

# PROJECT FOOD AID: TOOL FOR RURAL DEVELOPMENT?

MARK EDWARD ICE

*Properly utilized, project food aid has a legitimate role to play in development programming. Yet, because its budgetary costs are largely hidden and its rhetoric is so overtly humanitarian, it has been embraced uncritically and used indiscriminately. Evaluation has concentrated on the achievement of immediate, specific goals, such as the construction of a school or an irrigation canal. The author draws upon extensive field experience as a relief program administrator and a review of recent writings to assess the broader impacts of project food aid upon the complex socioeconomic environment of entire communities. In contrast to normal expectations, a feeding program can lead to a degraded nutritional status within the target group; an irrigation canal built by Food for Work can leave its rural laborers relatively worse off. These and other paradoxes are explored. In concluding, the author identifies some key considerations for improving the effectiveness and curbing the dangers of project food aid.*

## I. INTRODUCTION

Food for the hungry? Food for Work? . . .

Food for thought!

Driven principally by the immense commodity surpluses frequently generated by farmers and government policies in the United States — and, to a lesser extent, the European Economic Community — food aid is a commonplace of international diplomacy. It is often bundled with other forms of international aid to developing countries. Food aid is the *raison d'être* of the United Nations' World Food Programme (WFP), on the multilateral level, and the lifeblood of the largest U.S. private voluntary organizations, most notably CARE and Catholic Relief Services (CRS), for whom the combined value of donated food commodities and related commodity-transport subsidies represented 68 percent<sup>1</sup> and 75 percent,<sup>2</sup> respectively, of their 1985 public support. It is an important element in many other agencies' programs.<sup>3</sup>

---

Mark E. Ice is a candidate for the MALD degree at The Fletcher School of Law and Diplomacy.

1. CARE, *Annual Report: 1985* (New York: CARE, 1985), pp. 36-37. Agricultural commodities (556,000 metric tons) and government-donated transport were valued at \$239.4 million, out of public support totaling \$352.8 million.
2. Catholic Relief Services, *Annual Report: 1985 Financial Statements* (New York: CRS, 1986), pp. 2-3. "In-kind" contributions (primarily food commodities) and transport subsidies amounted to \$376.2 million, out of total public support of \$499.0 million in 1985.
3. John G. Sommer, *Beyond Charity: U.S. Voluntary Aid for a Changing Third World* (Washington, D.C.: Overseas Development Council, 1977), Annex A-Table 4.

*Program* food aid is largely made up of government-to-government financial transactions which involve various forms of concessionary loan and sale agreements. The United States' PL480, Title I ("Food For Peace"), established in 1954, is the largest program of this type.

*Project* food aid, on the other hand, is essentially a *grant* of commodities, in bulk form, for distribution in conjunction with specific projects. These projects are generally administered by international organizations, such as UNICEF, UNESCO, the U.N. Relief and Works Agency for Palestine Refugees in the Middle East (UNRWA), and the WFP, or by private voluntary agencies, the largest (in this context) being CARE, Oxfam, and CRS.<sup>4</sup>

This paper will confine itself to a discussion of *project* food aid, the category most clearly identified with development planning and the intergovernmental response to hunger.

## II. BACKGROUND

Project aid, typified by PL480, Title II, can be divided into three general categories:

1. emergency aid — relief assistance to refugees and victims of disaster;
2. targeted nutrition — intervention for specific groups of people judged to be "vulnerable" (pregnant/lactating mothers, infants, schoolchildren, etc.); and,
3. Food for Work projects, where food is partially or fully substituted for cash wages to laborers working on designated "development projects," such as constructing an irrigation system, an access road, a school building, or a hospital.<sup>5</sup>

In 1980, the equivalent of roughly \$2.5 billion was provided by OECD governments as food aid to developing countries.<sup>6</sup> Over 50 percent of this total came from the United States. To place these figures in perspective, however, we should note that the latter amount represented only 4 percent of total U.S. agricultural exports.<sup>7</sup> Program food aid, i.e. concessionary *sales*, accounted for 70 percent of the \$2.5 billion in total international food aid, while only 30 percent was provided for *free* distribution through project aid mechanisms. Jackson and Eade cogently argue that program aid should not even be properly categorized as *food* aid, since its aid component is really the concessionary "soft" terms (e.g., nonconvertible local currency repayment,

---

4. John R. Tarrant, *Food Policies* (Chichester: John Wiley & Sons, 1980), pp. 200-261.

5. Tony Jackson and Deborah Eade, *Against the Grain: The Dilemma of Project Food Aid* (Oxford: Oxfam, 1982), p. 3.

6. *Ibid.*, p. 1.

7. *Ibid.*, p. 121.

long grace periods, low interest) of the financial transaction, and not the food itself; it is a budget subsidy, first and foremost. Project aid, on the other hand, concentrates directly on the distribution of food to needy recipients, either as a “wage” or as a straight welfare transfer. As indicated above, it is *project* food aid which concerns us here.

Food for Work is a common form of bilateral and multilateral project food aid. It provides donated food for use as wages, in lieu of cash, for contracted work in specific development-related projects. A Food for Work project aims to meld “humanitarian” food assistance with other kinds of development aid to reduce immediate hunger and, in the longer run, to actively promote general economic development. Most other forms of project food aid are reactive in nature. Some are emergency-based, such as relief efforts following natural and manmade disasters, including refugee movements. Others are longer term interventions, such as supplemental feeding programs for mothers, children, and other groups considered particularly vulnerable to malnutrition. What these programs all have in common is the fact that the food is donated, and that it is assumed that the nutritional status of the target population will benefit.

#### AN ECONOMIC VIEW

The seductively straightforward intuitive logic of project food aid has found support in economic analyses, both simple and complex. To restate the general economic argument in very simplified form, we note the following:

- For individual incomes (and, thus, living standards) to rise, the surrounding national or regional economy must grow.
- As this growth takes place and incomes rise, general consumption also rises, creating an increase in the overall demand for food. When normal population growth is added to the increased consumption stemming from this “income effect,” the jump in demand can outstrip local production.
- Even under optimal conditions, it takes time to realize gains in productivity, and seldom are rural conditions optimal. Therefore, a gap between domestic food supply and demand tends to develop.
- In a *closed* economy (one where imports and exports are controlled by government policy, rather than by market forces) with restricted imports, the increased demand relative to supply “pulls” the prices of food higher, bringing inflation. An *open* economy will cover its domestic supply gap through increased imports, thereby diverting scarce foreign exchange resources from other capital goods imports — in essence, converting the food supply gap into a foreign exchange gap. This constrains further growth by preventing or severely limiting the accumulation and utilization of capital for

productive investment. Foreign capital can partially bridge the foreign exchange gap. Such capital might be in the form of commercially motivated long-term investment, or in direct cash grant assistance. Typically, however, the cumulative inflow of foreign exchange is not sufficient to eliminate the gap.

- Food aid (i.e. both program and project aid) is intended to narrow the gap between domestic food supply and demand by providing additional food, outside normal market channels, which does not require payment in scarce "hard" foreign currency reserves. These reserves can then be used for other growth-oriented purposes.

- Project food aid then makes one further step: if the food aid can be used as wages-in-kind to pay labor on development-oriented projects, then employment benefits and capital investment (in the form of improved infrastructure) can be added to the presumed nutritional gains from increasing the general food supply. By viewing nutrition improvement as an investment in human capital, advancement toward development goals can be claimed by targeted supplemental feeding projects and relief programs, as well.<sup>8</sup>

#### A NEGATIVE VOICE

Unfortunately, the logic of this diagnosis and prescription does not necessarily lead to the desired "cure." In many cases, the results of project food aid are highly ambiguous. All too often, they are *unambiguously* negative for the most vulnerable segments of a developing country's population — the very poor who were targeted for the benefits. What is even more unfortunate, often nobody notices.

Program food aid (i.e. subsidized sales and loans) has long been the subject of active debate, a debate which project food aid, in contrast, has largely avoided. The humanitarian coloring of its stated intent, and the decentralized manner of its implementation — through many different organizational entities in far-flung, remote locations — make project aid difficult to evaluate in the aggregate. At the level of individual projects, problems have been frequently observed, but optimistically judged to be isolated instances of faulty planning or flawed administration.<sup>9</sup>

Increasing numbers of experts seriously question the widespread use of project food aid as an ever-ready tool for international development or relief. While the body of literature devoted specifically to project food aid is very limited, it is growing — project aid is increasingly seen to merit more than

8. Srivastava et al., *Food Aid and International Economic Growth* (Ames, Iowa: Iowa State University Press, 1975), pp. 13-17.

9. Jackson and Eade, pp. 1-2.

a few paragraphs in a paper or a few pages in a book. This article will attempt to add to the discussion by relating personal field experience to the existing literature. In the process, I hope to highlight some of the major limitations which often leave Food for Work and other forms of project food aid seriously deficient as mechanisms for reaching their stated goals.

In his excellent and detailed analysis of food aid within the larger context of national foreign policy, Wallerstein notes:

Most of the arguments advanced in support of multilateral food aid consider the [World Food P]rogram's operation *in theory*, while most of the arguments critical . . . are based on the program's *actual* operation.<sup>10</sup>

My own viewpoint is significantly influenced by personal observation of actual food projects during 13 years of development and refugee work in Afghanistan, Malaysia, and, most recently, as the director of a major private voluntary agency medical relief program in Pakistan. The impact of project food aid is not uniformly and inevitably negative. If projects are carefully designed, and administered with a clear-eyed sensitivity to operational constraints and derivative economic effects, the addition of food as a *limited* component of some relief and development programs can be both justified and beneficial. If project aid is used indiscriminately or without careful attention to the local social and economic environment, however, it can prove to be distinctly counterproductive.

### THE POLITICS

*Project food aid is institutionalized.* Successive international Food Aid Conventions (FAC's) since 1967 have steadily increased the annual flow of combined bilateral-multilateral food donations directed toward developing countries. For many reasons unrelated to actual food aid requirements, most OECD nations, even net food importers like Japan and the U.K., have pledged increasingly large quantities of donated food for relief and development activities.<sup>11</sup> Since 1977, Congress has mandated that the U.S. contributions through PL480, Title II, should not fall below a "minimum standard tonnage," which was set at 1.7 million tons for 1981-82.<sup>12</sup> The effect of these pledges is that large quantities of donated food are committed on an annual basis, *whether needed or not*. The presumption: since hungry people exist, it *must* be needed.

---

10. Mitchel B. Wallerstein, *Food for War — Food for Peace: United States Food Aid in a Global Context* (Cambridge, Mass.: M.I.T. Press, 1980), p. 245. While Wallerstein's comment was made in specific reference to the multilateral World Food Program, it aptly characterizes the debate with respect to bilateral food aid projects, as well.

11. *Ibid.*, pp. 87-89.

12. Jackson and Eade, p. 123.

Food aid's important place in many private voluntary agency programs and budgets also creates a natural constituency of relief and development agencies favoring such regularized commitments.

*Project food aid easily disposes of surplus commodities.* The roots of food aid are solidly embedded in surplus commodity disposal programs that gradually developed charitable, humanitarian components.<sup>13</sup> Food aid programs continue to be heavily influenced by domestic surpluses and international market conditions — pressure to reduce food aid grows when world prices go up, and pressure to expand it mounts when prices go down.<sup>14</sup> Since its costs are largely hidden in domestic price and agriculture policies, surplus food appears to be a “free good,” with a low opportunity cost when compared to other types of foreign aid.<sup>15</sup>

*In a world of widespread hunger, project food aid is good politics.* A general acceptance of the arguments outlined above, and of other more sophisticated theoretical arguments, has made it easy for both donor and recipient governments to embrace project food aid uncritically, and to earn political capital from its humanitarian appearances.

### III. ASSESSING THE RECORD

It is to the great credit of Oxfam (U.K.), a voluntary agency dedicated to famine relief and a major distributor of project food aid, that it commissioned a comprehensive and critical evaluation of its stock-in-trade, commodity distribution through development projects. The result, *Against the Grain*, by Tony Jackson and Deborah Eade, convincingly supports their thesis:

[L]ong term project food aid does not overcome the problems it sets out to solve, and can even exacerbate them. While some programmes have successfully integrated food handouts with development work, these are very much the exception to the rule. In most cases, the commodity dictates the programmes and the food aid tail wags the development dog. What food aid proponents fail to acknowledge is that in most cases project food aid applies a first aid measure to a long term disease. It ignores the fundamental problem, which is poverty, and attempts to address the symptom, which is hunger. Poverty is an economic problem. The poor, by definition, lack money . . . [and] food aid is not an appropriate substitute.<sup>16</sup>

---

13. Wallerstein, p. 87.

14. Ronald Knutson, J.B. Penn, and William T. Boehm, *Agricultural and Food Policy* (Englewood Cliffs, NJ: Prentice-Hall, 1983), pp. 144-145.

15. Wallerstein, p. xvi.

16. Jackson and Eade, p. 5.

Elsewhere, Jackson and Eade further conclude that “large-scale project food aid is an inherently inappropriate means of promoting development”.<sup>17</sup> Their conclusions were not unique — other evaluators have suggested similar findings — but they brought the practical voice of the field worker into the discussion,<sup>18</sup> and the arguments ring true. Operations tend to begin with the expressed or presumed availability of food aid, to which a development or nutrition support project is attached. Evaluations of “success” then concentrate on the narrowly defined project goals (i.e. a road built, an irrigation canal dug, food supplements distributed to x-number of pregnant/lactating mothers, etc.), rather than the immediate and longer-term *effects* flowing from these immediate goals. Here, let us assess project food aid from the perspective of accepted food policy goals, as outlined by Timmer, Falcon, and Pearson:

- efficient expansion of the rural economy;
- improved distribution of income;
- establishment and maintenance of a nutritional floor for the most vulnerable among the population;
- improved food security and market stability.<sup>19</sup>

#### ECONOMIC GROWTH

In principle, most Food for Work projects are intended to raise long-term productivity by adding to the physical capital, or infrastructure, of a nation or region. In this way, they differ from grant aid, such as mass feeding after a disaster, or targeted supplemental feeding. With grant aid, in effect, the distribution of food allows both the supply and the demand schedules to “shift outward” (increase) temporarily. There is no longer-term change in the underlying economy, and upon cessation of the food distribution, everything reverts to earlier levels. With Food for Work, supply and demand schedules shift similarly; however, an additional and *permanent* boost should result from the project undertaken, through increased productivity and correspondingly higher incomes.

Srivastava et al. provide detailed equations for measuring these impacts, and then use these tools, and data from India, to analyze the varying effects of labor force makeup (urban-rural) and size of project on agricultural prices and income. They conclude that when productivity improves as a result of the work project, output will increase, and prices and incomes will be driven lower. If the project labor comes entirely from the agricultural sector, however, agriculture incomes are augmented by the value of the food aid “wage,” offsetting the income lost due to lower prices and, potentially, allowing total

17. *Ibid.*, p. 2.

18. *Ibid.*, pp. 2-3.

19. C. Peter Timmer, Walter P. Falcon, and Scott R. Pearson, *Food Policy Analysis* (Baltimore: Johns Hopkins University Press, 1983), p. 14.

agricultural income (including the food-wage) to rise. If we assume that a higher total agricultural income results in a proportionate increase in the demand for nonagricultural products, as well, the nonagricultural sector will also experience income growth, and all sectors of the economy will gain. Alternatively, when project labor is drawn from the nonagricultural sector, the net impact, they conclude, will be ambiguous. The authors also compare the effects of drawing project labor from different income-level groups, and determine that a relatively higher-income labor force has a greater negative impact on agricultural prices.<sup>20</sup>

The result of the above analysis is to reinforce the intuition: if the goal is to expand agricultural sector production and incomes, draw the project labor from the agricultural sector (ensuring that their food-wage offsets any price-loss effects), and from the lowest income-level of that sector. In other words, concentrate on the rural poor!

In practice, problems emerge. Regarding price elasticities, upon which the above model is based, Selowsky comments: "countries have consistently underestimated the long-run supply elasticities of agriculture, of exports and of other sectors where incentives have been adversely affected by policies aimed at short-run gains".<sup>21</sup> A seemingly small deterioration in crop prices may not change cropping patterns in one season; but, given a bit more time, the adjustments can be major. If these adjustments over time are unanticipated by policymakers, an entire development program can be undermined by the simple economic good sense of illiterate farmers.

Tarrant, also looking at India and Bangladesh, notes that the best season for undertaking a work project often coincides with the periods of peak annual demand for labor in traditional work, such as planting and harvest times. After competing with the farm labor market during its peak season, those same workers are again left idle during the slack season, when unemployment begets hardship.<sup>22</sup> Jackson and Eade cite a Mayan farmer in Guatemala, following the 1976 earthquake, who complained that he needed help to harvest his crops. Those who usually helped him were not available because of the competition provided by "easier" Food for Work jobs: ". . . they didn't have to do much in the 'Food-for-Work' program, just move around a little and they knew they would get their food in the afternoon . . . [while in the fields] it's hard work."<sup>23</sup>

Project design and implementation, at the field level, are frequently marred by inadequate background research and poor planning. An abundant pool of

---

20. Srivastava et al., pp. 57-62.

21. Selowsky in Charles K. Mann and Barbara Huddleston, eds., *Food Policy: Frameworks for Analysis and Action* (Bloomington: Indiana University Press, 1986), p. 103.

22. Tarrant, pp. 265-266.

23. "On the Receiving End," *Food Monitor* 7 (November-December 1978), p. 7, quoted in Jackson and Eade, pp. 32-33.



unskilled day laborers, coupled with project materials which are deficient in quality and/or quantity (food substitutes for wages more easily than it does for concrete!), can lead to heavily labor-intensive substandard construction. Together, poor project research, abundant labor availability, and inadequate or inferior project materials can result in irrigation systems which quickly crumble, or roads which disintegrate after one rainy season. If simple, "make-work" employment is the primary objective, success might be claimed. If the food "wage" is simply meant to improve nutrition — and is *large* enough to allow for a net gain over the increased caloric requirements of heavy physical labor — this might be accomplished, albeit only over the term of the project. Longer term development gains, however, or impacts on the demographic patterns of malnutrition, are minimal.<sup>24</sup>

In 1978, a Caritas official described the operation of "*conseils communitaires*," or community councils, in Haiti:

They construct roads in order to receive food . . . Where there is no more food, there can be no work. Goodbye food, goodbye road! If they got [sic] food in order to finish a road, they regret it as soon as they have finished the road. They only then wish for the deterioration of the road so that they can re-do it.<sup>25</sup>

A USAID report on the Haiti program notes, "Councils are often formed with a view to qualifying for food aid through work projects . . . Councils whose identity is linked to food aid tend to disappear when food aid is withdrawn."<sup>26</sup> The local term, "*konseys manjes*," or food council, evokes the dominant popular image of these "development" organizations.<sup>27</sup>

With reference to planning, Sommer adds an important caution against superimposing our Western values on a rural Third or Fourth World setting as a project's priorities and goals are identified: "The danger lies in the Western assumption — often misleading — that a village without a school or a hospital automatically needs a school or a hospital."<sup>28</sup>

This is not to imply that schools and hospitals are unnecessary; rather, that a critical perspective must be maintained in deciding the questions of when and where. A hospital or school is one tool, among many, for reaching toward better general levels of education or health. The structures, themselves, mean little until placed into a situational context, a context which can confer a valuable role as a part of a larger integrated whole. The school or hospital (or

24. Tarrant, pp. 265-266.

25. Chavannes Jean-Baptiste, "Development or Dependency?", *Food Monitor*, May-June 1979, p. 11, quoted in Jackson and Eade, p. 32.

26. Glenn R. Smucker, ed., "Food Aid and the Problem of Labor Intensive Rural Development," USAID/Port-au-Prince (mimeo), 21 October 1979, p. 17, quoted in Jackson and Eade, p. 32.

27. Jackson and Eade, p. 32.

28. Sommer, p. 55.

irrigation canal or road), however, may be benignly irrelevant, or even actively destructive, to the larger goals if designed and constructed "out of context." A hospital focuses attention on curative magic (or so it seems to a rural villager) from an *external* source — a pill, an injection, a skilled surgeon — far beyond the ken or control of the recipient. These magical interventions can be essential to the small percentage of a serviced population for which they are directly relevant. They can also, however, severely undercut efforts to build a widespread prevention-oriented health consciousness into everyday living habits, habits which are far more amenable to *self*-control, albeit in far less dramatic fashion. This problem of *context* is one which has an impact — all too often ignored by project planners, managers, and evaluators — on virtually all types of development planning.

Food for Work projects *can* be effective in stimulating growth, but only if judiciously utilized under special circumstances (seldom found), and only to the degree in which the food effectively substitutes for the cash it replaces. For example, if the project increases a laborer's real income, experience indicates that his demand for food should increase. If his food wage matches the increase in his demand for consumption, negative price impacts on the local market can be avoided, and his welfare improves. If, as is often the case, the food wage exceeds the worker's increased demand for consumption, he either sells the excess into the market or substitutes it for purchases from local production. In either case, local prices and agricultural incomes face downward pressure, which, in turn, can cause the curtailment of local food production.

Field describes a hearteningly "successful" and multifaceted development effort in the Kanyakumari District at the southern tip of the Indian subcontinent. He laments, however, "Alas, if the 'ingredients of success' are easy to identify, they are difficult to replicate."<sup>29</sup>

Field's example revolves around the activities of the Kottar Social Service Society (KSSS). The KSSS is a local Roman Catholic-based community organization, though nonsectarian in its activities and impacts. It receives its primary external support from Catholic Relief Services, through which American food aid is channeled, but is distinctive for the remarkable degree to which it is truly an outgrowth of community will. Kanyakumari District has a very dense rural population, characterized by very small family plots, farmed intensively. Portions of the district are heavily Roman Catholic, and the educational level and literacy rates, even among women, are high when compared with India as a whole. Yet, around 80 percent of the children under five suffer from malnutrition, more than a quarter exhibit signs of second and third degree malnutrition, and a significant portion of the general population lives just above the "threshold of survival."<sup>30</sup>

---

29. John Osgood Field, "Development at the Grassroots: The Organizational Imperative," *The Fletcher Forum*, 4 (Summer 1980): 163.

30. *Ibid.*, pp. 148-151.

Food aid — both supplementary feeding and Food for Work — plays a key role in many of the projects sponsored by the KSSS. It functions as a nutrition supplement and as an income transfer; yet, it is not simply a handout, but an “instrument for change.” In Field’s words: “The Kottar program regards food aid as a resource enabling it to undertake various forms of socio-economic and environmental engineering.”<sup>31</sup> As examples, selected from the many cited in his article:

- The KSSS’s Community Health Development Project (CHDP) combines an impressive package of services, including take-home supplementary feeding (with food aid commodities), basic-level health care, and unusually effective health and nutrition education. Nominal fees, faithfully paid, and a dedicated body of community participants allow the CHDP to be entirely self-supporting. The food aid, while a crucial input, is only one element in the project’s success; “inspired” leadership, extraordinary interaction between the program and its participants, and an impressive level of penetration into the community are among the other ingredients. Food aid plays a strong supporting role, not a controlling one.
- Water for home and agricultural use is often a problem — sometimes too plentiful, other times too little, and usually impure. Tube wells were dug, and land was terraced enabling controlled water release from water tanks at higher elevations to the fields below. The Society provided the organization and mobilized the labor force, and food aid supplied the compensation. The project grew from the community; food aid was the catalyst, not the prod.
- Among several distinct subgroups within Kanyakumari District, the KSSS has used its “grassroots” techniques to assist in the organization of small cooperatives. Fishing villages, among the poorest in the district, have been encouraged to set up collective marketing groups, or *sangam*, to break the grip of local merchants. The KSSS and individual *sangam* co-guarantee loans which buy the materials for making mechanized fiberglass fishing boats, and food aid pays for the boat-building labor; a better fishing fleet means better catches and increased income. Net-making and repair centers, employing over a thousand adolescent girls, were similarly organized; again a combination of local mobilization, loan guarantees, and food aid were the catalysts. The low-caste Hindu potters’ village of Thirumalai, with KSSS help, set up a potters’ cooperative, built a new covered kiln, and developed collective direct marketing outlets which avoided exploitative local middlemen.<sup>32</sup>

---

31. *Ibid.*, p. 156.

32. *Ibid.*, pp. 150-159.

We view the KSSS now and it is easy to forget the trials and quandaries they and their project participants faced (and, undoubtedly, still face). The "development" of cooperatives cannot be painless and unopposed when local merchants are to be bypassed and traditional relationships are being altered. There are definite overtones of "consciousness raising" and "empowerment" in the activism of the KSSS; yet, a radical tear in the social fabric was not the object. A delicate and purposive diplomacy within the community was needed to balance interests and avoid destructive splintering. In this, leadership was central. Over time, and undoubtedly with its share of setbacks, the KSSS grew to meet the challenge of grassroots organization.

The KSSS example, with its array of interrelated complementary projects, is rich and inspiring. It is also profoundly sobering. While not unique, the ingredients which have led to these very encouraging results are special; they provide no formula which might be readily applied to other situations. Perhaps the most important lesson, however, is the critical importance of effective local leadership — a leadership able to communicate across social strata with credibility, and to mobilize support in an atmosphere of reciprocal trust; a leadership with vision; a leadership able to adapt to changing human dynamics, and to innovate with a kind of Third World, rural "street sense." The projects must be realistic responses to genuine perceived needs. When this is true, food aid has the possibility of serving as a catalytic agent in the development process.

In contrast, Jackson and Eade cite a Community Systems Foundation report which found:

[R]equests for [A.I.D.-funded] projects were never refused except in the cases of deliberate malfeasance. . . . [P]rojects were often allocated without adherence to a criterion of economic need . . . [due to] the difficulty of finding viable projects . . .<sup>33</sup>

Jackson and Eade, themselves, conclude:

[T]he necessary conditions [for success] exist only rarely, and . . . to introduce food aid into projects which are not viable or cannot handle it properly has been shown to be positively detrimental to the poor and to development work in general.<sup>34</sup>

#### INCOME DISTRIBUTION

Most Food for Work projects are devoted, in one way or another, to agricultural and rural development. Who reaps the greatest benefits? In all likelihood, the relatively well-to-do landowners will benefit the most. In

33. Jackson and Eade, p. 39.

34. *Ibid.*

effect, they receive free labor in projects which enhance property values, and improve farm productivity and market access.<sup>35</sup> While the rural poor may receive nominal short-run benefits from the immediate employment and food distributions, the income gap between landowner and peasant/laborer might well widen in the long run.<sup>36</sup> An AID evaluator examining the secondary effects of Food for Work projects in Bangladesh states:

FFW results in increased inequity: — Since the secondary benefits of FFW mostly are related to the utilization of land few benefits will accrue to the landless. In addition to that the landless are losing a substantial part of the primary benefits. Seen over time it seems clear that FFW not only strengthens ‘the exploitative semi-feudal system which now controls most aspects of the village life’ (Akbar, ‘Evaluation of Early Implementation Projects’) but also speeds up the polarisation [sic] process in rural areas.<sup>37</sup>

Significant income leakage can occur in situations in which an undesirable commodity (or *too much* of a desirable one) constitutes the food-wage. Following distribution, the unwanted commodity is sold to local merchants — at a discount — who have access to other more distant markets which *desire* the good. The net effect is that the “targeted” laborer receives a depressed real wage, and the nontargeted merchant realizes a profit as the arbitrageur. The merchant, admittedly, provides a beneficial service to the laborer, and his compensation is earned; but, it is a Pyrrhic victory in the drive to distribute income more equitably. Note that since the commodities distributed by food aid projects in developing (and mostly equatorial) countries are nearly always surplus products from developed (and mostly temperate) countries, they are often strange and unpalatable to the recipients.

Over the past seven years, several million gallons of edible cooking oil, provided largely by the United States and the EEC, have been rationed to the Afghan refugees in Pakistan. The refugees find this liquid oil to be unsuitable for their style of cooking, and they immediately trade much of it in the local bazaar for a far smaller quantity of *ghee* (clarified butter), the familiar and preferred cooking ingredient.

This example illustrates both the incompatibility of commodity and locale, and the fundamental inefficiency of much commodity aid. The same Afghan refugee would be able to buy much more of his preferred and locally-produced ghee were he to receive the cash equivalent of the rationed oil, including related transport, storage, and administrative overhead costs. The reader should note that, in this context, it does not matter that the oil is a refugee

35. Jackson and Eade, p. 38.

36. Tarrant, p. 266.

37. Hjalmar Brundin, “Preliminary Report: FFW Secondary Effect Methodology Study,” USAID/Dacca (mimeo), 4 May 1979, p. 41, as quoted in Jackson and Eade, p. 28.

relief “welfare transfer,” rather than a Food for Work wage — the effects are the same.

Is the refugee better off than if he had received nothing? Probably — a bit. And, this is the crux of the food aid dilemma: Which *is* better? — more inappropriate food aid, more willingly given? — or substantially less cash aid, more grudgingly given, but far more efficient?

#### GUARANTEED NUTRITION LEVEL

Nutritional guarantees are the special, though not exclusive, province of food-grant project aid, including disaster/refugee relief and targeted supplemental feeding programs. Three central questions need to be answered in the process of planning and evaluating a supplemental feeding program:

1. How can project implementers identify and reach those most in need?
2. How can they have a measurable impact on the nutritional status of the targeted poor?
3. How can any improvements be sustained after the food aid is withdrawn?<sup>38</sup>

These are confounding questions under any circumstance. When the intervention program is entirely dependent upon outside commodities, however, sustainability should automatically become the key long-run issue.

The most common mechanisms used for supplemental feeding are Maternal and Child Health (MCH) “clinics” for infants and pregnant or lactating mothers, and school lunch programs for young children. Frequent and serious problems with such supplemental feeding programs revolve around the following two issues:

- A feeding component invariably competes with, and frequently subverts, any other goals that the overall program might have, such as more comprehensive health care in an MCH clinic, or basic literacy skills in a school.
- Feeding projects frequently exhibit such pronounced “leakages” that the nutritional status of the target population can actually (paradoxically!) *deteriorate* until the mother or child terminates the program, or the program itself ends.

The deterrent effect on other program goals takes place when food distribution becomes the primary reason for a recipient’s attendance. The leakage takes place because, if the feeding is supervised, correspondingly less (often *much* less) is consumed at home; if unsupervised, the food itself is taken home and divided between other family members. In any case, the supplement is effectively treated as a *family* supplement, and is subject to the constraints of

---

38. Field, p. 147.

the hierarchical family "feeding order." The feeding order — men before women, boy children before girl children before mothers, etc. — often underlies the existence of a "vulnerable" group, in the first place. When other members of the family mistakenly assume that one member has had his or her food needs taken care of by the special feeding program, the "supplemental" food can become the *primary* intake of the day. Unless the project food ration represents a relatively complete and well-rounded diet, which it seldom does, the targeted person can, indeed, *lose* in the exchange. A further unfortunate fact is that those at highest risk, nutritionally, frequently do not attend these ready made clinic- or school-based distribution centers — distances are too great, health is too frail, and so on.

One study that validates this point comes from an AID draft report on the nutritional impact of food aid-supported school feeding in the Philippines:

*The analysis revealed no consistent trends in nutritional status during the months of school vacation that would suggest that the program is having any effect . . . beneficiaries of three of the schools in the Bicol were better off during the school vacation when program participation came to an end . . .*<sup>39</sup> (original emphasis)

Jackson and Eade further note, "Of all the schools studied, only one showed a statistically significant nutritional improvement over a two-year period and this was one in the control group where no food aid was distributed."<sup>40</sup> Another study, done in Botswana, notes: ". . . the [school] lunch program does not simply miss the poorest groups, but positively discriminates against them because primary school children come from essentially non-vulnerable backgrounds."<sup>41</sup>

In counterpoint to the supplementary feeding approach to maternal and child malnutrition, the importance of basic nutrition knowledge and education must be emphasized. The cause of malnutrition, particularly chronic malnutrition, in infants and young children is not always the nonavailability of food. Lack of information may, indeed, be the central reason.

An example from personal experience might make this point most clearly. Among the general population of Afghan refugees in Pakistan, malnutrition is not a major problem; however, among young children and infants, it is a clear factor in the high mortality rates. A January 1985 survey of 121 malnourished children registered in the International Rescue Committee (IRC) medical relief program's "Special Care" category found that 90 (or 74 percent) had not been given suitable solid-food supplements early enough, i.e. by six

39. Stewart Blumenfeld et al., "The Nutritional Impact of PL 480 Title II in the Philippines, 1970-1980," (draft) USAID/Manila, January 1981, pp. 110-112, quoted in Jackson and Eade, p. 59.

40. Ibid.

41. Christopher Stevens, *Food Aid and the Developing World* (London: Croom Helm/Overseas Development Institute, 1979), p. 138, quoted in Jackson and Eade, p. 58.

months of age. Others were given additional food, but of nutritionally deficient types, such as plain bread or simple sweetened tea. Traditionally, Afghan infants receive little but breast milk until they "graduate" to adult-style solid foods. Some are 1½ or 2 years old, but receive only breast milk. Appropriate "weaning foods" are generally available within the family, but often neither the infant's high caloric needs nor the requirement for special preparation (mashing, pureeing, etc.) are recognized. IRC's response was to have mothers bring appropriate foods from their home to the MCH clinic, where simple preparation techniques and proper feeding were demonstrated. This avoided dependence on external food resources (such as food aid allocations), which were not badly needed and which would not be sustainable in the long term. It also promoted the principle of self-help and maintained the integrity of the clinic as a health unit, rather than a "food stop." Of the malnourished children registered under "Special Care" in January 1985, fully 81 percent had gained weight adequately following admission to the nutrition and feeding *education* project; only 8 percent continued to lose ground, while 11 percent stayed the same.<sup>42</sup>

The example cited above has been significantly simplified in summary, and is clearly selective; education is not the only "right" answer, and a genuine paucity of food resources is often a major or controlling factor in malnutrition. IRC's experience is instructive, however, in demonstrating the importance of understanding a particular project's situational context, and in reminding us that malnutrition is not always, nor only, based upon the *absence* of food. The corollary follows that a feeding program dependent on external food resources is not necessarily the most effective response to malnutrition.

Jackson and Eade conclude that if welfare feeding is the objective, a straightforward feeding program should be designed to stand alone, unencumbered by other competing agendas. Likewise, MCH clinics and schools should be allowed to function according to their own particular goals.<sup>43</sup> The lesson: interrelate the programs, if feasible; but don't combine apples and oranges — keep separate identities intact!

Again among the Afghan refugees in Pakistan, this lesson was demonstrated, in reverse. When medical clinics were situated too close to the food distribution centers, the clinics became a second ration stop. An estimated 80 percent of the daily clinic "patients" had no medical problem, but demanded their drug "ration," anyway — truly ill patients did *not* attend because the lines were too long. Moving the clinics away from the food distribution centers immediately brought dramatic drops in non-sick patient visits, and gradual, steady increases in attendance by the genuinely ill.

---

42. Richard Nesbit and Barbara Fink, "Medical Program Report, 1984," Report and Year-end Program Evaluation, submitted to the International Rescue Committee, New York, March 1985, pp. 24-25. (Typewritten.)

43. Jackson and Eade, pp. 41-63.



With targeting, the lesson is that eligibility criteria must not be drawn too narrowly, and family needs must be factored into the equation. Of course, a broader program becomes a less targeted one, by definition, and this has budgetary, logistical, and philosophical implications. As the supplemental feeding program expands and is transformed into a general feeding program, we must remember that *lack of purchasing power* (and/or knowledge, in some cases) is the real problem. Welfare feeding has little impact upon this.

Refugee and disaster relief programs, fully justified as short-term stopgap measures, are typically plagued by slow start-up phases due to logistical bottlenecks and poor or nonexistent distribution infrastructures. Later, they often suffer from overdependence on surplus commodities which are inappropriate to recipient needs (e.g. the liquid cooking oil for the Afghans), and the inertial “staying power” of annualized food aid commitments that resist the necessary weaning process. Frequently, locally-appropriate foods are abundantly available in neighboring areas or nations. In most cases, emergency responses could be far quicker, much cheaper, better suited to the intended recipients’ traditional diet, and more efficient, were the relief officials able to purchase needed goods from the nearest supplier, for cash, instead of relying completely on donated goods from afar. The EEC now uses more of these so-called “triangular purchases” in its food aid packages. The United States needs to do more.

Again, Sommer offers a cautionary aside when he notes that it is difficult for outsiders to define what represents a “crisis,” and to determine when external help is really needed. Societies have inbuilt ways of leveling out the fluctuations which normally occur — gold, jewelry, caches of grain, or other stores of value, accumulated in times of relative plenty, serve as insurance against future bad times. These resources may not be visible to the outsider. To precipitously react from the outside may short-circuit these “natural” mechanisms by flooding local markets, driving down prices and production, and encouraging dependency on external assistance. Sommer suggests that, while additional research is needed, we need to consider the possibility that “relief programs [might] respond too quickly and excessively for the good of the particular society over the long run.” Bangladesh is cited as an example where, prior to the 1970 cyclone, survivors of natural disasters quickly rebuilt their own houses and got on with their lives. After 1970 and the flood of external aid, they found it easier to wait for handouts.<sup>44</sup>

#### FOOD SECURITY

Improvement in food security is largely a function of progress in the areas discussed above; i.e. efficient expansion of the rural economy, improved income

---

44. Sommer, pp. 43-44.

distribution, and establishment of a nutritional floor for the most vulnerable. Food security already exists for the world as a whole, and has existed for several decades. Global food production exceeds per capita nutritional requirements by a comfortable margin, significant and growing "hidden" reserves exist in the form of livestock, and the world trade in food continues to expand and diversify in both content and participation. Practically, however, security in food comes through purchasing power, whether at the household, national, or international level. Maldistribution of food and income resources leaves serious *in*security between nations, within nations, and within households.<sup>45</sup>

#### IV. CONCLUSIONS

George Delahanty, in his chapter of the book, *Food Policy*, comments: "It is never clear whether regulation . . . is a policy or a policy instrument."<sup>46</sup> If we substitute "Food for Work" for the word "regulation," we approach a fundamental problem with food aid — is it a means or an end? If an end, how is the end defined? If a means, toward what end? Finally, we must conclude that it is both means *and* end, with the dividing line constantly shifting according to the project and the vantage point of the particular observer.

Project food aid is expensive, complicated, and inefficient. As with any inefficient economic activity, benefits and injuries accrue. It is easy to disparage food aid for being ineffective, and for being a tool of politicians; and that would capture a part of the truth. Care must be taken, however, to identify the correct target when criticizing project aid. Food aid is not bad, of itself, and should not be the target — it can be a valuable tool, albeit one which is prone to overuse, as well as misuse. One should also not be diverted too long in lamenting the roots of poverty and inequality, which lie in the political economy of a society's evolution over decades and centuries. Underlying causes are important, and an awareness of, and sensitivity to, these roots is crucial in the designing of effective programs; but paralysis must be avoided. The immutable past is precisely that — immutable — but, the present is not. A project stands or falls largely on the merits of its planning and implementation, both administratively and logistically, in a particular situation and with specific actors. A well-planned and effectively executed project can wend its way through and around an amazing variety of political and situational obstacles, while a poorly planned one can fail under the best of circumstances.

In making the above point, it is crucial to differentiate historical context from policy context. A bad policy environment can doom both good and bad projects to failure; or, it can drive the price of a project's "success" so high that most or all of its larger value is lost in the process of achieving the more

---

45. Donaldson in Mann and Huddleston, eds., pp. 118-120.

46. Delahanty in Mann and Huddleston, eds., p. 115.

narrowly defined near-term goal. The policies surrounding a project are inevitably products of a long background of political, economic, and social interplay. Some argue that because of its roots in history, a negative policy environment is practically beyond change, and we must thus concentrate on *making* individual projects succeed — with heroic effort, if need be. Others argue that projects should not be undertaken if the policy environment is inimical to the underlying objectives of the project. Here, we will not carry the question further, though it deserves careful attention. The thrust of this entire paper, however, is to emphasize that a project must not be treated as an activity isolated from its surroundings. Any project is importantly affected by its setting; and, in turn, the project *produces* effects — primary, secondary, and tertiary — on its environment. This interaction is a complex and continuous process. The most difficult task is that of trying to ensure that secondary and tertiary effects are, 1) conscientiously anticipated, rather than surprisingly emergent, and 2) complementary, rather than contradictory, to both the primary goals and the overall, longer-term objectives toward which the project strives.

Clearly, a detailed analysis of each of the myriad facets of project food aid is beyond the scope of this short paper. An attempt has been made to identify some of the more unexpected (and dangerous, from a nutritional standpoint!) pitfalls. These can ambush a project and destroy its utility as an agent for genuine assistance and development if care is not taken to account for second-round, or downstream, effects. It is this writer's hope that greater sensitivity to the broader secondary impacts of food project activities will allow project planners and managers to more effectively utilize donated commodities within the context of development assistance. There is no ready prescription for success in applying project food aid to development and relief problems. We might identify some broad categories of concern, however:

1. Realistic project goals, first; organization and planning, second; other *local* inputs, third; and food aid, *if needed*. Food should follow other higher priorities in the design of a project. It may, indeed, be an important or even crucial addition to a project; but, the mere availability of food aid should not be the *reason* for the project. Food aid's most effective development role is as a catalyst, not a cause.
2. The food aid input must be carefully calibrated to correspond with actual consumption levels and local market realities. Otherwise, local price structures can be badly skewed, with the result that distorted price incentives will lead to longer-term distortions in production patterns. Such shifts typically work to the detriment of the very poor. The local market will remain long after the food aid disappears. Food aid managers should take care not to deform

the market on which the project's beneficiaries will later necessarily depend.

3. The source of the food being donated can be an important factor. If the food comes from afar and is from "developed country" surplus stocks, its form and substance is likely to be strange to its recipients. "Horror stories" of such mismatches abound, running the gamut from the merely curious to the tragic. Since it is exogenous to the local or regional economy, such surplus disposal also provides no production benefits or incentives to the nearby economy. "Triangular" food aid purchases — which shorten emergency-response times, provide locally familiar foodstuffs, and provide a demand-led boost to a neighboring economy — are an effort in this direction.

4. Untangle the competing dynamics and very different motivations of development food *AID*, food surplus *DISPOSAL*, and agricultural export *PROMOTION*. While not unrelated, one is an international development issue, the second is largely a domestic price policy issue, and the last is an international trade issue. Food aid, as a tool for genuine development, will benefit from this separation of rival agendas.

5. Development projects which depend upon external resources (including food), must keep the goal of growing self-reliance clearly at center. Food aid can be both addictive and fickle as an available resource, and it can disappear quite suddenly.

6. The importance of careful planning, effective organization, and close interaction between the project management and its participant-recipients cannot be overemphasized. The leadership function is critical, but complex. Leaders must display community-sensitive "street sense" in avoiding "dumb" mistakes and overcoming sensitive obstacles. They also need to generate goals which transcend traditional sensibilities, while nonetheless growing organically from the community. Above all, leadership needs to establish a mutual trust relationship with the various key components of its community.

7. Important, also, is sensitivity to the potential or actual derivative effects of a project upon the local socio-economic environment. When the project has ended, who gained and who lost? The answer is sometimes disappointing, identifying the erstwhile "beneficiaries" as the ultimate losers, on net.

Bates observes that policymakers are rational actors who, rhetoric aside, are trying to solve very real political problems, though perhaps different ones than economists or aid managers may need to solve.<sup>47</sup> Food aid is indeed political. It is out of place in many of its current uses. However, there is no direct substitute — it must be accepted that donated commodities will never be replaced with their equivalents in cash aid, however desirable that might be, in theory. This fact must not tie our hands. Offers of commodity aid, when inappropriate to a situation, should be declined. Just as important, though, the available mechanisms for the *effective* use of project food aid need to be significantly improved through active scrutiny and critical evaluation. Policymakers, implementers, and potential recipients all need to be involved; all need to work together in finding ways to minimize the weaknesses and to capitalize on the strengths of the different forms of aid, of which project food aid is but one.

---

47. Bates in Mann and Huddleston, eds., p. 111.

