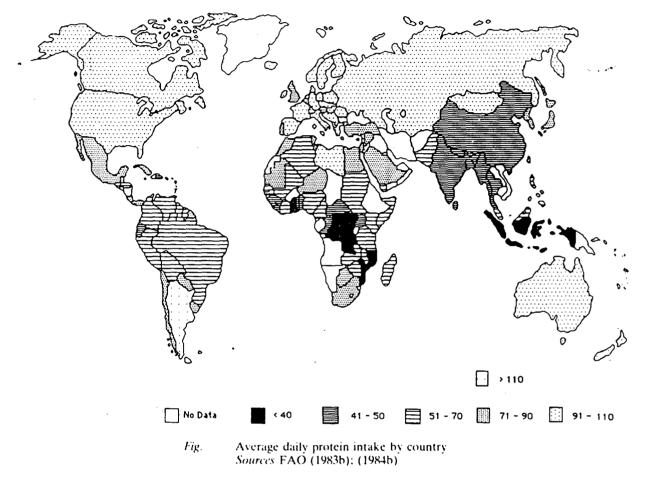
Food trade between countries represent a far more cost effective approach to food security than such domestic stocking arrangements. Such use of food aid would allow developing countries to avoid many of the diseconomies associated with stocks and to concentrate more of their scarce resources on the critical goal of increasing domestic food production. This justifies food aid as against financial aid.

The Evolution of Food Aid

Thus we see that man throughout history has had to struggle for food in every part of the world. But with development of agriculture, man was able to feed his kind properly. But the growth of agriculture lead to a population explosion which tilted the balance between food and population in parts of the world. The demand for more food lead to an increase in agricultural land and a stress on resources hitherto unknown. This lead to problems like deforestation, degradation of land, lowering of water table, soil erosion etc. These factors combined with climatic factors to cause droughts leading to the worst famines especially in the present century.



Source: John T.Pierce, The Food Resource, 1990.



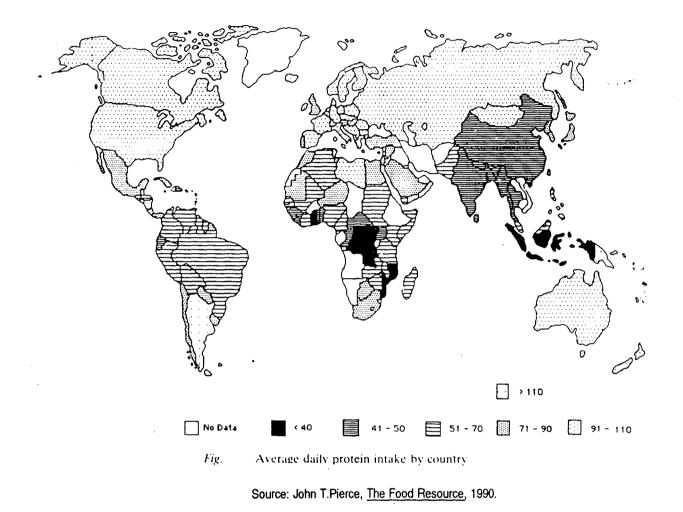
Source: John T.Pierce, The Food Resource, 1990.

Hunger and malnutrition has become a bane for a few countries in the continents of Asia, S America and most drastically in Africa. Countries like Sudan, Somalia and Ethiopia in Africa has been the worst affected in the recent few years. Whereas Bangladesh, India and Pakistan have faced widespread famines in the first half of the present century.

Inspite of the problem of Hunger and malnutrition existing for centuries it was not until the end of the second world war that concern was shown for the world food problem. In 1943 at Hot Springs in Colorado a conference took place showing conserned for the world Hunger. In order to look in to the World Food Problems the foundation of UN and its subsidiary Food and Agricultural Organisation (FAO) was laid down in 1945.

Thus since the end of the second world war there has been much discussion of the world food problem. After 1945 the FAO has strived to try and improve agricultural output and solve the problem of hunger.

Food Aid as it exists today owes its inception to the USA. The first major long term food aid operations evolved from the special post war relief credits voted by the congress first for the period between the signing of the Armstice in 1918 and the signing of the treaty of Versailles in 1919 and the



second, in a so called reconstruction period running from 1919 to 1926. A total of 6.23 million tons of food was shipped under these programmes.⁹ The principle areas of distribution were the various dismembered parts of the Austro-Hungarian empire and of Germany as also Finland, Belgium, France and the Balkan States. Food aid was also provided to Ukraine in 1921-22.

But Food aid at a Large Scale started only after the Public Law 480 was enancted in 1954 also known as the Agricultural Trade Development and Assistance Act. PL 480 embodied all the different motives which had led to the growth of food aids. PL 480 was recognition that food aid had become a permanent feature of American government's aid policy. A new emphasis in food aid policy was introduced in 1961 with the appointment by J.F. Kennedy of George McGovern to head the office of 'Food For Peace', within the executive office of the president. The emphasis, previously on surplus in the food aid programme was to be changed in to the use of food as a long range investment in progress. This concept of Food aid was in accordance with Kennedy's 'New Frontier' image, and the optimistic belief that all problems could be solved with the appropriate combination of money and technology.

Hans Singer, John Wood and Tony Jennings, <u>Food Aid: The challenge</u> and The Opprotunity, (Oxford: Clarendon Press, 1987), p.18.

Further amendments to PL 480 focused food aid more on development objectives. Dissatisfaction with the bottomless pit characteristic of the 'Food for Peace Programme' led, in 1966, to revisions in PL 480 which required that food aid and other economic assistance were to be tied together, and made them conditional upon recipients providing evidence of their commitment to increase food production and other self help measures. Over the few decades of operation of PL 480 the value and priorities of the US congress have changed significantly, and this has been reflected in the implementation of the food aid programme. The emphasis of the vested interests of surplus disposal and development of markets for US firms and products, and the use of food aid as a political strategic instrument, while still evident, has become less dominant.

Over the last two decades the European Community has emerged as the second largest source of food aid. Trying to identify the growth of EC food aid is complicated, since both national programmes and EC community programme resources have been channeled bilaterally, multilaterally and via non-governmental organisations. The EC at first reluctant to become involved in sharing the costs of food aid, changed its attitude as big surpluses grew with subsidies to EC farmers from the common Agricultural policy. A large part of the EC food aid programme involved grants of surplus dairy products such as dried skimmed milk (DSM), butter-oil, and butter, Increasing criticism of the

EC programme has, however, led to a more developmental orientation, as with US food aid. But there is still much criticism of EC food aid, including delays in Procurement and shipment as well as lack of monitoring.

Multilateral Food Aid

The origin of multilateral food aid was rooted in two meetings which took place in 1943. The meetings in May at Hot springs, Virgina, convened by President Franklin D. Roosevelt, laid the foundation for the creation of the Food and Agriculture Organisation (FAO). In November of the same year an Agreement was signed in Washington, DC, which established the United Nations Relief and Rehabilitation Administration (UNRRA).¹⁰ The UNRRA was the first significant experiment of a multilateral agency to deal with food aid, and to attempt international cooperation to prevent a famine. The UNRRA was a partial success. Not having authority to stockpile food, UNRRA was hampered in its planning. Distribution was generally left to recipient government and much of the food was sold through the black market.

The termination of UNRRA in 1949 marked the end of operational multilateral food and until the foundation of the World Food Programme in 1963. The recommendations for multilateral action based on the work of an

¹⁰ Ibid, p.26.

expert group charted by H.W. Singer, and a thirteen member advisory body evolved in to a joint decision by the UN and FAO to establish the World Food Programme (WFP) on a experimental basis for an initial period of 3 years from 1962. The Programme was judged successful and its continued operation was approved in 1965.¹¹

The concern over WFP competition with PL 480 did not restrict the role of WFP, and it has gone ahead to become a pioneer in the structural evolution of food aid. It was among the first agencies to give primacy to development objectives and the careful evaluation of results achieved. By 1984, 86% of the developmental assistance went to low income, Food deficit countries. The WFP established the feasibility and special advantages of multilateral food aid programmes, including improved coordination, reduced administrative costs, fewer political pressures, the choice to provide more coherent programme assistance, a wider and more appropriate choice of food stuffs to recipients and the ability to engage in multi year programming.

Non-Governmental Organisation

A striking feature of the history of food aid relationship in the post war period has been the growth of the contribution of non-governmental

¹¹ Ibid, p.28.

organisations. "Their evolution has in many ways mirrored the changes in the objectives and experience of bilateral and multilateral food aid agencies".¹² Just as offical food aid recived a major impetus from the reconstruction needs of war, so the impetus for post war reconstruction led to the start of NGOs, for example Christian aid. The role played by individuals was often critical in shaping the nature of the NGO's. For example Oxfam's two initial godparents were the widely different talents of the Rev. T.R. Milford and Jackson. Cole, an energetic, successful, self-made shop-owner from the East End of London.

Cereals and Food Security

Recent development in cereal markets should be assessed in the light of the prominent position of these staples in developing countries' food production consumption and trade and hence Food Security.

No less than 30% and up to 75% of total calories supply is cereal based in developing countries. Cereals account for about one third of their total volume of Food Production (16% in Africa and Latin America, over 40% in Asia), and cereal imports in many of these countries have gained importance in domestic diets and total import expenditure, accounting for over 20% of the total value of agriculture imports of developing countries in recent years. On

Ibid, p.31.

the other hand the weight of developing countries in world cereal exports is relatively small (about 14%) with no more then ten of these countries being normally net cereal exporters.¹³

For a large majority of developing countries a global tightness in cereal market end higher prices are therefore bad news. Admittedly, some of them have become excessively and possibly unnecessarily dependent on cereal imports not having adequately exploited their domestic potential. From this perspective high prices may be a blessing in disguise if they are to promote domestic farming and reduce import dependency in the long term. But there are also short term considerations that impose priority attention. Among the many net cereal importing developing countries, a particularly vulnerable group has been identified by FAO: the low income food deficit countries. It has been estimated the increase in cereal price in 1988/89 (FAO) added about \$ 3 billion to the annual cereal bill of these countries twice the value of food aid they have received.¹⁴ For many of these countries even a small reduction in cereal supplies - domestic, imported or in the form of food aid may have devastating repercussions. An increase in international prices can have a

¹⁴ Ibid.

¹³ Food and Agricultural Organisation of the United Nations, <u>The State of</u> <u>Food and Agriculture</u>, (F.A.O: Rome, 1990) p.17.

severe impact on retail markets, resulting in reduced or qualitatively impoverished diets, unless the government is prepared and financially able to protect consumers through subsides. Uderlying the FAO sect estimate of minimum cereal stock levels required to safeguard global food security the sharp rise in prices that would be expected to follow a fall in stocks to significantly below 17% of world production.¹⁵

Food Aid For Development

Food aid as a special subset of aid has long been criticised as especially flawed as a development tool. It has been accused of being doubly tied to both origin and commodity, of discouraging local production of food, of disrupting commercial trade and of causing distortions and dependency within recipient economics.

The food aid regime has in fact experienced shift towards development principles. This occured most notably after the 1973-74 period of panic in world food markets. Resolutions of the 1974 World Food Conference, new legislation in the United States and other donor countries, and the relative decline in power of farm interests vis-a- vis humanitarian and hunger lobby organisations are all factors in this shift.

¹⁵ Ibid.

Basically the food aid regime began operating on the principles that food aid would be provided from donor country surplus as additional imports, on an ad hoc bilateral basis, to feed hungary people and serve political goals. But criticisms of this system has led to a shift in the guiding principles to include efficiency and development effectiveness. The older principles, while not completely abandoned have been suspended by newer ones.

"The changes in food aid which make it a more limited but developmentally targeted resource, one increasingly integrated with other financial resources were not envisioned by its political designs thirty years ago".¹⁶

Food aid can be particularly based toward benefit for those most in need of food. Countries with overall food trade deficits and with unemployment problems can do well with food aid for development purposes. The need for employment growth especially through labour using techniques fits well with the prescription that food aid be integrated with financial resources and used where disincentives are avoided, such as in Food for work projects.

Raymond. H Hopkins, "Aid for Development" in Edward clay and John Shaw ed., <u>Poverty, Development and Food</u>, (London: MacMillan Press, 1987), p.167.

Meeting food gaps while necessary may do nothing to reduce future food aid needs. A country unable to import food commercially this year may be even less able to do so next year; a family too poor to buy food now may grow even poorer; dealing with today's emergenices does not necessarily prevent tomorrows causes as well as symptoms of poverty and hunger must be addressed.

There has therefore been a strong trend in the 1980s to treat food aid less as welfare handout and more as a resource for economic and social development. This trend has affected not only project food aid but also, to some extent programme and emergency food aid.

It has affected the World Food Programme, many bilateral food aid donors, non governmental organisations that furnish food aid, international development agencies providing financial and technical assistance that can be coordinated with food aid and, of course developing countries receiving food aid. This trend has not yet succeeded in erasing the persistent image of food aid as just a give away from surplus stocks, but it has revealed the great variety of ways, many quite creative in which food aid is used to promote development and support lasting solutions to hunger and poverty. To use food aid to combat hunger and poverty it should be made part of national development plans and programmes, specifically aimed at those objectives. THe United Nations Committee for Development Planning (CDP) has proposed four interrelated key elements for such a strategy: accelerated economic growth, greater concern for human development, an absolute reduction in the number of people suffering from severe poverty and deprivation and restraining deterioration of the physical environment. The CDP emphasise that these four elements should not be seen as separate issues to be addressed independently but should form four strands of a coherent approach to development.¹⁷

Food aid can play a major role in addressing the problem of poverty and hunger only if both donors and recipients are determined to apply it to eleminate poverty and hunger on a lasting and sustainable basis through broad based economic growth that respects the natural resource base and builds on the capacities of all people including the poor.

Properly focused, however, food aid can be a major resource in the decade ahead to help implement the four key elements of this development strategy: accelerating growth, supporting human development, combating poverty and safeguarding the environment. All three of the major types of food

Committee for Development Planning Report on the Twenty fifth Session, 9-12 May 1989. United Nations Economic and Social Council E 1989/29, 14 June 1989.

aid - programme, project, and emergency can support these objectives.

Programme food aid the largest of the three, helps developing countries import more food and save foreign exchange, which can contribute to accelerated economic growth if a country's overall economic policies are growth oriented. It supports equitable development most effectively when it is provided along side financial and technical assistance that enables a country to pursue policies and programmes designed to alleviate hunger and poverty an a lasting basis. Programme food aid is a versatile resource whose foreign exchange and budgetary benefits can be used for any governmental purpose including basic education and health, antipoverty efforts or protecting the environment and which can also be used to provide food (or cash from its sale) directly to the poor. Its increasing use to support this broad development strategy would be most welcome.

Project food aid is also a versatile resource. It contributes to economic growth primarily by increasing production directly for example through irrigation schemes, soil conservation activities, or settlement programmes by building physical infrastructure such as rural roads, wells and community facilitates and by supporting basic health and education programmes. Project Food Aid properly integrated into basic education and primary health care programes is a valuable source of support for long term human resource development. It is essentially self targeting on the poor and hungry; providing employment and income to poor households; ensuring their access to food and helping them build long term assets; diversify their sources of income, through skills training and reinforing their ability to endure periods of food shortage.

Project food aid is well adapted to supporting a broad anti hunger and anti poverty oriented development strategy integrated into national development plans and programmes and provided in coordination with financial and technical assistance aimed at the same objectives. Project food aid like programme food aid can become an even more effective resource for development in the 1990s than it already has been in the 1980s.

Food aid used for emergencies must first and foremost save lives. But it, too with proper planning can support development. The timely provision of emergency food saves hard pressed government both foreign exchange and local currency which can instead be used for investment in economic growth, human resource development, poverty alleviation and environment protection. It can be used to keep poor households from moving away from their lands and abandoning their livelihoods.

Food Situation and Food Aid in 1990s

The 1980s have been called a lost decade for development. Many poor countries are entering the 1990s economically worse off than they were a decade ago. The determination in the well being of poor people in the developing world during the 1980's is most starkly shown by the increasing prevalence of hunger and malnutrition arising from poverty. Hunger and malnutirtion have been called the cause of perhaps the most widespread human suffering in the world today.

Although the proportion of hungry people may decline in the 1990s, their actual number could increase. Recurrent famines are only the most visible signs; many more people are in severe and chronic need.

It is accepted that without considerable assistance, developing countries will not be able to pursue the path of equitable and sustainable development that alone can over time, eliminate hunger and poverty. This means relief from crushing debt and a fair deal in international trade. But it also means more external assistance used more effectively to make lasting improvements in the wellbeing of the hungry and the poor. The problem is even more acute because the economic adjustments that developing countries are undertaking often place harsh additional burdens on the most vulnerable members of society.

Need for Food Aid in 1990s

It is felt that the need for food aid over this coming decade is likely to be greater than ever before.

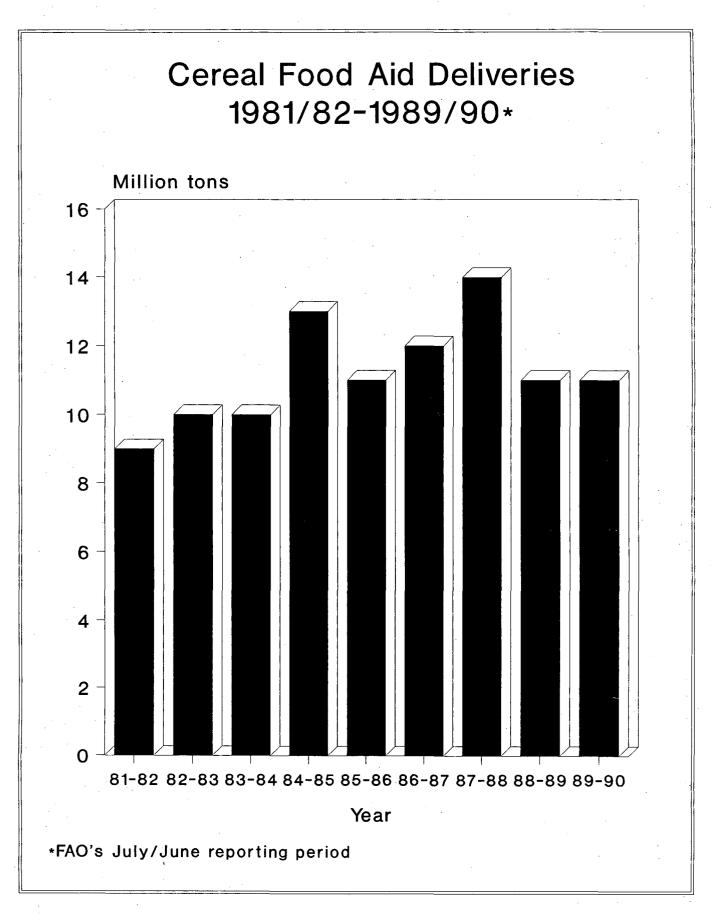
The WFP (1990) defines food aid needs into two: (1) the amount of food a country needs to fill the gap between market demand and its ability to produce food and import it commercially and (2) The amount of food needed to alleviate hunger by bringing everyone up to minimal nutritional standards. The latter gap however, is always far larger than the former.¹⁸

The WFP Summaries the needs as : (1) doubling food aid over current levels of roughly ten million tons a year would be necessary to meet projected market demand throughout the 1990s; (2) meeting projected nutirional needs could require a quadrupling or more of current annual levels of food aid by the end of the decade.¹⁹

Though these general conditions of the WFP are based on estimates by

¹⁸ World Food Programme, <u>World Food Aid Survey</u>, (Rome: WFP: 1990), p.9.

¹⁹ Ibid.



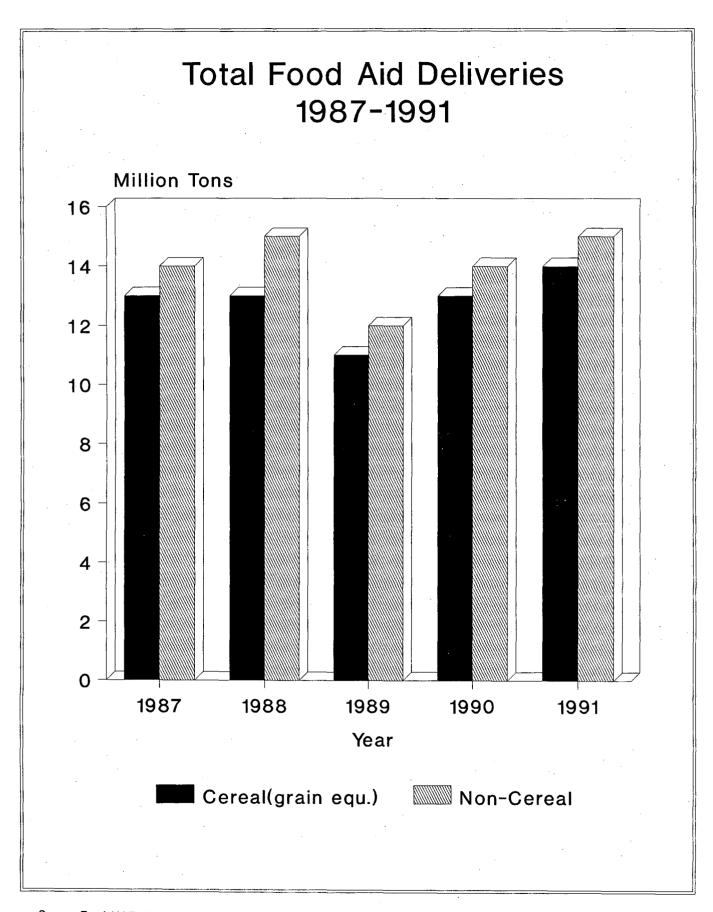
Source: Food Aid Review, World Food Programme, 1990.

several sources using different methodologies they clearly indicate that the need for food aid will be strong and growing throughout the decade to meet import chronic nutritional and emergency needs.

Food Aid Flows in 1980-90

The 1980s stand out as a time of rising food aid flows. Since the middle of the past decade both shipments and deliveries of grains have exceeded the 10 million ton annual target set by the World Food Conference in 1974. While still below all estimates of need, food aid flows towards the end of the decade reached their highest levels in over 20 years; more than 13 million tons of food aid in cereals was provided in 1988 the greates quantity since the 1960's. In 1989, however, food aid flows declined from the peaks of the previous two years. The main reason was a drought induced drop in food production in some major exporting countries in 1987 and 1988, causing a large drawdown of food stocks, tight supplies and high prices for many basic commodities. There has been an increase in food aid deliveries in 1990 and 1991 in the food aid shipments. This increase in food aid deliveries in 1990 can partly be expalined by a decline in international export wheat prices. Since most donors fix their food aid budgets in monetary terms, a fall in prices increase the volume.²⁰

²⁰ Ibid, p.10.



Source: Food Aid Review, World Food Programme, 1991.

Food Aid Needs for the Future

21

From the FAO reports all indications are that food aid will be required on increasing scale during the nineties.

According to the WFP (1990) annual cereal imports of developing countries are projected to increase from about 100 million tons during the mid eighties of which about 12 million tons were met by food aid deliveries to between 145 to 168 million tons by the year 2000. If per capita cereal consumption in the 55 low income countries that receive between 80 and 90 percent of global food aid were to be maintained at the average level prevailing over the period 1980-89, an estimated 16 million tons of food aid would be required annually in addition to local production and commercially affordable imports.²¹

These projections reflect only anticipated growth in effective market demand. They do not include the food needs of undernourished people who do not have the purchasing power to obtain an adequate diet. To meet minimum caloric standards an estimated 28 million tons of food aid should be supplied annually. According to the WFP hunger today may be stunting the lives of as many as 800 million people in the developing world. Approximately 60% of the

World Food Programme, Food Aid Review, (Rome:WFP, 1991), p.31.

hungry live in Asia. However, the situation in Sub-Saharan Africa gives particular cause for concern. About one quarter of the population there (more than 100 million people) do not consume enough food to allow an active working life. The number of undernourished people in Africa is projected to increase to nearly 200 million by the year 2000.²²

It is worrying that there has been a declining trend in both volume and share of total food aid deliveries to the low income, food deficit and least developed group of countries. At the some time, a significant part of food aid, especially 'Programme Food Aid', does not currently benefit poor and hungry people. These trends need to be reversed.

Ibid, p.32.

Chapter 4

GEOPOLITICS OF FOOD AID

Food aid serves complex and diverse political, economic and humanitarian purposes. The principles that govern aid transactions among states consequently do not constitute a coherent regime, rather they are fraught with tentions and contradictions. This is a major reason why the effects of food aid as a development tool ending hunger, poverty and underdevelopment in developing countries, are seldom optimal.

From its temporary origins in the post war years, food aid has become a permanent feature of international assistance to the developing world. During this period international policy on surplus food production has been a mixture of both rationalised political expediency and humanitarian compassion.

Two unique features mark the relations among states in the forty years since the second World War. First, thanks to the dangers of nuclear weapons, there have arisen extensive, enduring and interdependent security arrangements. Second thanks to global economic ties complex mechanism have evolved through which rich states transfer resources to poor and weak states. These features have few precedents in international affairs.

The result is that cooperation among peoples of diverse cultures and

situations has reached levels unprecedented in world history. This cooperation is ofcourse, embedded in a framework of east-west power conflicts and North-South economic relations. These two overlapping antagonisms, however, merely reinforce the joint interests of states in avoiding the mutual calamities that would be produced by nuclear war, on the one hand and world depression on the other.

The evolution of economic co-operation and in particular the system of economic aid has both symbolic and material components. Since the second world-war four major changes have occurred in the evolution of foreign aid. First, mechanisms for transferring resources have moved ad hoc arrangements to institutionalised rules and practices. Second, the flow of aid resources has shifted from war depleted states to poor Third World recipients. Third, principles shaping aid have moved towards giving greater priority to the economic development of recipients. Fourth, multilateral channels for aid have expanded along with recipient power over aid.¹

Multilateral Aid Vs Bilateral Aid

By definition, multilateral aid programmes receive their resources from

Raymond H. Hopkins, "Aid For Development" in Edward Clay and John Shaw ed., <u>Poverty, Development and Food</u> (London: MacMillan Press, 1987) p.15.

a number of sources, both from countries and institutions and these resources are donated to a number of countries. Bilateral programmes donate their resources to a number of countries. Both types of programmes receive their resources from the sample production of the industrially developed agricultural products. A small proportion of multilateral aid comes from the current production of some developed countries. The major distinction between these two forms of aid is that bilateral aid is related to the national economic and foreign policy of the donor and is consequently overtly politically oriented, whereas multilateral aid attempts to be less partisan politically. Although each can use economic and social criteria for allocating its resources, in the main, these criteria predominate in multilateral operations. In bilateral programmes, national political considerations often overrule other criteria. The case for a multilateral aid institution in preference to the bilateral approach, rests primarily on its apparent freedom from narrow national political objectives and the consequent benefits to recipients which should result from an economically objective allocation of aid resources. Multilateral food aid volumes have been smaller than those of bilateral programmes reflecting the reluctance of nation states to transfer resources and sovereignty to international institutions.

Food Aid Provisions and Associated Problems

International Food Aid is not without complications and faces the

following problems:

- 1. What effects can international food aid have upon the development of the recipient country's economy especially the agricultural sector? What are the implications of food aid for the growth of developing countries' agricultural exports?
- 2. The effects of food aid Policy on international agriculture trade and the nature and purpose of the regulations which are accepted internationally to control surplus disposal of food.
- The problems of assessing the social and economic contribution of food aid donations to developing countries. How shall donations be estimated and aid projects be economically appraised? How are these problems related to the administration and management of food aid programmes?
 The problem of finding acceptable criteria for sharing the burden of the
 - The problem of finding acceptable criteria for sharing the burden of the costs of multilateral food donations in particular and international food aid policy in general.

In the practical work of food aid administration these problem areas have constantly shaped food aid policy, both bilateral and multilateral It would be naive to assume that food aid has as its major purpose the alleviation of

hunger and poverty.²

Aid in its various forms - whether financial, technical, military or food can be given for a variety of reasons.

The Brandt commission (1960) has stressed the self interest of the rich as a prime motive for the giving of aid in an increasingly interdependent world.³ The appeal to enlightened and constructive self interest in the rich industrial countries with agricultural surplus provides an apt opportunity and rationalisation for commodity aid. "The giving of aid in kind has arisen largely as an expedient outcome of the protectionist agricultural policies of the developed agricultural producers and not as a response to the immoralities of world hunger".⁴

Even though the term 'food aid' implies food given as grant, however, the greater part of 'food aid' is in the form of concessional sales of food to recipients from bilateral donors. Up to 1978 approximately 30% of bilateral donations were grants. All multilateral food donations have been given on a grant basis.

According to John Cathie (1988) food aid has been given to developing

² John Cathie, <u>Political Economy of Food Aid</u> (Chippenham Wiltshire: Antony Rowe Limited, 1982) p.2.

- ³ Brandt Commission (1960), <u>North-South- A Programme for Survival</u> (New York: Pan Publishers, 1982).
 - John Cathie, N.2, p.3.

countries for various purposes.

- 1. Food aid has been donated for the alleviation of natural disasters, famines and man made emergencies, such as civil war.
- 2. Food aid has also been given for use as an input into economic and social development projects and programmes, using food for work. These projects have as their purpose the relief of unemployment on the provision of infrastructure.
- Food aid has been given as the main input in nutritional programmes, to provide vulnerable groups with subsistence.
- 4. Finally, food aid has also been used to correct the macro economic problems besetting developing countries, such as balance of payment and budgetary disequilibria.

Food Aid against Financial Aid

Food aid does not offer a Panacea for food deficits and the economic development of recipient countries. It is generally agreed that it is undesirable for a developing country to become permanently dependent upon food aid, or indeed aid in general, since this can lead to a postponement of self sustaining economic development. The long term solution to the food deficit of less developed countries can ultimately be solved by an increase in their own agricultural output, by a change in the composition of their agricultural output, by an increase in their foreign exchange earnings, or by some other combination of economic and social policy.

As a form of aid, the donation of food surpluses is inferior to that of giving untied financial aid, since the recipient can purchase the food required with the later. In certain cases food aid may also be inferior to tied financial aid. However, this will depend on what end use has been specified for the tied finance. If food aid is donated to feeding programmes, or as a supplement to national development budgets, it may be assessed for its nutritional impact, in the case of the former, or it may be estimated economically, in the case of the later. However, when food donations have been given for a number of objectives, ie. both economic and nutritional, the estimation of the overall contribution of a programme or project presents difficulties. Indeed the estimation of the effects of food aid donations on recipient economies has proved to be a task where faith has often overruled analysis and demonstrated effect.

If food aid is sold on the free market of a recipient country at prices that are lower than the indigenous costs of producing similar agricultural commodities, or the same agricultural commodities, then it can damage local production. Such circumstances of unregulated sales of food aid may give rise to a unique form of aid which can be at the same time both beneficial and harmful to the developing economy in question. It has been suggested that inspite of the dangers inherent in food aid, of displacing local agricultural production, it is better than no aid at all.

In principle, it would be advantageous to developing countries, if instead of receiving food, they were given financial aid to purchase the goods and service which they judged most useful in the most competitive markets. However, in practice, the superiority of financial aid over food aid is not decisive in shaping international policy since it is politically convenient for donors to give food surpluses, but not to give untied financial aid. "It is a negatively acquiescent view that given the alternative of no aid, food is better than nothing".⁵ Even for famines and emergency purposes food aid may not be regarded as superior to untied financial aid and there is enough evidence to suggest that political conception, administrative inadequacy and Logistic blunders have turned many emergency food supply operations in to a fiasco of incompetence.

In several donor countries, including some of the largest, public opinion seems to be more ready to support food aid rather than general assistance.

Ibid, p.5.

This may be the result of pressure from economic groups who are anxious to increase production and agricultural exports. In addition, humanitarian aid such as feeding the destitute, famine relief and raising nutritional standards has an emotional appeal much cultivated by lobbyists and governments in surplus producing agricultural countries.

In a study of the employment guarantee scheme (EGS) in Maharashtra, it was found that the food element was the greatest attraction. Other instances for Angola and Mozambique showed that the cash component was irrelevant as nothing could be bought with it. The food was all that mattered.⁶

Examples from Bangladesh show that the weakest and most disadvantaged can benefit from food aid projects. But there is evidence that the economically and politically powerful still find ways of capturing a bigger share of benefits, for example as the public investments increase land productivity, the assets held by the rich obtain windfall gains. Food has the advantage of being highly visible, especially if it is exotic or distinctively packaged, but evidence for larger programmes shows leakages of about a third

Hans Singer, John Wood and Tony Jennings, <u>Food Aid: The Challenge</u> and the Opportunity (Oxford: Clarendon Press, 1987) p.49.

of resources up to site level from a range of malpractices.⁷ Whether financial aid would be any better than food aid is disputable, some leakage seems to be inevitable given a bureaucratized allocation of resources, whether in poor or rich countries. The example of a WFP Food for Work Project in Ghana Shows that while funds may be released as whole or part payment of wages they may not reach their intended purpose. This situation was dealt with in a WFP evaluation report on the project in 1983.

There is an important sense in which the developed countries have in practice made their food aid commitment to the developing countries in a 'cheque' form, and as a result the food security concerns of developing countries has been reduced. The objective of food security intervention is usually to boost food consumption and real incomes of a group, region, country, or even globally, where there is a danger of shortfall below acceptable levels. During the 1972-74 world food crises the overall impact of food aid, as experienced in countries such as Srilanka and Bangladesh, as well as the food supply system as a whole, was to make matters worse. This happened because the food aid programmes of major donors, especially the US and Canada were budgeted on an annual basis in financial terms, and individual country programmes were also organised on an annual financial basis rather than in volume terms as

Ibid.

7

commodity commitments. As world market food prices rose the real value of the cheque committed by the donors fell. So in a crises, just when food flows should have risen, in fact, they were reduced to a third of the levels in the late 1960s.

In so far as the choice exists between food and a cheque for finding a project, some evidence shows that it is the food that is disbursed much more quickly. Estimates for Bangladesh show generally between 75% and as much as 88 per cent of the cumulative commitment of food aid disbursed in a year, which is considerably more satisfactory than disbursement of financial aid in Bangladesh. In practice the stages in the project cycle of identification, design, and appraisal, far more projects take much longer than sorting out the specifics of a food aid flow for emergency relief. This may mean the difference between life and death.⁸

Checks in International Food Aid Policy

Food Aid Policy emerged as a permanent feature of international aid policy with the temporary introduction of the 'US Food Aid Programme' & 'Public Law 480', in 1954. Three distinctive phases in food aid polices are

Ibid, p.53.

identified by John Cathie (1980), over the year 1954-1980.⁹ They are characterized as:

- 1. Surplus Disposal Policies
- 2. Surplus Utilization Policies
- 3. Residential Policy

The first phase of food aid policy, surplus disposal policy, lasted from the introduction of PL-480 in 1954 until 1966. The main justification of the U.S. food aid policy during these twelve years was the convenience that the programme offered to the government in disposing of accumulating, costly to store agricultural surplus production. As internal agricultural policy helped stimulate unwanted produce, a new adjunct to the foreign policy, which by reducing the growing mountains of grain promoted the U.S. foreign policy image, as the bounteous giver of bread to a hungry world. A domestic public vice was being transformed in to a foreign policy virtue. From 1954 to 1958, surplus agricultural commodities were bartered, mainly in Europe, for other commodities which were stockpiled in the U.S.A. Protests by Canada and Australia over the practice of bartering curtailed and eventually ended this method of disposing of surplus agricultural production that was surplus to market requirements. Instead of bartering, food was offered as aid at

Cathie, n.3, p.6.

concessional prices, mainly in Europe and the far East although some grants of food were given to the emergent independent countries.

A major change in U.S. food policy was introduced in 1966, when PL 480 was renamed the 'Food for Peace Programme'. The phase of surplus utilization policy lasted from 1966 to 1971 and the new surplus disposal programme emphasized what was considered the positive and constructive use that surplus donations could be put to in poor countries.¹⁰ Food surplus, it was argued, was a form of capital and investment, no different from financial capital and equally beneficial to the recipient country. To allay fears that the food for Peace Programme would not Pauperize recipients, the self-help clause was introduced in to PL 480. This clause sought to introduce criteria for aid administrators, ensuring that recipients were taking steps to increase their own level of agricultural growth and economic development. It became apparent by the late 1960s that the policy of surplus utilization would not solve or alleviate the costly farm policy programme and that a change in farm policy, was therefore necessary. In 1966 the USA finally accepted the idea of a multilateral food aid programme and gave support to the World Food Programme'. Both Japan and European Economic Community established their

¹⁰ Ibid, p.7.

own food aid programmes in 1968.¹¹

The third phase of international food aid policy termed 'residual policy', can be identified from 1971, with the reduction of the US role as the food aid donor and the emergence of the World Food Programme and the European Economic Community food aid programme.

Thus, the emergence of international food aid policy is an indirect and secondary outcome of the policy of agricultural protection. The instrument of protection favoured by the USA from the 1930s to the late 1960s was in the main farm income support through a policy of stock accumulation. Food aid policy was a rationalized, politically expedient means of reducing the costs of surplus production and at the same time justifying farm policy to the American taxpayer. The EEC Commission at present favours a policy of stock accumulation as a means of supporting its agricultural sector and its food aid programmes have accordingly grown since 1968. The relationship between international food aid policy and protection in agricultural trade is clear and undisputed and the food aid policy of the European Economic Community has more than an element of deja vu.

¹¹ Ibid.

What Motivates the Donors?

Multiple interests support Aid. The principle goals of these interests have been identified in a number of studies of aid. Broadly categorized, these are political, economic and humanitarian.

i. **Political Goals**

In its broadest sense food aid provides legitimacy for the international economic order established after the Second World War. This includes respect for organizations such as the IMF, the World Bank and the United Nations. The rules for the provision of aid are set by the industrialized North and have been only partly resilient to changes proposed by the South. As a result facilities for assistance at the IMF and World Bank have expanded, developing countries have been able to encourage new funding programmes such as the UNDP and the International Fund for Agricultural Development (IFAD) and more lenient criteria for lending adopted. "All this has helped keep a broad constituency of support for international liberal capitalist rules, including rules of debt repayment and accountability of aid".¹²

12

Raymond H. Hopkins, n.1, p.161.

Bilateral aid, Pursues more specific political goals. Most common of these is the cementing of foreign policy accords between donor and recipient, as between the Soviet Union and Cuba, France and Senegal, or the USA and the Philippines. Also governments receive support according to particular donors own predispositions. These flows change with changing political relationships. However, in other cases specific political relationships may be involved for example Soviet aid to Vietnam can be associated with the Soviet naval base at Camn Rahn Bay, while US aid to the Philippines is closely tied to naval and air bases there. Political goals within a recipient country may be pursued through aid. Donors may wish to help avoid domestic turmoil by maintaining middle class satisfaction or may wish to bolster the power of a particular group, usually the one currently in control of the government, by providing aid designed to enhance that group. These considerations affect the terms under which aid is given and the projects or programmes supported.

ii. Economic Goals

Stabilising the World's economy and to stimulate the expansion of production and trade is the broadest of the economic goals for aid.

As targeted to particular countries, other economic goals of aid usually include ensuring that the aid providers own economy, or particular groups within it, will benefit from exporting their goods to recipients and will secure other trading opportunities in recipient countries. Aid is frequently tied to purchases or personnel from the provider, and with food aid, to commodities the provider has to export. Donors also tend to favour recipients which promise stable investment arenas.

iii. Humanitarian Goals

There is widespread recognition of the yawning gap between the high levels of well-being enjoyed by people in northern industrial states and the impoverished conditions of those in poor, less developed ones. Food aid is supported by groups who feel a moral obligation to reduce this global inequality. in addition, specific elements of suffering caused by droughts, civil upheaval or chronic poverty are targets for relief. This occurs when aid is given to help particular categories of people within states, such as refugees, famine victims, or mothers and infant children. The basic aim here is redistribution and direct benefit to those viably suffering. This motivation is reflected in the dramatic increase in food and other assistance to Africa in 1984-85 in response to developing famine conditions. These humanitarian goals lead to reprogramming of aid usually available for other purposes and also supported increased aid.

Development as a goal both, transcends humanitarian aims and is in competition with them. Hungry drought victims must be fed and rehabilitated before they can participate in economic development. Money to cement a political alliance can still be invested in ways that serve economic goals. If development outcomes occur, marked by increased efficiency of production and equitable distribution, other donor goals are usually also advanced. Development can thus be pervasive, even when other aid goals dictate particular allocations.

Food Aid- Monitoring and Evaluation

Donor concern over the efficacy of the distribution systems in recipient countries, and the controls set up to ensure that the food actually reaches the intended beneficiaries, frequently led to donor requests to recipient countries to permit the mounting of various kinds of evaluation or review missions and studies, or even to post their own monitors to the recipient country. In this way, end use became a nagging concerns not just of the donor but also, by reflection as much a worry for the recipient countries wishing to ensure a continued flow of donor food aid.

There are many who argue quite strongly that any concern over control on the part of the donor is ill founded, since it is none of their business once the food aid has reached the recipient country. "As the historical evolution of food aid programmes has shown this was the view held by most of the donors originally admittedly, not out of any particular concern for the feelings of sovereignty of the recipient country, but rather because, at a time when food aid was essentially a question of shovelling out surpluses, no one very much cared what happened to the food, provided it arrived safely at the port of destination."¹³ However, with the growth in the volume of food aid, and the increasing amounts of tax payers money in the producer countries going into price support or production subsidies, questions began to be asked. Also, various rumours and reports were circulating to the effect that food aid was probably going to support armies rather than deserving civilians, or that food aid donated to one country was being sold to a third country. In 1963 such a case occurred when the vessel Star of Alexandria put into Anaba harbor in eastern Algeria carrying a cargo of US Title II maize donated to Egypt, along with a load of Russian rockets and hand grenades all destined for the guerillas in Angola, blew up spectacularly in the harbor and what remained of the maize was sold in the local market in Anaba. A rather more legitimate reason for concern about food aid shipments was the possible disincentive effect of large

Hans singer, John wood and Tony Jennings, N.6, p.149.

shipments on local prices and thus the depressive effect on local production. By the early 1960s grant aid became almost synonymous with project aid in which various conditions relating to recipient categories, modalities of operation etc. were laid down in an agreement between donor and recipient. Once this happened both donor and recipient had an interest in seeing that the terms of agreement were respected, and that in turn meant controls supervision and so forth.

Despite all this, those who argue in favour of scrapping controls maintain that the initiative for them came solely from the donors and not the recipients and still maintain that it would be preferable just to give the food away or write a cheque instead. But this we have already discussed in this chapter before.

Concessional sales of bulk grain, or even of grants in that form, under programme food aid do not differ in essentials from normal commercial transactions of the same commodities, and are subject to the various checks and controls on discharge etc. Possible losses are confined to a narrow field of operations say from ship to port to central warehouse. Donor responsibility ceases upon acknowledgement of the receipt of the agreed quantities by the recipient government and upon settlement of any insurance payment claims. A number of control techniques are practiced both by donors and recipients in respect of project food aid; these may be classified under the general heading of monitoring and evaluation, each with a number of variants suited to local conditions.

Monitoring

Its main objective lies in the field of accountability. Monitoring may be defined as a continuous overview of a given activity with the aim of establishing how far the various inputs into the project or activity are able to satisfy its stated objectives and to provide corrective action as and when there arises any deviation from, or non fulfillment of, that objective. Monitoring, consequently, enables a satisfactory quantitative control to be operated and can indicate whether the food aid is getting to where it is supposed to go.

Evaluation

Evaluation generally complementary to monitoring is basically designed to answer a wider concern frequently voiced by donors, namely is food aid being used to best effect? Put in another way, monitoring can indicate whether the food aid is getting to its designated target but it cannot answer the question as to whether this is actually the best place for it to go. This involves qualitative considerations and a measure of value judgement which could lead to changing or modifying the objectives themselves. Monitoring can only operate within the framework of presented objectives.

Chapter 5

CONCLUSION

 \mathbf{T} he social and economic viability of countries has depended upon their ability to generate food surplus and to provide adequate nutrition for their populations. These requirements are no less important today and will continue to be important in the future. The challenges of meeting these requirements and ensuring an element of food security are formidable both economically and environmentally. It is estimated that by the end of this century the earth will have to support an additional 1.3 billion persons with an average purchasing power well above 1980 levels.¹

To satisfy this growth in economic and physiological demand for food will require two major initiatives. First, global food output will have to enhance by as much as 40-50 percent. The majority of this growth must take place on the existing land base by narrowing the yield gap without sacrificing the environmental basis for food production. Moreover, the growth of food production ideally should also serve goals other than nutritional ones. Expanding the productive capacities of the food system can allow expanded employment opportunities, particularly in developing countries. If these opportunities translate in to higher real incomes, rural population growth and

John T. Pierce, <u>The Food Resource</u> (Hong Kong: Longman Scientific & Technical Group U.K. Ltd., 1990), p.297.

migration to cities can be reduced and saving rate and local economic development improved.

A second challenge facing agriculture is to provide for a more equitable access not only to food but to the resources required for its production. This second challenge highlights a central canon of the food problem. While increase in food output and production per capita are a necessary condition for alleviating hunger they are not a sufficient condition. The means not only to produce but also to purchase the food must be present.

Malthus never fully anticipated the miracles of technological innovation, which, despite population doubling and redoubling, have so far kept at bay the threat of food supplies falling below the level where life can be sustained. Instead, the 1980s saw a near balance in growth of population and per capita food production in many regions: in fact, for the whole world as a whole, per capita food production increased by 5 percent.²

As a consequence, it has led to a complacent assurance that

Per Pinstrup-Andersen "World Food Trends and Future Food Security: Meeting Tomorrow's Food Needs without Exploiting the Environment" in International Food Policy Research Institute's <u>Food Policy Statement</u> <u>No.-18</u>, (New York: IFPRI,March 1994).

technological innovation will always be able to conjure up adequate supplies to feed a growing population. Many countries and institutions have even begun to cut back their investment in the very agricultural research that has made it possible to feed the world in the past.

Overall positive trends disguise wide disparities in production and distribution of food among regions. Today more than 700 million people in developing countries do not have access to sufficient food to lead healthy, productive life. More than 180 million children are underweight. As many as 500,000 pre-school children go blind each year as a result of vitamin A deficiency.³ Lack of micronutrient such as vitamin A and iron not only causes suffering and death but also cuts deeply in to productivity. Efforts leading to research and policy could help in changing diets to eliminate much of this suffering.

Although enough food is now being produced in the world to feed everyone if it were evenly distributed, access to adequate food is largely governed by income. Of the 1.1 billion poor people in developing countries in 1990, 50 percent were in South Asia, and 19 percent in Sub-Saharan Africa, 15 percent in East Asia, and 10 percent in Latin America. In South Asia and

³ Ibid.

Africa 50 percent of the regions populations live in poverty. While significant reductions are expected in both South Asia and East Asia, the poor in Africa are expected to increase by 40 percent by the year 2000.⁴

In the 1980s food production increased by 30 percent. Although this increase seems impressive, it is less so in the light of population growth. On a per capita basis, 75 developing countries produced less food per person at the end of the 1980s than at the beginning. Except in Africa, 80 percent of the production gains came from increased yields in major cereal crops.⁵ The area cultivated has actually begun to decline in some regions. From now on, however, even Africa which has always relied on cultivation of new land for production increases, will have to count on yield gains or pay high financial and ecological costs for expansion into areas not yet cultivated.

Yield trends have climbed steadily upward in all major cereals since the 1960s, but some experts detect a tapering off. In China, for example, rice yield growth rates have slowed from more than 4 percent a year in the late 1970s to about 1.6 percent a year during the 1980s.⁶ The stagnation in the past

- ⁴ Ibid.
- ⁵ Ibid.
 - Ibid.

decade in per capita grain production in developing countries is causing concern because factors in addition to population growth are pushing up demand. Expected growth in world feed grain demand is more than twice the expected population growth.

For the past few decades food supplies have been sufficient to assure that international food prices increased less than other prices. Recent projections by the International Food Policy Research Institute indicate that real food prices are unlikely to increase significantly during the remainder of the 1990s. Low food prices in the world market does not ensure that more people will be fed as poor people cannot express their demand for food because they cannot buy it. Since price is a product of both food supplies and economic demand, low prices indicate the persistence of poverty and a lack of sufficient purchasing power as well as increasing food production.

If sustainable balance between world food production and food needs is to be achieved in the coming years, four conditions must be met: (1) Economic growth must resume or increase in the developing world especially in sub-Saharan Africa; (2) effective policies to reduce population growth and to slow rural to urban migration must be adopted; (3) resources must be committed to development of rural infrastructure to continuation of international and national agricultural research, and to provision of credit and technical assistance to give farmers access to modern inputs; and (4) measures must be developed to manage natural resources and to prevent environmental degradation.

These conditions can be met by an effective use of food aid, particularly as a developmental resource. If properly administered food aid can serve as an effective instrument for the relief of hunger and malnutrition and as a useful adjunct of other forms of foreign aid designed to accelerate the economic development of the third world.

The potential utility of food aid as a supplement to more conventional forms of foreign aid has been accepted by both the aid giving agencies and academic critics. During the early sixties, food aid was severely criticized as a selfish device of the United States to rid itself of politically embracing stockpiles of surplus agricultural products which were detrimental both to the commercial agricultural trade and the proper development of the agricultural productive capacity of recipient nations. It is now conceded that properly conceived and administered food aid programmes can be made consistent with the overall developmental needs of the recipient and that although any effective food aid program must have some adverse impact upon the commercial agricultural trade interests of developed and developing countries and also upon the recipient's agriculture, these can be reduced to acceptable levels.

Food aid is an area of economic and foreign policy that has a deep emotional appeal. On the surface it seems reasonable that food which cannot be used in North America or Europe should be given to feed the hungry of the third world. Food aid policy, like other economic policy instruments, does not operate in isolation or without contradiction in the pursuit of its intended goals. While the feeding of hungry people is a commendable aid in itself, using food aid for the furtherance of economic and social development is a much wider and less clear goal to achieve. The role of food as aid is constrained by the effect of food aid policy on commercial agricultural trading interests. Food policy can involve stabilisation policy, disposal policy, trade policy, finance and reserve policy as well as, of course, foreign policy.

The donating of food as aid to developing countries stems from the presence in developed agricultural countries of large volumes of costly to store surplus (wheat) commodities. These surplus holdings were the direct outcome of policies of agricultural protection pursued by the governments of many developed countries. Food aid policy is a secondary policy outcome or residual policy of government intervention in the agricultural sector of the economy. If free trade existed in agriculture and in international agricultural trade, then the volumes of surplus commodities available for food aid would virtually disappear. Upto to 1963, food aid has been donated bilaterally, with the USA dominating world food aid donations. However, in 1963, a multilateral agency, the World Food Programme, was established to distribute food aid in a manner that differed from bilateral distribution where bilateral programmes allowed the governments of recipient countries to distribute food donations through open market sales, multilateral food donations were distributed to specific projects. Multilateral food is distinguished from bilateral food aid in that the latter has a wider set of donor objectives such as the promotion of commercial interests and national foreign policy objectives over and above those of assisting the economic and social development of recipients.

Despite the rapid growth of the World Food Program and the inclusion of the Food Aid Convention within the last two International Wheat Agreements, must food aid is conducted bilaterally under programmes unrelated to the economic factors responsible for agricultural imbalances. Considering the Geopolitics of food aid, we can firmly state that multilateral aid will go a long way in reducing conflicts and will be helpful in the provision of relief for emergency or for developmental purposes, without arousing

suspicious from any quarters. Over the past decade many proposals have been offered to change this picture to one in which multilateral food aid programme would dominate.

The World Food Programme has given aid to a wide variety of social and economic projects in large number of countries. In the programme's own estimation, half of its food aid projects have failed to achieve the goals that were set out for them. A number of projects failed because food itself was inappropriate as a development incentive. However, all the cases of project failure cannot be accounted for by the nature of food aid. The reasons offered by the WFP for this failure are: inadequate recipient government pre-project planning and poor organisation of projects by recipient governments. The WFP explains these factors in terms of the shortcomings of the administrative structure in many developing countries.

One cannot, of course, be sure exactly what the future will hold for food aid, but there are a number of developments on the horizon which could form a basis for forward planning. There is, an almost certain concentration on the problem of Africa. One can be reasonably sure that food aid will have an important part in the additional mobilization of external resources for Africa, with special emphasis on helpings to finance the transition from emergency and relief in the many African countries recently affected by various kinds of emergency, to rehabilitation and development, and the prevention of future famines, specifically including the establishment of stabilization food reserves for this purpose.

As a result of the recent famines and emergencies there has already been an increased concentration of food aid on Africa; much experience has been gained in recent years, and in particular the NGOs have increasing links with Africa. Food aid is more concentrated on the poorer countries than is financial aid so there is a natural enhancement of the role of food aid in the total picture as a result of the emerging central role for African in the international aid picture.

There has also been an increasing realization of the vulnerability of children, of the importance of preserving the future human capital of poor countries in times of recession and enforced adjustment and of building future development on the better utilization of potential human resources.

Another development that one may hopefully look for is the increasing development of food strategies, with priorities for domestic food production, by developing countries themselves. This would enable the food aid to be given more frequently in bulk or programme form, trusting the recipient government to make proper use of the additional resources, inline with international donor objectives as well as their own.

From the discussion of the policy issues and problems of multilateral aid it can be concluded that when food is given as aid for famine relief and emergencies, it is superior to untied financial aid. However, when food aid in given for general development purposes and projects, it creates problem for agricultural production, trade and growth in the developed and developing world. In this case food as a form of aid, by virtue of being tied to both commodity and source, is inferior to untied financial aid. As a means of promoting economic development in developing countries, food aid is subject to limitation because of the types of operations that can be undertaken using food as an incentive. It is difficult to ensure that food aid operations will be successful in achieving goals other then that of improving consumption **Per Se**.

Food aid has remained and will remain a controversial subject of study. The Geopolitical dimension render food aid as a highly debatable and controversial subject of study. But with proper control and checks through monitoring and evaluation it is possible to make food aid, a very important and successful instrument for alleviating hunger, malnutrition, poverty and also to work towards developmental objectives through programmes like 'Food For Work'. Also, in order to remove the geopolitical bias of the donor country and also to ensure that no tags are attached to food aid with the motive of exploitation of the recipient, multilateral agencies like the World Food Programme and Non Governmental Organisations should be given more prominence. These multilateral organisation and non governmental organisations are more effective as they reduce bureaucratic hurdles and are also closer to the place of operation. Thus, we see that food aid has been effective not only in providing emergency relief but also in development of the recipient's economy. With proper implementation of food aid policy objectives it would not be an impossible task to eliminate hunger and malnutrition in the crucial decades and also food aid can help in the process of sustainable development.

BIBLIOGRAPHY

Primary Sources

- A Report of the Panel of the World Food Supply, "The World Food Problem", 1985 (New York: United Nations).
- Council for Agricultural Science, <u>Food Questions and Answers: Environment</u> <u>Issues, World Food Issues</u>, 1981.
- Department for Economic and Social Information and Policy Analysis; <u>World</u> <u>Population Prospects: The 1992 Revision</u> (New York: United Nations, 1993).

F.A.O., Report of the World Food Conference, 1974, New York.

, <u>Things to Come: The World Food Crisis</u> (Rome: UNIPUB, 1974).

, <u>In Service Consultation on Middle Level Training in</u> <u>Agricultural Marketing in Africa and Near East Country Staff</u>, (Rome: UNIPUB, 1974), Development Document no.12.

, <u>FAO Committee on Food AID Policies nad Programmes</u> (Rome: UNIPB, 1976), Development Document, no.34.

, Fighting World Hunger, (Rome: F.A.O., 1980).

______, FAO Economic and Social Development Paper-32, <u>Approaches to World Food Security</u>, (Rome: FAOUN, 1983).

_____, <u>World Food Security: Selected Themes and Issues</u>, (Rome: FAOUN, 1985).

, The Fifth World Survey, (Rome: F.A.O., 1985).

_____, The Fifth World Food Survey, (Rome: F.A.O. Italy, 1987).

, <u>Fighting Hunger</u>, (Rome: FAOUN, 1992).

Food and Agricultural Organization of the United nations (FAOUN), "Food Aid In Figures", 1983-1991, (Rome: FAOUN, Italy).

_____, <u>Food, Nutrition and Agriculture</u>, vol.1, 1991, (Rome: FAO, 1991).

, <u>FAO Quarterly Bulletin of Statistics</u>, (Rome: FAOUN, Italy).

IFAD, <u>IFAD Update</u>, September 1994, Issue no.12.

U.S., State Department Bulletin, Food Aid to Lebanon, July 10, 1987.

- United Nations, "Operation Lifeline Sudan Launched; 100,000 Lives at Stake, <u>UN Chronicle</u>, vol.26, no.35, June 1989.
- United Nation Economic Council, Committee for Development Planning, <u>Report</u> <u>on the Twentyfifth Session</u>, 9-12, May 1989. United Nations Economic & Social Council, 14 June 1989.
- World Food Programme (W.F.P.), "<u>Annual Report</u>", 1987-1990, (Rome: W.F.P. Italy).
- World Bank, "<u>World Development Report</u>", 1989-1991, (Washington D.C.: World Bank).

World_____, "Food Aid Review", 1990-1992, (Rome: W.F.P. Italy).

World_____, "Food Aid, Policies and Programmes 1987- 1988, (Rome: W.F.P. Italy).

Secondary Sources

- Bard, Robert, L., <u>Food Aid and International Agricultural Trade: A Study in</u> <u>Legal and Administrative Control</u>, (Massachusetts: DC Heath and Company, 1972).
- Biswas, Margaret and Andersen, Pinstrup, <u>ed.</u>, <u>Nutrition and Development</u>, (Oxford: Oxford University Press, 1985).
- Blaxter, K., <u>People, Food and Resources</u>, (London: Cambridge University Press, 1986).
- Cathie, John, <u>The Political Economy of food Aid</u>, (Chippenham: Anthony Rowe Limited, 1986).
- Clay, Edward and Shaw, John <u>ed.</u>, <u>Poverty Development and Food</u>, (London: MacMillan Press, 1987).
- Clydesdale, Fergus M. and Francis, Frederck J., <u>Hunan Ecological Issues: A</u> <u>Reader</u> (London: Kendall Hunt, 1982).
- Cochrane, Willard Wesley, <u>The World Food Problem</u>, (New York: Crowell, 1969).
- Dreze, Jean and Sen, Amartya, <u>ed.</u>, <u>The Political Economy of Hunger</u>, <u>Entitlement and Well Being</u>, (vol.1) (Oxford: Clarendon Press, 1990).
- Dumont Rene and Cohen Nicholas, <u>The Growth of Hunger: A New Politics of</u> <u>Agriculture</u>, (London: Marion Boyars, 1980).
- Eckholm. P. Erik, <u>Losing Ground</u>: <u>Environmental</u> <u>Stress and World Food</u> <u>Prospects</u>, (New York: W.W. Norton and Company, 1976).

Etienne, G., <u>Food and Poverty: India's Half Won Battle</u>, (New Delhi: Sage Publications, 1988).

Fallows, Stephen, The Food Sector, (London: Routledge, 1990).

Fergueson John, E., <u>The Western Allies and the Politics of Food</u>, (New Hamphire: Berg Publishers Ltd., 1985).

Fyson, Nance Lui, World Food, (London: BT Batsford Ltd., 1972).

- Galal, Amin, A., <u>Food Supply and Economic Development</u>, (London: Frank Cass & Co. Ltd., 1966).
- George, Susan, <u>Feeding the Few: Corporate Control of Food</u>, (Oxford: Oxford University Press, 1979).

Goldstein, Eleavor C., ed. Food, vol.1, 1977.

Grigg, David, <u>The World Food Problem 1950-1980</u>, (Oxford: Basil Blackwell Ltd., 1985).

Harle, Vilho ed., The Political Economy of Food, (London: Saxon House, 1978).

- Johnson, Gale, D., <u>ed.</u>, <u>The Politics of Food</u>, (Chwago: The Chicago Council on Foreign Relation, 1980).
- Krupadaman B.J.B., <u>Food Diplomacy: A Case Study of Indo-US Relations</u>, (New Delhi: Lancers Book, 1985).
- Lawrence Peter, <u>ed.</u>, <u>World Recession and the Food Crisis in Africa</u>, (London: James Curry Ltd., 1986).

McCarthy, A, "Sharing the Loaves (Food Aid)", Common Weal, April 5, 1985.

_, "Give and Take (Food Aid), <u>Common Weal</u>, May 31, 1985.

Pierce, John, T., The Food Resource, (Hong Kong: Longman Group Ltd., 1990).

- Sachs. Ignacy and Silk Dana, <u>Food and Energy</u>, <u>Strategies for Sustainable</u> <u>Development</u>: (Hong Kong: United Nations University Press, 1990).
- Shafi, Mohd. Aziz, A ed., <u>Food Systems of the World</u>, (Jaipur: Rawat Publications, 1989.
- Singer Hans, Wood John, and Jennings Tony, <u>Food Aid: The Challenge and the</u> <u>Opportunity</u>, (Oxford: Clarendon Press, 1987).
- Srivastava, Uma, K., <u>Food Aid and International Economic Growth</u>, (Iowa: Iowa State University Press, 1975).
- Stainier, B, and Shoham, J., "Food Aid and Food Habits", <u>Courier</u>, vol. 401, no.32, May 4, 1987.
- Stanglin, D., "Making Sure Aid is Delivered to the needy, not the Greedy", <u>US</u> <u>News and World Report</u>, vol.112, no.56, Jan.20, 1992.
- Super John, C. and Wright Thomas C, ed., <u>Food, Politics, and Society in Latin</u> <u>America</u>, (Lincoln: University of Nebraska Press, 1985).
- Talbot, Ross, B, <u>The World Food Problem and US Food Politics and Policies</u>: 1972-1976. (Iowa: Iowa State University Press, 1977).
- Tucker, J.B., "In Ethopia, Food is a Weapon", <u>Nation</u>, vol.242, Feb. 8, 1986, pp.140-42.
- Tyagi D.S., and Vyas, V.S., Ed., <u>Increasing Access to Food: The Asian</u> <u>Experience</u> (New Delhi: Sage Publication, 1990).

Valdes, Alberto, <u>Food Security for Developing countries</u>, (Boulder: Westview Press, 1981).

Vicker, C.Ray, This Hungry World (New York: Charles Scribner's Son, 1975).

Journals/Articles

- Bethell, T., "Exporting Famine: Food Aid" <u>The American Spectator</u>, vol.26, December 1993.
- Breslau, K., "From Germany With Love (Food Relief)", <u>News Week</u>, vol.116, no.36, December 17, 1990.

Brown, G.E., "The Politics of Feeding the Hungary" Futurist, Feb. 1985.

- Dimbleby, J., "The Politics of Starvation", <u>World Press Review</u>, vol.35, no.64, May 1988.
- Duffy, B., "The Old guard Feeds at the Aid Trough" (Food for Progress Program)", <u>U.S. News and World Report</u>, Aug.23, 1993, pp.38-39.
- Gibbs, N.R., "Rescue Mission (U.S. Offers Food Aid)", <u>Time</u>, vol.136, December 24, 1990, pp.16-18.
- Kvint, V., "Food for Peace or for Civil War" <u>Forbes</u> vol.17, January 21, 1991, pp.39-40.
- Lappe, F.M., "Democracy and Dogma in the Fight Against Hunger", <u>Christ</u> <u>Century</u>, vol.103, Dec.10, 1986, pp.1115-17.
- Manning, R.A., "Deciding on the Victims as the axe hits foreign aid." <u>US News</u> <u>& World Report</u>, vol.101, no.95, Aug 18, 1986.

Sethi, J.D., "The Politics of Hunger", World Press Review, Feb. 1985.

Struthers, S., "Saving the Poor: Learning how to feed all the Earth's children may be our greatest challenge", <u>New York</u>, Nov.1990.

Varnis, S.L., "Policy and Performance in Ethopia", <u>Society</u>, vol.25, Sept.-Oct. 1988, pp.38-41.

Watson, R., "The Sudan: Food as a Weapon" Newsweek October 24, 1988.

TH-5504