Hunger in the Balance: The New Politics of International Food Aid

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What is Political About Food Aid?







Key Messages:

- Today's food aid politics are different from the past in two important ways:
  - Debates over form in which food aid is given (mainly whether it is tied or not) dominate; new dividing line between donors
  - New political arenas in which debates over food aid take place (biotechnology, WTO, international food aid governance reform)
- Yet some aspects of the 'old' politics of food aid are still relevant today



Outline:

1. Past Understandings of Food Aid Politics

2. New Politics of Food Aid I: Tied vs. Untied Aid

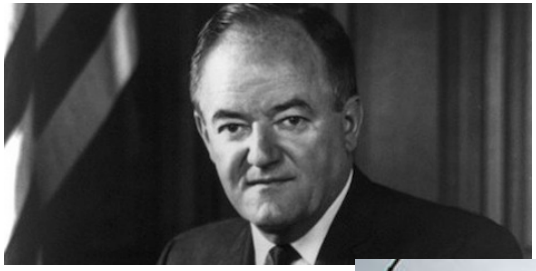
3. New Politics of Food Aid II: New Arenas

4. The Future of Food Aid Politics?



Past Understandings of Food Aid Politics

- **Realists**
  - Political and economic interest of donors



- **Radicals**
  - Mercantilist motivations / support to agribusiness



- **Liberal institutionalists**
  - Development 'regime' anchored in international institutions

WFP United Nations World Food Programme



- **Constructivists**
  - Norms and ideas promoted via international organizations

Context of declining deliveries…

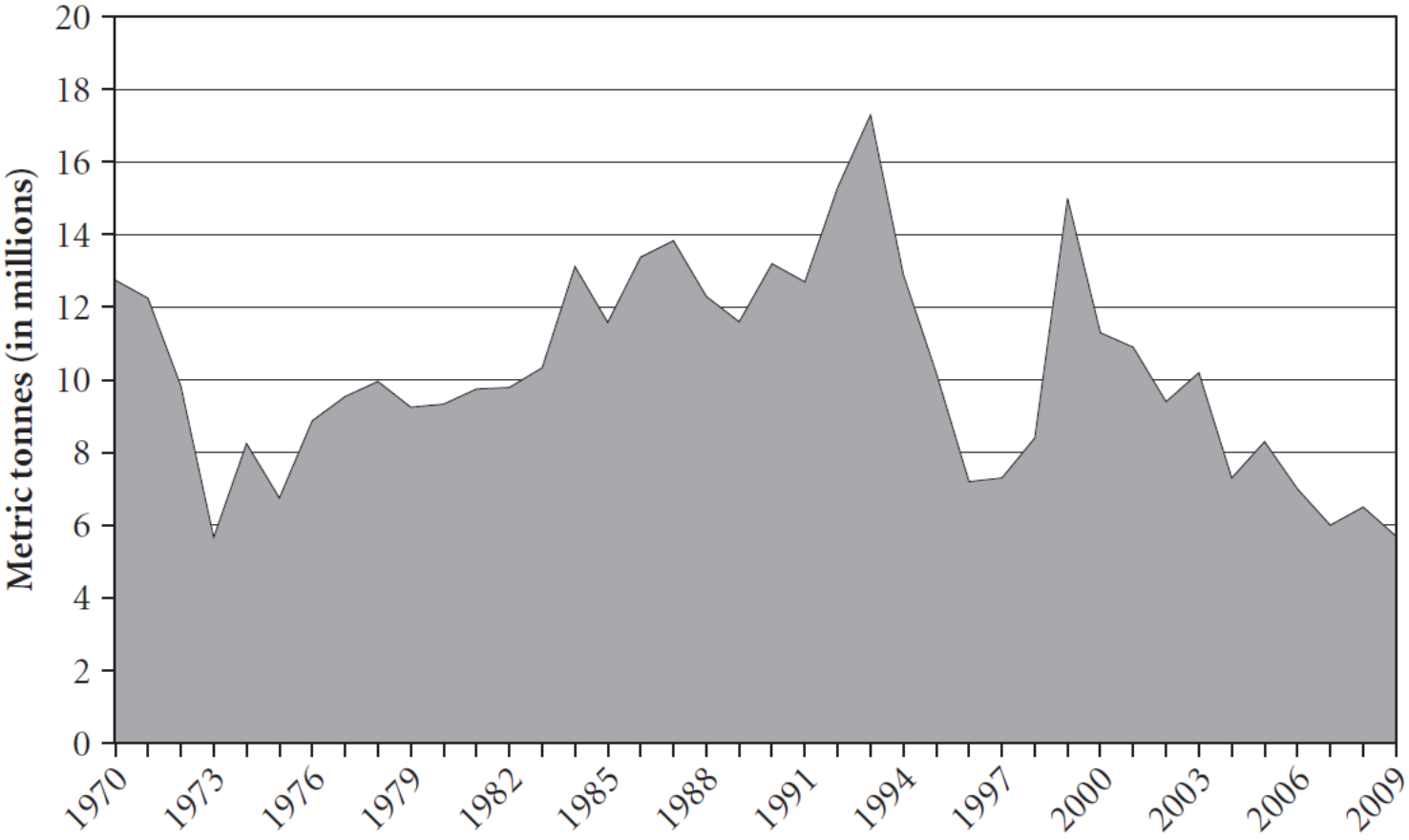


FIGURE 2.1. Food aid deliveries, 1970–2009. Source: FAO and WFP Interfais.

The principal donors…

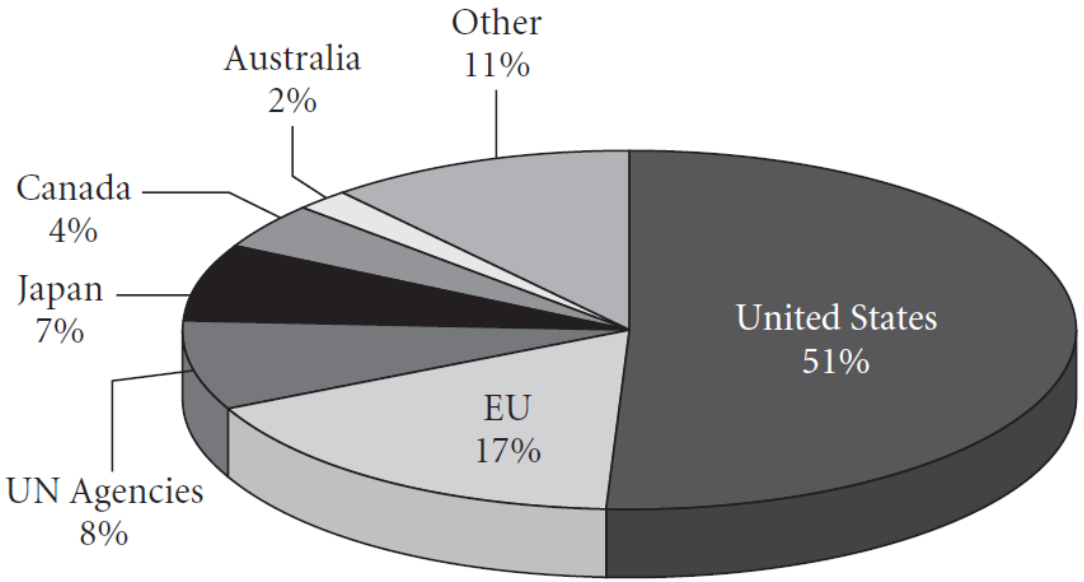


FIGURE 2.2. Food aid deliveries by donor, 2009. Source: WFP Interfais.

The New Politics of Food Aid I: The Question of Tied Aid

- Early food aid mainly tied to donor sourced food (surplus disposal)
- Mid-1990s, Europe untied food aid
- Mid 2000s, Canada and Australia followed suit
- US maintained nearly 100% tied food aid (despite Bush and Natsios campaign)
- Japan moved to become more tied in past decade







What Explains Donor Policy Divergence re: Tying? Old and new factors…

- Donor economic interests still important (in both tying and untying states)
- New economic interests (Not just agribusiness, but also NGOs, shippers, and aid agency budget constraints)
- Domestic institutional policy-making context
- Despite international promotion of new norms to untie, policy divergence emerged between major donors



The New Politics of Food Aid II: New Arenas for Debate

- End of Cold War and end of surplus did not mean an end to food aid politics
- Policy divergence among donors → Political clashes over food aid at the international level
- Debates in new arenas that were not predicted in earlier studies



a. Agricultural Biotechnology

- 1998-2003 EU *de facto* moratorium vs North American approach
- Developing countries took European precautionary approach
- WFP lacked process for identifiation/notification
- Zambia refused GMO aid in midst of crisis; others demanded milling
- US blamed Europe…









b. Agricultural Trade Talks at the WTO

- WTO Agreement on Agriculture revisions under Doha Round to tackle food aid
- EU made case US food aid practices equivalent to export subsidies
- Heated clashes at the WTO Hong Kong Ministerial 2005
- Tentative agreement 2008; still not finalized







c. Global Food Aid Governance Reform in Wake of Food Crisis

- Since 2006 food price volatility and increased hunger: Challenges for both tied and untied aid



- WFP asks for more cash to meet its budget; greater role for local and regional purchase

- Renegotiation of the Food Aid Convention; questions of counting food aid commitments and governance arrangements

WFP

FOOD AID CONVENTION

The Future of Food Aid Politics?

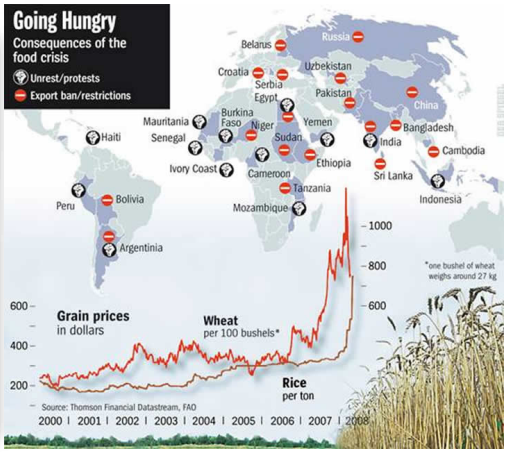
- Food aid likely to remain political in near future…



- New political dimensions:
  - Ready to use foods with patent protection
  - New donors with different preferences
  - New economic conditions of hunger







Food aid resources declining just as prices rising…

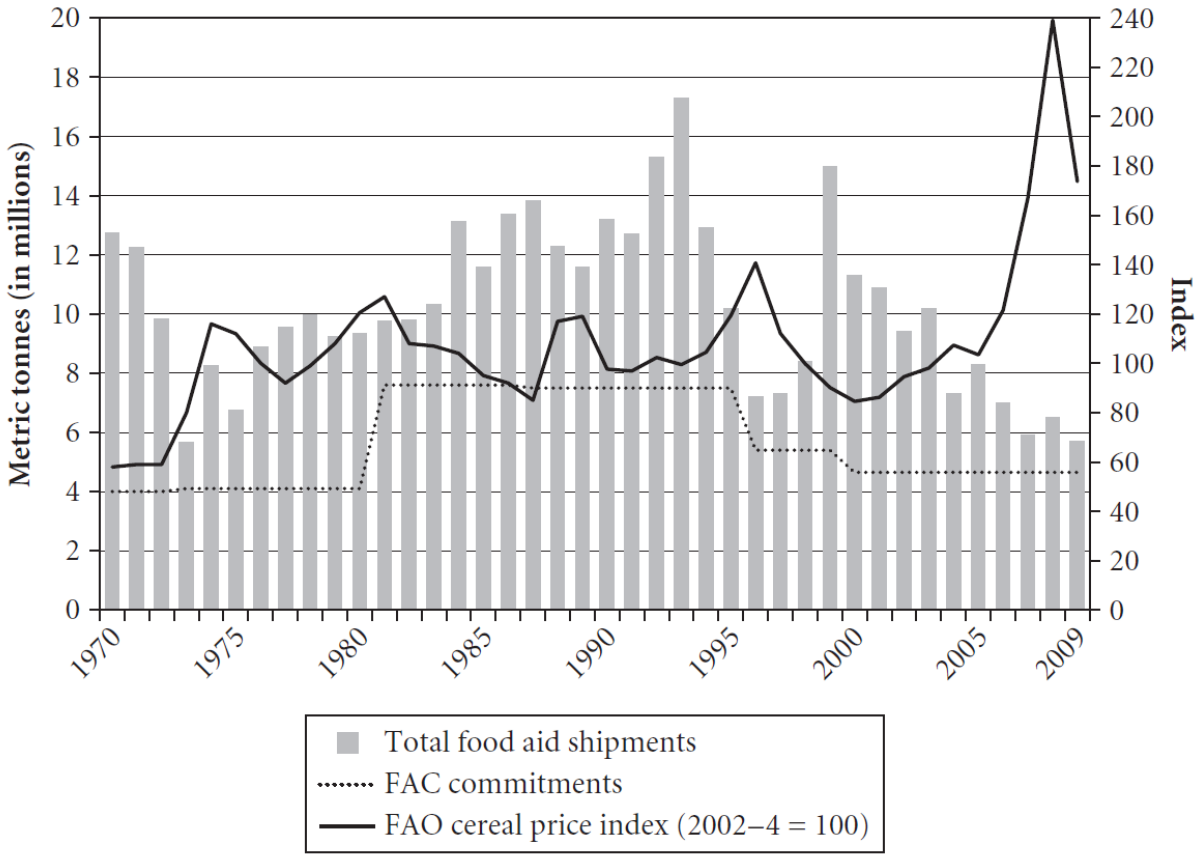


FIGURE 2.7. FAO cereal price index as compared with food aid deliveries and commitments under the Food Aid Convention, 1970–2009. Source: WFP Interfais, International Grains Council, FAO.

Conclusion…

- Food aid just one of many possible interventions to improve food security

- But the international community has not prepared well for a world with less food aid. Needed are:
  - More balanced trade policies
  - Greater investment in production
  - Policies to improve access

- Until these other measures taken seriously, food aid is likely to remain important, and political



