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IFPRI PERSPECTIVES

Passing the Baton

On September 1, 2002, Per Pinstrup-Andersen officially steps down as IFPRI's director general and Joachim von Braun takes office.

Prior to accepting the director general post at IFPRI, Joachim von Braun was director of the Center for Development Research (ZEF) at the University of Bonn, chair of ZEF's Department of Economics and Technological Change, and a professor at the Institute for Agricultural Policy and Applied Economics. Started in 1997,

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Thinking Inside the Boxes

Virtually all prescriptions for ending food insecurity and poverty in developing countries include increased access to industrialized-country markets and trade liberalization structured to help the poor benefit from globalization. To attain these goals, developing-country members of the World Trade Organization (WTO) have proposed modifying and expanding special rules for poor countries. These exemptions from trade liberalization commitments have been referred to as the "development" or the "food security" box.

Developing countries should make sure that the greater flexibility in trade negotiations they seek within the "development" or "food security" box will really help them achieve their food security and economic goals. "Some of the suggested changes could help, but others may well work against the poor and the hungry," Trade and Macroeconomics Division senior research fellow Eugenio Díaz-Bonilla cautioned attendees at an Organisation for Economic Cooperation and Development (OECD)/World Bank global forum on agricultural trade reform, adjustment, and poverty, held in Paris last May.

"It is also important that developing countries do not pay a price in the WTO negotiations just by adding labels such as 'food security' box, when many food-security concerns can be addressed with specific clarifications and changes in the current language of the WTO's Agreement on Agriculture," says Díaz-Bonilla.

But will further liberalization of trade and agricultural policies within and between WTO member countries help achieve food security in Africa and Asia, where hunger and poverty are the most



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severe? That may also require some changes in the current classification system of countries within the WTO, according to Díaz-Bonilla.

"If the WTO is to fulfill its responsibilities to developing countries, which comprise the majority of its members, it will need better definitions of food insecurity based on objective, relevant quantitative indicators," Díaz-Bonilla says. "WTO's current classification of countries into

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Joachim von Braun

Per Pinstrup-Andersen

ZEF is Germany's largest development research institute. Dr. von Braun is president of the International Association of Agricultural Economists (2000-2003), one of several international organizations in which he plays an important role. Dr. von Braun's relationship with IFPRI spans several decades. He served as director of the Food Consumption and Nutrition Division from 1990 to 1993 and as a research fellow in the 1980s. We welcome him as IFPRI's new director general.

Per Pinstrup-Andersen will remain at IFPRI as a senior research fellow until December 2002, after which he will assume his new post as the H.E. Babcock Professor of Food and Nutrition Policy, Division of Nutritional Sciences, Cornell University, Ithaca, New York. We thank Per for his leadership and for his contribution to the cause of a world free from hunger and poverty. ■

“IFPRI’s analysis suggests that the definition of specific rights and obligations needs to be linked to a better classification of countries based on objective indicators of food insecurity.”

developed, developing, least-developed (LDC), and net-food-importing developing (NFIDC) countries is a starting point but needs to be improved to properly address the issue of food security.”

With research analyst Marcelle Thomas, Trade and Macroeconomics Division director Sherman Robinson, and former IFPRI staffer Andrea Cattaneo, now with the United States Department of Agriculture/Economic Research Service, Díaz-Bonilla used quantitative indicators to classify 167 countries into several categories of food security. They then compared their categories with WTO’s. They found that all developed countries appear food secure, but that WTO members classified as developing countries experience many levels of food insecurity. Almost all LDCs appear food insecure, while more than 40 percent of NFIDCs do not, suggesting that being a net food importer is a weak indicator of food vulnerability. Some WTO members that are neither LDCs nor NFIDCs look food insecure. “In terms of WTO negotiations,” Díaz-Bonilla explains, “IFPRI’s analysis suggests that the definition of specific rights and obligations needs to be linked to a better classification of countries based on objective indicators of food insecurity.”

Another concern is that developing countries may approach trade negotiations asking for higher levels of protection and subsidies for themselves instead of trying to gain greater access to markets in industrialized countries and to limit the ability of rich countries to use funds from their vastly larger treasuries to compete against farmers in poor nations.

“Certainly, developing countries need some instruments to protect against

export subsidies, unfair trade competition, and damaging import surges that may affect the livelihoods of a large number of small farmers in poor countries. However, most developing countries simply lack the financial resources to enter a subsidies war with industrialized countries,” Díaz-Bonilla argues. Protection of food products in a country amounts to a tax on food consumption that has a large negative impact on poor consumers, while the money from that implicit tax is collected mostly by big producers.

“In any case, ‘special and differential’ treatment under WTO rules granted at the national level may not be enough,” he says. “Even focusing at the level of staple crops considered relevant for food security may not necessarily be the most effective and equitable way to address problems of poverty and hunger.”

Instead, poor countries need adequate policies that operate at the household and individual levels. More investments should be targeted to the poor and vulnerable, rather than to support crops in general, which usually benefits larger farmers. This requires additional financial resources from the international community and a pro-poor global environment, coupled with peace, good governance, and the right political priorities in developing countries. “Some legal changes in the WTO can help the poor and hungry. But without addressing those other key factors, any modification in the WTO agreements may have limited benefits,” Díaz-Bonilla concludes. ■

The research discussed here comes from “On Boxes, Contents, and Users: Food Security and the WTO Negotiations,” Trade and Macroeconomics Division Paper 82, downloadable at www.ifpri.org.

Agriculture Drives Economic Growth in Africa

In response to the twin crises of famine and HIV/AIDS, the U.S. Agency for International Development (USAID) has launched a new Agricultural Initiative to Cut Hunger in Africa (AICHA), which will funnel significant new funds to rural development in selected countries.

The need for successful, pro-poor development assistance in Africa has never been more urgent, nor has the need for science-based tools to improve decisionmaking and accountability.

The challenge: to halve poverty and hunger by 2015 through agriculture-led growth. Having learned from past mistakes, USAID is employing new criteria for selecting the countries that receive U.S. aid and new methods for allocating, monitoring, and measuring the impacts of development assistance. IFPRI is supporting USAID's Africa Bureau with technical assistance and information sharing as the agency plans strategies for three pilot countries.

Mali, Mozambique, and Uganda were chosen as the pilot countries for AICHA, which will be implemented in 2003, because of their "promising conditions," according to Environment and Production Technology division (EPTD) director Peter Hazell. The leaders of these countries are committed to putting agriculture at the center of economic development and poverty reduction programs. Their economies have the potential to spill over and spur growth in their subregions. And their governments have implemented basic principles of good governance.

The challenge: to halve poverty and hunger by 2015 through agriculture-led growth.

By applying new standards and by using hunger reduction as the measure of policy and program success, belief in the effectiveness of foreign aid in Africa can gradually be rebuilt and the World Food Summit and humanitarian goals of cutting hunger there dramatically and quickly can be reached.

"This initiative aims to decrease hunger through pro-poor agricultural growth, which is recognized as the means to make the pie bigger as well as to share the pie more equitably. By creating new livelihood opportunities through growth, this approach will leverage some of the more narrowly targeted assistance for the very poor provided by USAID and a number of other important donors," Hazell says.

IFPRI has supported USAID's Washington staff in developing and articulating the initiative through a series of seminars to brainstorm and share best practices. IFPRI is also working with USAID's country and regional missions to formulate action

plans showing how USAID funds will be invested to increase yields, create sustainable livelihoods for rural small-holders, improve trade and marketing, and integrate agricultural growth with environmental protection.

EPTD is coordinating IFPRI's support to the initiative, with staff input from all four research divisions and the Communications Division. "We're feeding all our best knowledge into the process," Hazell says. He calls the initiative "a serious attempt to think through what investment and policy changes are needed and a real opportunity to use IFPRI research to guide how development funds are invested to get Africa's agricultural sector moving." IFPRI is also helping to develop a range of indicators and a conceptual framework to measure progress and assess the impact of USAID's own investments.

AICHA stresses regional cooperation "to encourage countries to start talking and working with each other," Hazell says. "Fortunately, we are beginning this at a time when African countries are ready to be full partners in development with donors—by the countries' own accord or simply because the trends are headed in this direction and they don't want to be left behind." ■

This page was revised from the original print version.

For Latest Research Results, Go to Info Finder

Info Finder, a new, one-stop internet search resource, provides instant access to the latest reports on agriculture, economic development, hunger, poverty, and the environment from all 16 Future Harvest centers, the Secretariat of the Consultative Group on International Agricultural Research (CGIAR), and the Food and Agriculture Organization of the United Nations (FAO).

Launched officially on May 21, 2002, the day it was activated on all 16 Future Harvest center websites and the day IFPRI Computer Services head Nancy Walczak presented it to a meeting of Future Harvest center directors, FAO staff, and others in Rome, the Info Finder retrieves documents and websites with direct links to the full texts of downloadable publications.

It took just 12 months to get Info Finder ready, a feat Walczak says would not have been possible without the commitment of FAO. "This was a wheel FAO had already invented," Walczak points out. "All the centers had to do was adapt it to meet center needs and then enter their electronically available resources." Now, visitors can access material easily by author, title, or subject from the entire CGIAR system and FAO.

In addition to the unprecedented collaboration Info Finder inaugurated between the CGIAR system and FAO, the project catalyzed cooperation between and within the Future Harvest centers at the CGIAR. IFPRI's own experience spearheading the Info Finder project epitomizes the synergies that are possible when people bridge turf or disciplinary barriers. Walczak, a computer expert, teamed with IFPRI head librarian Luz Marina Alvaré to forge a new working relationship between information managers and information technologists. With funding from FAO, the CGIAR Secretariat, and the CGIAR's Organizational Change Program, they hosted a workshop at IFPRI in March 2002.



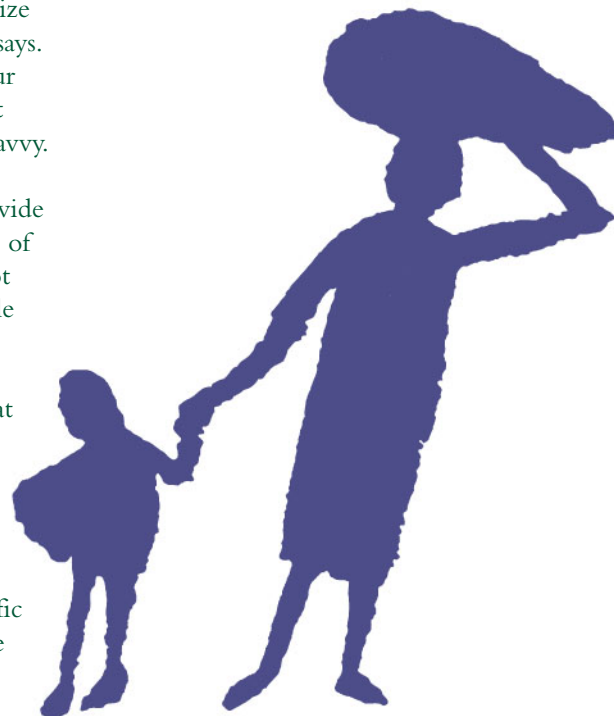
Dr. V. N. Misra, a visiting researcher from India, discovers how to navigate the Info Finder.

"We need the know-how of information technologists to make the new search engine function smoothly. But information managers know how to categorize and index information best," Alvaré says. "Working together, we combined our expertise in knowledge management with Computer Services' technical savvy. And, by asking IFPRI researchers to experiment with the system and provide feedback, we incorporated the needs of the people who use it. This could not have been accomplished by any single expert working alone," she says.

Info Finder is a work-in-progress that solicits and benefits from user feedback. "For example," Alvaré says, "when people used popular words, like 'peanut,' to search Info Finder, they got few results, because 'groundnut' and 'Arachis,' the scientific terms, were used for indexing. So we are creating fields that reflect more

popular names, which will make Info Finder more accessible to the concerned public." Information is continually being uploaded to the Info Finder's database, which currently contains over 3,400 center entries, of which 500 are IFPRI's.

"The web is a powerful component of the Communications Division's public dissemination strategy," Media Relations head Michael Rubinstein says. "Now, people can go directly to IFPRI's cutting-edge research with just a click of the mouse. This convenient new tool allows scientists, journalists, activists, and students to find the best research in just a few easy steps. Info Finder is a great opportunity to reach new audiences with IFPRI research."



South Asian Countries Swap Lessons Learned

Policymakers, advisors, and analysts from Bangladesh, Bhutan, India, Nepal, Pakistan, and Sri Lanka and eight staff members from all IFPRI divisions sought solutions to the region's problems at an April conference in New Delhi, India, on the role of trade and technology in achieving economic reforms and food security.

It was the first regional meeting of the South Asia Initiative, a joint project of two IFPRI divisions, Markets and Structural Studies (MSSD) and Communications, and the first time such a large and representative contingent of IFPRI researchers met their South Asian counterparts in the region. The Indian Council for Research on International Economic Relations (ICRIER) and the Indian Council of Agricultural Research (ICAR) cosponsored the two-day meeting.



“The countries of South Asia share very similar problems, such as water scarcity, poverty, and food security, all within the context of sweeping technological changes in a globalizing world,” according to MSSD director Ashok Gulati. “But solutions that work in one country are not very well known in the others.” Can Bangladesh’s successes with the grain-trade privatization and Food for Education programs be adapted and replicated by neighboring countries? That is the hope of the conference organizers and attendees, Gulati says, noting that political tensions among the countries were not a factor for the high-level policy professionals as they discussed regional issues.

“By sharing their promising practices, expertise, and development strategies, these top-level decisionmakers and their advisors were able to identify information gaps and set priorities for future policy research,” says Suresh Babu, head of the Strategic Training and Policy Communication Program (formerly known as the Training and Capacity Strengthening Program). Babu views the conference and its follow-up meetings as

part of the Communications Division’s ongoing, comprehensive dissemination effort.

Distinguished presenters included Manmohan Singh, former finance minister of India and a keynote speaker at the April conference, who addressed the question of food security. At the national level, India has 60 million tons of food stocks, yet 27 percent of its population can’t afford to buy food. “Policy instruments for creating employment opportunities need to be in place so that increases in agricultural production are used to reduce poverty,” he said, cautioning that each of India’s “agro-ecological zones requires policy packages designed for their specific social, economic, and physical constraints.”

“In order to achieve food security in South Asia, it is imperative to have a balanced policy on price incentives, technological changes, and institutional support for accelerated agricultural growth,” according to Sarfraz Khan Qureshi, director of the Mahbub ul Haq Human Development Centre in Pakistan and chair of the conference’s Policy Analysis

and Advisory Network of South Asia (PAANSA) meeting. The role of the private sector in managing procurement, public distribution, stocks, and international trade in food crops also needs improvement, he added.

At a special evening presentation on emerging issues in trade and technology, IFPRI director general Per Pinstrup-Andersen praised countries in South Asia for having adopted policies and agricultural technologies that proved the Malthusian doomsday scenario wrong. “Technological

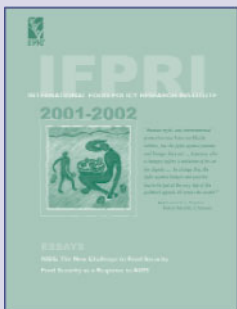
change can be risky,” he acknowledged, “but if applied within a framework of appropriate policies, science and technology can do a great deal to advance food security, agricultural growth, equity, and sound natural resource management.”

“Thirty-five years ago, South Asian countries took bold steps to make sure that they could feed themselves. They launched the Green Revolution, which invested in irrigation and provided farmers in irrigated areas with access to high-yielding rice and wheat seeds, fertilizers, and pesticides,” Pinstrup-Andersen said. “Today, South Asia must again choose whether to adopt new agricultural technologies that many critics consider risky.”

To address “legitimate biosafety concerns,” India has developed “an impressive capacity to assess and manage risks to human health and environment through inter-ministerial bodies,” Pinstrup-Andersen said. “Now these technologies must be adapted to the conditions within which small farmers and poor consumers operate, and poor people themselves must participate actively in that process.” ■

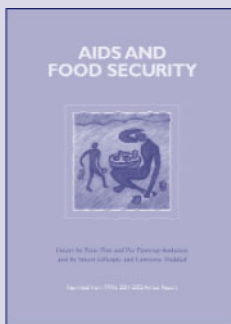
NEW PUBLICATIONS

Growth, Inequality, and Poverty in Rural China: The Role of Public Investments, by Shenggen Fan, Linxiu Zhang, and Xiabo Zhang. Research Report 125. 72 pages.



IFPRI Annual Report 2001-2002.
104 pages.

AIDS and Food Security. Essays by Peter Piot and Per Pinstrup-Andersen and by Stuart Gillespie and Lawrence Haddad. Reprinted from IFPRI Annual Report 2001-2002. 16 pages.



More Research and Better Policies Are Essential for Achieving the World Food Summit Goal, speech delivered at the World Food Summit: five years later, by Per Pinstrup-Andersen. 4 pages.

Fighting Famine in Southern Africa: Steps Out of the Crisis. Issue Brief. 6 pages.

Sound Choices for Development: The Impact of Public Investments in Rural India and China. Issue Brief. 4 pages.

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Lack of Markets Contributes to Famine in Malawi

Seventy percent of Malawi's people faced acute food shortages earlier this year and will again face famine when crops harvested in April and May 2002 have all been consumed. Malawi has high agronomic potential, but localized droughts and floods, HIV/AIDS, corruption, and poor planning have led to Malawi's current food crisis. Malawi's market system is also to blame—there was simply no food to be found in the nation's markets despite the possibility for considerable production increases. However, action by policymakers and farmers over the next few years can avert a recurrence of massive hunger.

“Malawian smallholder farmers could feed their own people, as well as engage in production for export markets, if they could make a living at it,” says Todd Benson, a research fellow in IFPRI's Food Consumption and Nutrition Division. “But joint research by Malawian and IFPRI researchers confirms that farmers cannot make a profit selling food crops. Therefore, farmers have no incentive to raise more food than they need to feed their own households. But by enlarging the market for the food and cash crops that farmers could produce, a more efficient and reliable food supply and distribution system could be developed for the country.”

Soil depletion is another factor in Malawi's food emergency. “Though Malawi has good quality soils and rainfall is usually sufficient during the growing season, crop yields have declined. Fallowing the land to maintain soil fertility has been abandoned to keep land in production to feed a growing population,” Benson explains. “The food shortfall has made household food insecurity increasingly prevalent—and permanent. Smallholder farmers cannot afford technical solutions, such as inorganic fertilizers, for increasing maize yields. Low returns to maize cropping virtually guarantee that technologies to enhance productivity and assure household and national food needs are inaccessible to most farmers.”

To interrupt and reverse this cycle, the government must help develop strong domestic, regional, and international agricultural markets. Rural road and

communication infrastructure is inadequate and market information is not easily transmitted from one part of the country to another. In addition, transportation links to external markets through seaports in Mozambique and South Africa are costly and fragile. So subsistence production of maize rather than a diverse commercial agriculture dominates the farming system of smallholders. “With the exception of tobacco, smallholder farmers do not raise crops for the world market nor do they engage in any specialized production,” Benson says. “There are no markets where farmers can sell specialized crops, which would enable them to purchase food.”

Policymakers can promote market development through simultaneous efforts to create the conditions for farmers to sell their produce both within and outside Malawi—competitively and at a profit. Basic improvements in transportation, including access to seaports, will reduce transport costs. Equally important, doing so Malawi could draw upon global grain markets to meet its food shortfalls. Modernized communications would help farmers learn about international markets for crops such as groundnut, soybean, and pigeonpea. Right now, crop diversification is difficult because farmers know little about the markets for such crops, and international traders in these commodities do not recognize Malawi's potential to supply them. These parties need to be brought together in trade. Finally, when Malawian smallholder farmers do get their produce onto the international market, they should be welcomed to compete for a share of that market. ■