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A Review of " A Review of the U.S. Food Aid Program"

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A REVIEW OF
"A REVIEW OF THE U.S. FOOD AID PROGRAM"

By

Thomas T. Poleman

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"A REVIEW OF THE U.S. FOOD AID PROGRAM"*

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This is an uneven paper. The final four sections contain valuable summaries of the history of food aid, possible alternatives before us, and the pros and cons to donor and recipients. But the introductory section--40 percent of the paper--is given over to justification of food aid in terms of world hunger and its alleviation. It is to this questionable analysis that I will devote my comments.

The data picture with respect to food and agriculture in most LDCs is such that you can prove just about anything you choose. Accurate evidence on levels of production and consumption is almost everywhere wanting. Serious national food evaluations, in consequence, are characterized by great caution and circumspection. The trouble begins when regional or global sums are done; and here I feel sorry for the poor analyst. He is reluctant to add up a series of caveats, but in effect is instructed to do so. It is a situation ripe for "garbage in, garbage out."

But we do know certain things. First, it is safe to assume that estimates of production and consumption understate--according to some analyses we have done of Asian countries, by from 10 to 15 percent. Minor or exotic foods tend to be ignored by both the surveyor and the eater; and because the census taker is still equated with the tax collector, farmers minimize production. This sort of understatement could well eliminate the apparent shortfall in caloric availabilities reported in Table 2 for the lowest income countries.

Secondly, we know that nutritional requirements tend to err on the side of caution: to take into account individual variations and our still considerable ignorance about food needs. Of activity patterns--i.e., caloric needs--in developing countries we know very little. My reaction to the FAO "minimum" requirements used in Table 2 is that they are perhaps too high by 200 Calories daily. If they are not, many in Ceylon and Mauritius, two countries where I have worked which have fairly reliable data, would be much hungrier than they show evidence of being.

*Presented at the review of the draft paper "A Review of the U.S. Food Aid Program," U.S. Department of Agriculture, Washington, D.C., 9 June 1977.

Third, we know that it is the poor who suffer, and that average food availability figures have little meaning. Beyond this we tread with caution. Income distribution estimates for the LDCs are even shakier guesses than those on food. To be sure, the distribution of incomes is terribly skewed, but perhaps not to the degree shown in some of the more facile compilations. At the lower end of the spectrum much income is in kind and in the form of food. My personal hunch is that the poor do not suffer to the degree suggested by--say--the recent World Bank study. The more I study food behavior in the LDCs, the more impressed I am with the efficient and rational way in which poor people allocate their resources so as to get by on very little.

Finally, though we have very little evidence as to how the food available to a household is divided among the members, there would seem general agreement that shortfalls are most harmful to the nutritionally vulnerable--pregnant and lactating women and the preschool child. If food aid to a particular country is to be justified year after year on nutritional grounds, it must demonstrably benefit these groups.

With Title II, then, and the 1.3 million tons earmarked for it, there is no quarrel. The disincentives to domestic production are minimal. The problems lie in getting it to the right people. That school feeding programs may miss the nutritionally vulnerable is properly stressed in Section III of the draft, as are the infrastructure difficulties with maternity and child-health clinics. Though the latter require solutions expensive in both manpower and money, they warrant tackling. Clinics such as these afford an ideal means for influencing fertility behavior and are probably the only legitimate vehicles through which the U.S. should attempt to dampen rapid population growth in the LDCs.

Less is to be said for Title I. The nutritional grounds on which it is typically justified simply do not stand up. The availability criterion and the disincentives cheap imports can have to local production make it even more a mockery. In one of the better parts of Section I of the draft, it is noted that a slight increase in the rate by which production is projected to expand would have a mighty effect on the projected LDC grain deficit. Amidst all the doomsaying about world agriculture, it is frequently overlooked that the LDCs have managed to expand output no less rapidly than the developed countries. In view of the minimal priority given agriculture by most governments in the Third World, this is a remarkable achievement. Imagine what might have happened had the absence of concessional food forced governments to bite the bullet earlier: the experience of the last couple of years in Asia is suggestive.

This is not to argue that concessional sales should be eliminated altogether. For countries such as Egypt they have become a prop to the political stability of those with whom the U.S. makes common cause. Allowances should be made for such special cases.

Otherwise, the most constructive use to which U.S. surpluses can be put would be as part of a weather-linked, international grain insurance program, such as that proposed by Gale Johnson. This is one of few useful ideas to emerge from all the talk attendant to the recent "food crisis," and should be pursued with vigor. What the LDCs need is food security, not food aid.