

ZEF/ Center for Development Research
Doctoral Program 2005
University of Bonn



WHAT ARE THE EFFECTS OF EXTERNAL FOOD AID ON VULNERABLE AND FRAGILE STATES?

Do methods of delivery matter?

Ermias Habte and Katja Mielke

Bonn, 25 November 2005

Table of contents

List of abbreviations.....3

1. Introduction4

2. The framework: context, concepts and controversies around food aid5

 2.1. The context: Emergency environment for assistance.....6

 2.2. The background: Food aid concepts and controversies8

3. Impacts of food aid on vulnerable and fragile states11

 3.1. The achievement of intended effects.....12

 3.2. Unintended effects of poor food aid management.....13

 3.2.1. Unintended impacts in the economic sphere.....13

 3.2.2. Unintended impacts in the governance sphere.....16

4. Methods of delivery matter18

 4.1 Macro-level components of food assistance18

 4.2. Targeting – the art of balancing doing good and harm19

5. Conclusion.....20

References.....22

List of abbreviations

EC	- European Commission
EU	- European Union
FAO	- Food and Agriculture Organization
FFW	- Food for Work
HDI	- Human Development Index
IDP	- Internally Displaced Person
LDC	- Least Developed Countries
MDG	- Millennium Development Goal
NGO	- Non-Governmental Organization
ODA	- Official Development Assistance
OECD	- Organization for Economic Co-operation and Development
SAP	- Structural Adjustment Program
UN(O)	- United Nations (Organization)
USAID	- United States Agency for International Development
WFP	- World Food Program

1. Introduction

Since the end of the cold war foreign assistance has gradually declined. The same is true for food aid as part of total Official Development Assistance (ODA).¹ This trend can be attributed to the loss of an overarching ideological concept according to which aid delivery until 1990 was almost always connected to the strengthening of donors' political partners in the fight against communism and its ideas. The end of the East-West conflict did not lead to substantial improvements in peoples' well being on a global scale, nor did it put an end to violent conflict.

Currently, more than 750 million people suffer from hunger because of multiple reasons conditioned by structural deficits causing food insecurity. Further, more than 80 million people face starvation because they have become victims of natural disasters or political crises and violent conflict.² Many more people on a global scale are at risk of having insufficient access to food, while nearly one third of the countries are not able to feed their populations adequately. This is mainly due to poverty or the lack of income necessary to purchase enough food on the global market to make up for domestic shortfalls. In this sense hunger, malnutrition and poverty are closely interrelated with food insecurity – the lack of “access by all people at all times to sufficient food for an active and healthy life.”³

The access to adequate food at all times for all people has been fixed as a basic human right in the United Nations' Universal Declaration on Human Rights. Furthermore, within the framework of the Millennium Development Goals Initiative the proportion of people who suffer from hunger shall be reduced by half until 2015. Food aid – defined as “the international sourcing of concessional resources in the form of or for the provision of food” (Barrett and Maxwell 2005)⁴ – resembles too narrow a concept to address these challenges. It can only make a contribution as part of a wider framework of resources, measures, and strategies aimed at large-scale food security (Clay 2004).

¹ While the food aid share in total ODA amounted of 20% in the mid-1960s, the figure declined to steadily less than 5% since 1995. See Barrett/Maxwell 2005, 6.

² For both numbers see Hofmann 2004, 4. Barrett/ Maxwell 2005 give a similar number, 852 Million, for the total amount of people suffering acute hunger (Barrett/ Maxwell 2005, 5).

³ This definition as cited by Barrett/Maxwell 2005, 256, is taken from the World Bank 1986 and the 1996 World Food Summit.

⁴ Christopher B. Barrett and Dan Maxwell, “Food aid after fifty years; recasting its role” presentation slides available at http://aem.cornell.edu/faculty_sites/cbb2/Books/foodaid.htm

To answer the question what the impact of food aid on vulnerable states is and how it may be influenced, present paper focuses solely on food aid interventions in so-called complex humanitarian emergencies, resulting from civil strife or war, economic shocks or from natural disasters, such as droughts, floods or hurricanes.⁵ Methods of delivery generally include a wider scope of arrangements both at the donor and recipients levels which serve as basic point of departure for operational and heuristic classifications on food aid effectiveness. A very common classification includes the distinction of modes of delivery (program versus project/ emergency food aid), commodity versus cash/ triangular procurement, tied versus untied aid. At the recipients level the methods of delivery vary according to the actual/ on the ground distribution procedures applied. Here the targeting strategy as well as the transparency and commitment of those who are involved in the physical delivery of food play a major role.

Due to the focus on food aid delivery in emergency environments issues of structural food insecurity and developmental food aid delivery will not be discussed in detail. That means, instead of focusing on program food aid, the emphasis in this paper will be on emergency and project food aid. In the second chapter an operational framework comprising of information on the situation in fragile states which determines the context for food aid delivery as well as aspects dominating the ‘food aid discourse’ will be briefly introduced. Chapters 3 and 4 will answer the assigned questions. In this regard Chapter 3 will be devoted to emergency food aid’s achievements as well as unintended effects caused by poor food aid management focusing on two dimensions: the economic and the governance spheres. Finally, in the fourth chapter, targeting methods will be discussed as one way of influencing the impact of food aid supplies in complex emergencies. Last, the results of the analysis will be summarized in a conclusion section.

2. The framework: context, concepts and controversies around food aid

Food aid’s 50-year long history has shown that there is no conclusive evidence of its effectiveness on poverty reduction or general welfare. It has remained a controversial instrument of development policy. In the following paragraphs the framing conditions for food aid delivery in fragile and vulnerable states will be explored in more detail. In

⁵ Note that the terms emergency (food) aid, humanitarian (food) aid and relief (food) will be used synonymously in the present paper.

the first subchapter the context in which most food aid delivery takes place lately will be described as comprising of complex political and humanitarian emergencies, highlighting the relationship between (armed) conflict and food insecurity based on the assumption that violent conflict is strongly associated with widespread hunger. The second subchapter will briefly summarize the different food aid concepts sparking controversies.

2.1 The context: Emergency environment for assistance

What are the characteristics of a vulnerable/ fragile state and which implications do they possibly yield for the setting in which food assistance is being delivered? In general a fragile or 'dysfunctional' state can be defined as one which does not dispose of the capacity to fulfil one or all of the following functions for its population to a certain/ full degree (Schneckener 2004, 8ff):

- The *security function* of the state entails the provision of security for its citizens against external and internal threats (from violence) by controlling the state's territory and relying on a monopoly of violence within its borders. In a way security is the basic good that needs to be in place for the state to effectively control access and distribution of resources and national income as well as to ensure participation in societal processes.
- The *political function* is being fully achieved if a state has managed to gain legitimacy, enacts the rule of law, guarantees stable institutions, access to political participation, transparency in decision-making processes, a high quality of law making and public administration bodies.
- The state's *welfare function* entails its capacity for the (re)distribution of goods (including infrastructure) and social services (including commitment to poverty reduction) among its population.

Deficiencies or in-capabilities may result⁶ in the loss of territorial control, the evolution of paramilitary groups which challenge a state's monopoly of violence, symptoms of institutional weakness like corruption, patronage, and clientelism, poorly functioning markets, infrastructure deficits etc. All these very much interrelated phenomena refer to poor governance, or – put differently – depending on which state function is how deficient different degrees of poor governance may result, with the state being serious at

⁶ The cause-effect relationship between poor governance features and state failure is hotly debated, but cannot be discussed in detail in the framework of this paper.

risk in the case that it cannot provide for the internal or external security of its citizens and territory. This given, (fragile) states are vulnerable to instability and conflict escalation. For the purpose of operationalization three different stages of ‘vulnerability’⁷ can be differentiated: (1) a conflict prone setting with obvious characteristics of poor governance, but yet no outbreak of large-scale violent conflict; (2) a situation of active violent conflict, and (3) a post-conflict peace-building situation.

Evidence shows that since the end of the cold war conflicts within states have emerged as the dominant type of violent conflict,⁸ rendering the population especially vulnerable because they are the most targeted and cannot be neatly differentiated from combatants anymore.⁹ The consequences are multi-fold. In case of threat of or the presence of actual violent conflict (‘vulnerability’ stages 1 and/ or 2) the following dynamics can be observed (among others): large-scale movements and/ or displacements of people (refugees, IDPs); inefficient economic, political and social institutions; random and systemic violence against civilians; widespread lawlessness; infrastructure collapse; interrupted food production and trade.

The overall conflict dynamic (stages 1-3) can be labelled as ‘complex political/ humanitarian emergency’, in which natural disasters (e.g. droughts, floods, hurricanes) can also potentially act as underlying causal or ‘triggering’ factors. In the same manner as dysfunctional states are linked with complex emergencies, the latter can lead to food insecurity, manifesting itself in acute deprivation, malnutrition, mass-hunger and famine in the short-term. The longer-term effects on the populations’ health, nutrition status and capital depletion result from large-scale destructions of agriculture and its resource base (land, irrigation works, rural markets, means of transportation, other infrastructure) during conflict.¹⁰

⁷ Vulnerability is not easily defined, but it is believed to indicate a damage potential which will be revealed during an event, in this case the outbreak of violent conflict or a natural disaster. The ‘vulnerability stages’ indicated are to be understood in a chronological order, not in degree.

⁸ Peace researchers have proven this point in various quantitative studies on violent conflicts. See, for example, Chojnacki 2004.

⁹ To give an indicator for this growing involvement of civilians as victims of violent conflict, Kaldor pointed out that eight times more civilians than soldiers perished in armed conflict during the 1990s. At the beginning of the 20th century this relationship was the other way around. See Kaldor 2000, 18.

¹⁰ This is due to the fact that that during conflicts formerly existing agricultural production systems undergo deep and lasting changes that most often imply major damage on biodiversity. War ‘legacies’ like land mines effect the population until long after the end of fighting by impeding access to the fields and restricting mobility in rural areas in general. In this way “rural families lose not only their productive assets, but also their capacity to survive transitory food insecurity by means of traditional ‘coping strategies.’” See Kracht 2000, 125.

Examples of complex political emergencies in the past and present include Afghanistan, Ethiopia, Angola, Madagascar, Mozambique, North Korea, Iraq, Palestine. Famous instances of aggravated problems caused by a combination of man-made and natural disasters have been observed in Somalia, Mozambique and Ethiopia in the 1980s, in Southern Sudan 1997/98 (Ockwell 1999, 2), and in Afghanistan in the late 1990s. These listings do not hint that complex emergencies happen to concentrate only inside single states, rather many disasters (man-made and/ or natural) include a trans-border dimension.

In summary, the framework for the provision of food aid to vulnerable and fragile states composes of conditions of human insecurity, not functioning markets, inefficient institutions, infrastructure deficits that can hinder access to remote areas, and the existence of a variety of actors (incl. NGOs, IDPs, refugees). States usually dispose of weak capacities for aid allocation and effective distribution (McGillivray 2005), their legitimacy is in question, their authorities challenged by local actors.

2.2 The background: Food aid concepts and controversies

The origins of food aid can be traced back to Western Europe's recovery after World War II when it was first introduced as a major component of the Marshal Plan. Beginning from late 50s, the US has subsequently applied a modified version of the marshal plan in many developing countries with food as major component under what came to be known as PL 480¹¹ program (Singer et al 1989). Looking at the political sphere, the time has coincided with a period when large number of former dependent territories were granted or obtained their independence and needed considerable support for initial development of their economies.

Until now the US has remained the major source of food aid with an average share of over 50% from the total food aid donated in the last 25 years (WFP 2005). Other donors by order of importance include the EU (EC), Japan, Australia and Canada. Furthermore, the UN's World Food Program (WFP), by nature a multilateral channel organization for food aid, serves also as major donor because it disposes of own discretionary funds which have proven to be very needed in situations of sudden emergency situations when donor money cannot be mobilized in short time. Since quite recently, other

¹¹ P.L. 480 (or Public Law 480) — P.L. 83-480 (July 10, 1954), also called Food for Peace, is the common name for food aid programs established by the Agricultural Trade Development and Assistance Act of 1954 USA.

economically emerging countries such as India and China contribute a significant part of food aid donations on a global scale. For instance, in 2002 alone India has donated 1 million MT food aid (about 10% of total availability for the same year) for famine relief (OECD/ DAC 2005).

Discussions on food aid often focus on its complex nature as an instrument for development and controversies surrounding its design and actual consequences. The various aspects of food aid have always been subjects of inquiry and growing controversy. Some of these aspects include; its mode of delivery, volatility of supply, terms of provision, level of targeting, mode of procurement etc. Food aid has been analysed by researchers of different social sciences, however, the major debate they aroused with respect to the core question ‘what is the impact of food aid’ has remained elusive.

Food aid can be analysed from two extreme perspectives. The case in point for the debate by both advocates and opponents lies on the fact that the long-term developmental impact of food aid in the recipient countries is yet utterly inconclusive even at a conceptual level. Advocates argue that food aid is a single most important instrument that transfers resources to developing countries without compromising the donor interests’ of protecting farmers in their countries. This view (of not compromising donor’s interest) has been particularly dominant before much of the agricultural liberalization took place in the 1980s. The argument then was that food aid provides among other things additional resources that could be invested or consumed, alleviates poverty if it is targeted towards the real needy, saves foreign exchange that could have been used to finance food imports, stabilizes prices and promotes developmental activities that could have not been undertaken otherwise. On the contrary, opponents of this view argue that food aid affects receiving countries very negatively in the long-term. Besides a range of economic and social disincentives being caused by food aid interventions, they particularly point out a dependency problem.¹²

The second major controversy surrounding food aid focuses on ‘macro-level’ methods of delivery. At least three important classifications usually come forward while discussing the notion by which food aid delivery methods at the donor level are distinguished. These are: program versus project/emergency, tied versus untied and

¹² See section 3.2.1. and 3.2.2. for a more detailed discussion of disincentive effects.

commodity versus cash aid. The most important and most widely analysed classification is the mode of food aid described as program versus project/emergency food aid. This classification puts food aid into three (sometimes two) categories: emergency food aid (free distribution), project food aid (food for work) and program food aid (more relevant term nowadays is monetization). These distinctions are not always mutually exclusive; evidently there could always be some overlap between activities of program and project food aid and between emergency and project food aid (Lowder/ Raney 2005).¹³

Emergency food aid - defined as the provision of short-term relief to persons who are not able to meet their food requirements due to some kind of acute shock or emergency (Barrett/ Maxwell 2005, 255) - is of utmost importance for crisis situations. While the amount of food aid declined at a whole, more and more has been used as emergency aid since 1990, amounting to 45% of global food aid during the last decade (Barrett/ Maxwell 2005, 215). In 2003 WFP diverted 90% of its food aid resources to emergencies. The level of ***project food aid*** has remained relatively stable throughout the last years. Its objectives - particularly through food for work schemes in countries such as Mozambique, Ethiopia and Angola - comprise activities such as the mobilization of redundant labour for essential public works or physical and environmental capital building. As with food aid at a whole, despite some success stories, the direct impact of project food aid on poverty as well as food security is not fully established. Instead, its adverse impacts, e.g. crowding out the labour time allocated for farm activities, have remained under intense scrutiny.

As part of the general argument surrounding the politics of aid, the motivation for food aid is also subject of controversy. It is generally believed that being a basic need for survival, food (particularly emergency food aid) is less likely to be used for donors' political or economic self-interests. The flow of food aid in the past 25 years, particularly to Sub-Saharan Africa, seems to corroborate with the fact that still most food aid donations are motivated by actual need (Abdulai et al. 2004). However, deliveries of most program food aid and project (monetized) food aid is found to be motivated by donor's political and strategic interest. In this context, looking at the

¹³ This becomes even more plausible considering the protracted duration of complex political emergencies due to the complexities involved. Furthermore, different development 'fashions' and improved knowledge have led to different strategies that have been and are being applied to tackle the problems, starting out from sequencing attempts along an assumed continuum from emergency and relief to development assistance until the latest cognition that all the different short- and long-term development objectives have to be approached by simultaneous measures.

allocation pattern in the last two decades, no clear evidence is established on economic interest per se in contrast with the political and strategic ones (Neumayer 2005).¹⁴ Tying food aid is not an act only limited to guard the interest of donors rather it is often used for ensuring efficient use of food aid by implementing countries (result-based conditionality). As a result of this, tying does not entail an all-negative feeling; at times its practice is warranted to make justice to the taxpayers' money as well as to ensure optimum benefit to the end users.

Another set of contrary concepts that is being discussed is the delivery of “commodity versus non-commodity” food aid. The latter encompasses all food security-supporting efforts, not only the conventional “in-kind delivery” of food (Lowder/ Raney 2005). As an alternative method for in-kind food aid, monetization and cash delivery has attracted special attention in the past, although evidence shows that cash resources to developing countries have significantly declined during the past 15 years (Barrett/ Carter 2002).¹⁵ When in-kind food aid is discussed, a common critique focuses on procurement in donor countries, suggesting that ‘local procurement’ in some other part of the same country or in a neighbouring country (so-called ‘triangular’ procurement) is rather uncoupled from interest-based allocation (Schmalbruch 2004). The EU has been a major financier and advocate of ‘in country’ and ‘triangular’ procurement modes since more than a decade ago. Despite the popularity of the approach (among recipients), its rate of adoption by other major food aid donors like the US is still very low, making food aid in-kind a more readily available resource than cash.

3. Impacts of food aid on vulnerable and fragile states

Although total foreign aid donations, and particularly the amount of food aid, have declined in recent years, food aid is indispensable in humanitarian assistance and delivered in quite large amounts to some emergency countries, for example to Afghanistan and Ethiopia. Both countries are not only among the least developed

¹⁴ For example the most common economic interest of donors in the past was to do away with their agricultural surplus disposal by delivering it on concessional terms to developing countries. Political interests could be realized multi-fold by attaching certain conditionalities to food aid supply, e.g. the support of international policies, the handling of arms deals, “oil for food”.

¹⁵ Cash aid and monetization are particularly relevant for longer-term developmental food aid measures, e.g. to support agricultural and other non-farm rural developmental schemes, but nevertheless cash is also being deployed as appropriate instrument in emergency assistance. Again, this can be seen as a consequence of the more and more protracted nature of conflicts or complex emergencies.

economies in the world (as seen by HDI¹⁶), but they have run similar development strides with longstanding civil war and with more than half of their populations living below poverty line.¹⁷ On a national scale food aid represents on average between 8-9 per cent of the domestic cereal production for the last five years (to which FAO data on food aid is available). This is quite high compared to the general average for all food aid recipient countries, where food assistance dwindled to less than 2 percent in the last two decades (Louder/ Raney 2005).

3.1. The achievement of intended effects

It is beyond controversy that food aid, especially in the case of complex humanitarian or political emergencies, as discussed here, is crucial for saving lives and limiting nutritional stress. If it reaches the people in need, emergency food aid reduces short-term hunger and starvation. This might then – if properly combined with further project aid or any longer term assistance, – lead to longer-term effects of stable health conditions, human capital building, and asset protection. In the latter case it is assumed that food aid prevents households from depleting their asset base in times of food crisis. Furthermore ‘food for work’ programs aim at asset building for local communities, e.g. construction of dwellings or roads, environmental protection measures etc.

‘Food for education’ projects aim at a steady school enrolment of youth, especially girls’ education, by providing them with a decent meal during lunch break which produces incentives for parents to send their children to school. Special projects have been designed to tackle widespread malnutrition among children in pre-school age, most often engaging also their mothers or pregnant women in order to achieve an impact on their long-term health conditions.

It is difficult to estimate the actual positive impacts of food aid, the more so in emergencies, because the observed improvements, for example in nutritional status, girls school-enrolment rate etc., are not solely attributable to food aid intervention and cannot be singled out for measurement. It remains unclear, how many lives have been

¹⁶ HDI is a composite indicator comprising three separate indexes. These are: GDP per capita, general school enrolment ratio and life expectancy. Countries performance in these separate indexes can be obtained from CIA’s world fact website <http://www.cia.gov/cia/publications/factbook/index.html>

¹⁷ Afghanistan’s Food aid trip has significantly elevated following the worst drought that hit the country from 1999 to 2002 and increased response from major donors such as the US and EU after a renewed internationalization of the ongoing conflicts as result of the country’s linkage to terrorist networks. On per capita basis Afghanistan received twice more than Ethiopia between 1994 and 2002, see (<http://www.faostat.org>), R  th 2004.

saved from starvation with the help of emergency or project food assistance. Even a reliable number of beneficiaries of food aid supplies cannot be indicated. Nevertheless, in terms of effectiveness, it cannot be denied that every saved life is worth the effort and costs related to emergency food aid.

3.2. Unintended effects of poor food aid management

The contribution of food aid, particularly in view of the humanitarian cause it serves in the context of complex emergency situations, is justified beyond any reasonable doubt. The intended objectives for which food aid was originally designed have remained quite appealing until today, because poverty and complex emergencies still dominate the agendas of development actors. In this regard, there is little to no counter argument that food aid has not achieved the listed intended targets. The relief component of food aid is often acknowledged as success by a wide range of evaluating bodies and researchers (WFP 2004, Barrett et al. 2002). However, the arguments against food aid basically capitalize at its unforeseen adverse effects which could result in net negative outcomes and weigh off its positive impact.

Critical opinions against food aid started to emerge almost from the very beginning of food aid's existence. Among the earliest and the most significant works on the issue of food aid is by Theodore W. Schultz, who is known for his seminal contributions (Nobel prize winning work) on economic growth problems of developing countries and notably for his famous phrase 'peasants are rational but poor'. His 1960 article has explicitly warned the United States food for peace program (PL-480) on grounds that the program would generate disincentive effects for farmers in the recipient countries. Following his work, a bulk of literature has been published confirming the Schultzian view of food aid. Nonetheless, more recent works on similar issues have refrained to make bold critique with few mild exceptions, such as Barrett (2002) whose empirical study has given evidence that food aid has little to no effects on domestic production, but instead displaces commercial imports.

3.2.1. Unintended impacts in the economic sphere

In economic terms one general observation drawn from developing countries includes the production of agricultural primary goods (which is their comparative advantage) in order to be competitive in international trade. As advised by structural adjustment programs' recipes, these countries generate the incentive to shift from food crops to

high-value cash crops such as cocoa, coffee, sisal etc.¹⁸ From an economic point of view there seems to be limited sense to this approach of exporting some agricultural items and importing basic food requirements. Or would it be more prudent to shift agricultural production away from exports towards satisfying domestic demand?

Emergency and project food aid are often monetized in recipients' local markets for the purpose of generating cash funds for a range of rural development activities. Such activities are generally intrusive to short-term supply management (causing over-supply) and mostly result in price declines, offering a clear disincentive for producers of the same or substitute crop in the locality. In this regard precautionary measures such as establishing floor price and quantity (such as USAID's Bellmon-analysis¹⁹) are quite instrumental in reducing disincentive effects at a macro level, but have very little impact on short term (seasonal) effects at local markets. Even in situations when food aid is directed strictly towards relieving household level food deficits, significant amounts of the food (out of the daily ration) are traded in the market to make cash for being able to meet other social obligations the recipients have. Such food is mostly collected at cheap price by retailers and then traded in local and regional towns, resulting in unfair competition with producers of like food items.

On similar line, food aid is believed to create reluctance both at individual and government level to invest more into agriculture. Evidently the data from food aid recipient countries in Sub-Saharan Africa show that per capita cereal production has declined by 20% in the last two decades while food aid (per capita receipts) increased by the same percentage (Abdulai et al. 2005).²⁰ This is more evident at local level and particularly when poor targeting such as inclusion of progressive households (similar treatment with the unprivileged ones) is widely exercised and in places where people are exposed to long time food aid assistance be it in the form of free distribution or food for work. In such circumstances people are prone to lose interest in a regular job income and try to maximize leisure as they are also becoming reluctant to invest in long-term schemes, for example to improve farm quality, conservation, technology etc.

¹⁸ At times large-scale production of profitable but banned substances such as 'Kat' in eastern Ethiopia and opium poppy Afghanistan may result from these policies. See for Afghanistan Rico 2004.

¹⁹ Bellmon-analysis (adopted by US International Development Agency); is a periodic assessment of the gap between the supply and demand for food aid commodity upon which a decision is made to allow or cut off food aid flows to a certain country.

²⁰ Of course, a causal relationship cannot be drawn, but the 'coincidence' can be at least indicative of the need for keen enquiry.

Food aid also impinges up on the social networks of neighbourhoods. As in most other places, rural people in food insecure countries have strong social networks that entail behavioural rules of collective actions at village and higher levels. Exposures to new opportunities (notably for food for work) have particularly crowded out the commitment to these social engagements (Elliesen 2004). Communities that have maintained long standing customary practice of pulling voluntary work force for activities such as working in communal conservation actions are fully replaced by food for work-schemes. The question is would it be worth forgoing this network capital for a short-term gain?

In a counter argument to the claim that food aid impinges upon domestic food production, Abdulai et al. (2005) have empirically established that such disincentive effects do not exist in food aid recipient countries of Sub-Saharan Africa. The empirical study looked at the effect of food aid on agricultural labour supply (motivation of farmers to work long hours), investment in own-farm improvement and willingness to work on collective social work pull. Using data from selected rural villages of Ethiopia, they showed that food aid has no significant negative effective in all the three areas. However, the data for this analysis was drawn from villages randomly selected on the basis of their agro-ecological diversity. Various studies, especially anecdotal case studies in typical food aid dependent communities have rather underlined the pervasiveness of the disincentive effects (Jackson/ Eade 1982, Barrett 2002, Maxwell 1990, Maxwell/ Belshaw 1999).

Lastly, food aid dictates the consumption pattern of recipients by shifting preferences away from domestic products in favour of 'exotic' ones. As result of long time exposure to imported food people generally develop strong preferences to these kind of food items over local products, changing not only the customary consumption bundle, but also causing dependency on commercial imports for nutritional needs. Vivid examples for changing consumer patterns include the shift from maize to wheat by most food aid recipient communities in Sub-Sahara African countries, or a shift from protein-heavy to carbohydrate-heavy diet.²¹ Consumption patterns are not only part of the cultural heritages as such, but at the same time symptomatic of the agro-ecological potential to sustain them. Therefore disrupting these patterns holds the potential of far more unwarranted implications for the people's long-term development.

²¹ The latter is said to have caused even unintended physiological consequences for pastoral populations.

3.2.2. Unintended impacts in the governance sphere

In close thinking to Mary B. Anderson's (1999) argument that when international assistance is given in the context of conflict, it both affects and is affected by that conflict, the authors of this paper apply the same assumption for complex political emergencies. The delivery²² of food aid is affected by and potentially affects the emergency environment. Besides being a basic survival need for people, food aid can serve also as a strategic source for conflict parties. In this sense food aid can be viewed as an economic good, the trading and/ or hoarding of which makes it very interesting/precious to political and military parties as it turns into a source of power and influence (Ockwell 1999, 5).

Although humanitarian law²³ foresees free passage of emergency supply to civilians in need during and immediately after a violent conflict, access to food for the victims of the enemy's side is often denied or restricted by warring factions in intrastate conflicts (e.g. by various militias in Afghanistan during the civil war and Taliban rule in Kabul since 1996). The stealing of food aid by warriors in order to feed their own armies and to sell it to buy other needed supplies or weapons is a very common phenomenon – known for example from several violent conflicts in Africa. In a similar sense the denial of food aid and the destruction of crops can be used by conflict parties as a “weapon” (Kracht 2000, 124) and means of pressure for the achievement of military objectives.

In contrary, does a conflicting party allow food aid distribution in an area which it controls, the delivery of food aid turns into a source of legitimacy for this particular warring party, its agenda and action (Ockwell 1999, 6). On the one hand, the distributed food also adds to the resource base of the warring party. On the other hand, aid agencies are forced to comply with the rules and restrictions set by the warring faction in the area. These rules can include the payment of taxes for access and free passage (Bosnia 1992-96, Liberia 1990-95, Somalia 1991-96) or, beforehand, the payment of ‘fees’ for services, e.g. in the case of import licences. Sometimes even people in need of food aid supplies are taxed for the food provided by aid agencies under the authority of a warring faction without the aid agency being able to do anything about it (e.g. Liberia 1990-95).

²² In this context delivery includes actual distribution of food on the ground as well as the transport of food resources to people in need.

²³ See the Geneva Convention of 12 August 1949 about the victims' protection in international armed conflict and its two supplemental protocols (1977).

All these modes of direct and indirect taxation fuel corruption and clearly support one warring faction or both and in this way feed into ongoing conflict.

Furthermore, the logistics dimension of food aid delivery often reinforces market distortions. In addition to the negative impacts on commodity markets described above, food aid especially affects local labour markets. In a complex emergency economy that is already widely disrupted, the hiring of translators, drivers, managers, and guards creates a significant source of employment for local people. In addition, the rent/ loaned use of vehicles generate economic activity and a source of revenue for locals, be they commanders or business people or both. At the moment that they fear to lose their source of income – food aid supply and related logistical operations – they might develop an interest in the continuation of a conflict just to ensure their economic survival as stakeholders in the conflict economy. Hiring guards directly from local militias to protect goods and staff in food aid distribution operations can be named as an example where food aid directly reinforces a conflict situation.

In general, it seems very problematic if food aid interventions in complex political emergencies support exclusively one group, because such a distributional impact usually enforces competition between conflicting factions and contributes to rising tensions, reinforcing conflict. If people are forced to leave their homes to get to distant places where food aid is being distributed they can suffer from loss of their social and economic environment, but they also might ‘make good targets’ for military operations of an opponent’s militias.

Another critical factor of food aid delivery can be seen in the fact that it substitutes for local resources which could be used to feed the population, but in the consequence are used to feed armies or monetized to acquire other needed supplies to support conflict. The further political impact of this substitution effect lies in the warlords’ ill-preparedness to assume broad, responsible leadership in a post-war period, because they leave the responsibility for civilians’ survival with the aid agencies and tend to define their responsibility and accountability in terms of military control only. Similar, aid agencies interventions and engagement in circumcision and as substitute of government agencies can do harm by undermining the (re)establishment of a state’s governance capacity.

To sum up the impacts of food aid in complex political emergencies, it can be stated that besides being effective in saving lives and/or human capital and asset building in the longer term, food aid also disposes of a clear potential to feed into, reinforce, and prolong complex humanitarian emergencies by providing unintended support to warring factions and their military operations. In order to assist the people in need there seems to be no alternative than to interact with warriors and in this way also to legitimize them to a certain degree, although in the following chapter it will be argued that *how* this interaction takes place is most decisive to minimize negative impacts of food assistance.

4. Methods of delivery matter

As has been indicated in several paragraphs in the text above, the point can be made that methods of delivery play a crucial role in food assistance effectiveness. A differentiation can be made between (1) modes of delivery at a macro-level involving donors and food aid procurement as well as channelling and (2) actual supply strategies at a micro/ local level involving recipients and food aid management (targeting) techniques on the ground.

4.1 Macro-level components of food assistance

At the procurement level, cash-based food assistance, without having food shipped from donor to recipient, may result in more timely responses to emergencies. The recent experience of the EU in replacing shipments with in-country purchase and triangular procurement are encouraging steps forward. This move does not only curtail the price disincentive effect that emerges as a result of injecting additional food in to the country, but also facilitates additional marketing outlets to domestic and regional-level producers.

As more of these happen in the donors' side, governments in the assisted countries should play an active role towards a position that ultimately leads them to assuming full responsibility. The various NGO and bilateral structures by no means should remain as permanent structure that encroaches into what is normally the responsibility of governments or the private sector. As with ODA in general, depending on the improvement in governance levels of countries, food aid has to give way to food based assistance that aims at giving more flexible resource by which countries can set their own priority to tackle their problems. At operational levels various precautionary measures can be taken to avoid or at least limit the negative effects of food aid.

4.2. Targeting – the art of balancing doing good and harm

Targeting seems to be the magic formula or at least a promising concept to prevent unintended effects of food aid delivery. Defined as the act of attempting to direct transfers (e.g. in this case food aid) to one or more specific group(s), at a specific time or place, or in a specific form (Barrett/ Maxwell 2005, 155), the latter also includes what has been described in the last subchapter – the decision for either in-kind or cash assistance. Yet, besides the questions of who should receive food aid, how best to identify recipients, where to find them, and what kind of intervention is required, the when, how long and how much is needed-questions are also of crucial importance for proper targeting. The overview of negative impacts of food aid in the sphere of governance shows that targeting errors manifest themselves most often in the fact that, on the one hand, not only the people in need benefit, and on the other hand many people in need are not reached with assistance or are provided with the wrong amounts of food and/ or too late (Barrett/ Maxwell 2005, 156).

Unintended negative impact of food aid	Possible targeting solution
Disincentive effect on commodity and labour markets	Provide food aid only to those in need for own food consumption, focus on in-country procurement of food
Changing consumer preferences	Provide food which people in need are most used to; provide them with cash if market access is given
Food aid dependency, undermining self help	Provide food aid with a shorter time commitment
Distorting community norms with food-for-work projects	Stay away from highly traditional communities with functioning self help-mechanisms (unless for short term relief)
Distorting government and NGO incentives	Condition continuing food aid delivery in an advanced stage of rehabilitation
Theft of food aid supplies by warriors	Prior announcement of targeted location for food aid distribution in order to engage recipients in assuring that food aid makes its way to them
Lending legitimacy to warlords by food aid delivery in their territory of control	Reject provision of unlabelled food aid so that people know of its origin
Crisis economy-income generation possibly generating incentives for conflict prolongation	Limit time commitment of food aid intervention, change local cooperation partners more often (if possible)
Distributional impact	Provide food aid to all people in need, no matter whose 'side' they are on
Substitution effect	Limit time commitment of food aid provision, engage government agencies

Table 1: Targeting challenges and possible solutions (composed by authors)

Looking at the negative effects of food aid delivery and the possible options to prevent them, one major obstacle comes into mind— insufficient information about the crisis situation on the ground. This insufficiency draws into attention that for improved aid management and successful targeting much better information systems will be needed to issue early warning calls on the basis of permanent monitoring and to provide an impact assessment of assistance interventions for particular crises. So far various information systems have solely focused on ‘natural’ disasters, but only few and in selected locations are available for conflict environments, and even then they addressed only one certain aspect relevant for the dynamics of complex emergencies. A future challenge will be to further develop, improve and integrate various information systems tracking climatic, economic and political indicators of prospective emergencies at the same time (Barrett/ Maxwell 2005, 203).

Sceptics point (Ockwell 2005) out that minimizing one kind of targeting error increases the likelihood of the other kind and it would subsequently lead to failure if too many objectives were addressed with a single resource. After all, food aid needs to be seen in a wider assistance context and alone it is rarely sufficient to address food insecurity in acute humanitarian emergencies.

5. Conclusion

As indicated elsewhere in this paper, despite the quantitative decline of ODA and food aid, a qualitative shift in the recent food aid flow from long-term/ program assistance to emergency food aid has occurred. Resource flows are characterized by high volatility from year to year and often determined by donors’ interests. It has been observed that food aid is being increasingly used in countries that experience natural and/ or man-made crises which in their complexity and duration also have an impact on the assistance provided. ‘Quick fixes’ are not a solution to achieve food security. Emergency aid is being supplied longer and in combination with project aid (Donner 2004). Furthermore, as the examples of Ethiopia and Afghanistan have illustrated, the declining significance of food aid as a proportion of ODA has not been uniformly mirrored at individual countries’ level.

This paper has concentrated on two types of unintended effects of food aid delivery in fragile states: in the governance and in the economic sphere. In the former case the impact tends to be occurring in a more indirect way, often long-term, while in the latter

case the negative effects on local markets are more tangible in the short term. There is strong evidence of disincentive effects caused by food aid in both spheres – on the labour market as well as in regard to voluntary community engagement, the lack of which could even generate broader impacts on other governance levels. Nevertheless, food aid as an aid instrument remains of utmost importance as long as there are people who would otherwise starve or suffer from malnutrition and related forms of food insecurity. The fact that food aid effectiveness under various circumstances is questionable does not make it irrelevant to the strides that developing and food insecure countries are making.

Unintended negative effects of food aid delivery in fragile states can be diminished by improving the methods of delivery on the ground as well as at donors' level. Proposed measures include adjusting the type of food aid according to the needs of people in humanitarian emergencies, cutting back conditionality at donor's level and improving targeting measures at the recipients' level. As a general strategy, food aid, while serving as buffer in shock periods, must ultimately aim at stimulating a situation in which food insecure countries progress towards food self-sufficiency. An appropriate strategy for achievement of this should include - among other measures - considering an increase in non-commodity based assistance, especially for the improvement of agricultural technology, production and marketing.

Assessing the impact of food aid on people's livelihoods remains an empirical question which depends on the precision and clarity of the measurement methodology. A number of case studies on food aid effectiveness are documented as success-stories with various NGOs and governmental agencies, but the debate about the effects of food aid is far from being consensual.

References

- Anderson, Mary B. 1999: Do no Harm. How Aid Can Support Peace - or War. Boulder: Lynne Rienner.
- Abdulai, Awudu et al. 2004: Food Aid for Market Development in Sub-Saharan Africa. IFPRI discussion paper No. 5. IFPRI Washington DC.
- Abdulai, Awudu et al. 2005: Does Food Aid Really Have Disincentive Effects? New Evidence from Sub-Sahara Africa. Cornell University Press Ithaca, NY: 14853-7801
- Barrett, Christopher B.; Carter, M.R. 2002: Can't Get Ahead For Falling Behind: New Directions for Development Policy to Escape Poverty and Relief Traps. Choices, 16.
- Barrett, Christopher B.; Holden, Stein; Clay, Daniel C. 2002: Can Food-for-Work Programmes Reduce Vulnerability? UNU/ WIDER Discussion Paper 24/2002. Available: <http://www.nlh.no/ios/Publikasjoner/d2004/d2004-07.pdf>
- Barrett, Christopher B.; Maxwell, Daniel G. 2005: Food Aid after Fifty Years. Recasting its Role. London and New York: Routledge.
- Barrett, C.B et al. 1998: Does Food Aid Really Discourage Food Production? Economic Research Institute Study Paper ERI NO 96-35. Logan, UT: Utah State University Press, 84322-3530.
- Barrett, C.B. et al. 2001 Does Food Aid Stabilize Food Availability? In: *Economic Development and Cultural Change*, 49.2.
- Barrett, C.B. et al. 2002 Food Aid Effectiveness. It is the Targeting, Stupid! Ithaca, NY: Cornell University Press.
- Chojnacki, Sven 2004: Anything New or More of the Same? Types of War in the Contemporary International System. Prepared for the 5th Pan-European Conference 'Constructing World Orders', The Hague, 9-11 September 2004.
- Clay, Edward J. 2004: Too Blunt an Instrument? In: *D+C Development & Cooperation*, 31.6, 232-235.
- Donner, Joachim 2004: Responding to Complex Crises. In: *D+C Development & Cooperation*, 31.6, 236-238.
- Elliesen, Tillmann 2004: Cash would be better. In: *D+C Development & Cooperation*, 31.6, 246-247.
- Hofmann, Michael J. 2004:Nahrungsmittelhilfe in der Armutsbekämpfung. Eine neue Legitimation? In: *Entwicklung und ländlicher Raum*, 38.1, 4-8.
- Jayne, T.S. et al. 2002 : Targeting Food Aid in Rural Ethiopia. Chronic Need or Inertia? In: *Journal of Development Economics*, 68: 247-288
- Jury, Allan 2004: The World Food Programme. Reaching the Hungry with Food Aid. In: *Entwicklung und ländlicher Raum*, 38.1, 11-13.
- Kaldor, Mary 2000 : Neue und alte Kriege. Frankfurt am Main: Suhrkamp.

- Kracht, Uwe 2000: Humanitarian Crises. Food Security and Conflict Prevention. In: Clay, Edward J; Stokke, Olav (eds.): Food Aid and Human Security. London: Frank Cass, 120-148.
- Louder, S.; Raney, T. 2005: Food Aid. A Primer. ESA Working Paper No. 05-05. Available: <http://www.fao.org/es/esa>
- Maxwell, S.; Belshaw, D. 1990: Food for Development. New Roles for Aid in Ethiopia. Report of the World Food Programme Food for Development Mission, mimeo, Addis Ababa and Rome.
- Maxwell, S. 1988: National Food Security. First Thought from the Sudan. Paper Presented to Workshop on Food Security in the Sudan, IDS Sussex, 3-5 October 1988. In: Maxwell, S. (ed.): Food Security in the Sudan.
- McGillivray, Mark 2005: Aid Allocation and Fragile States. Background Paper for the Senior Level Forum on Development Effectiveness in Fragile States, 13-14 January 2005, Lancaster House, London. Available: <http://www.oecd.org/dataoecd/32/43/34256890.pdf>
- Ockwell, Ron 1999: Recurring Challenges in the Provision of Food Assistance in Complex Emergencies. The Problems and Dilemmas Faced by WFP and its Partners. Rome: WFP-Report. Available: [http://www.reliefweb.int/rw/lib.nsf/db900SID/LGEL-5E5LE9/\\$FILE/wfp-food-sep99.pdf?OpenElement](http://www.reliefweb.int/rw/lib.nsf/db900SID/LGEL-5E5LE9/$FILE/wfp-food-sep99.pdf?OpenElement)
- OECD/ DAC 2005: The Development Effectiveness of Food Aid. Does Tying Matter? Pre-Print Edition. In: *Agriculture & Food*, 2005.10, 1-97.
- Rico, Susanna; Elliesen, Tillmann 2004: "We try to work ourselves out of the job". Interview with Susanna Rico, WFP Country Director, Afghanistan. In: *D+C Development & Cooperation*, 31.6, 242-245.
- Rüth, Alexandra 2004: Afghanistan. Nahrungsmittelhilfe zwischen Märkten und Entwicklung. In: *Entwicklung und ländlicher Raum*, 38.1, 23-25.
- Schmalbruch, Gerhard; Walker, David J. 2004: Fewer Adverse Side Effects. In: *D+C Development & Cooperation*, 31.6, 239-241.
- Schneckener, Ulrich 2004: States at Risk. Fragile Staaten als Sicherheits- und Entwicklungsproblem. SWP Discussion Paper, March 2004.
- Schultz, T.W. 1960: Impact and Implication of Foreign Surplus Disposal on Under- Developed Economies. Value of US Farm Surplus to Underdeveloped Countries. Baltimore: John Hopkins University Press.
- Singer, M. W et al. (1987). Food aid: The Challenges and Opportunities. Oxford: Clarendon press.
- World Food Program 2004: WFP in 2003. A quick glance. Available at: <http://www.wfp.org/aboutwfp/facts/2003>
- WFP 2005: About WFP. Frequently Asked Questions. Available at: <http://www.wfp.org/aboutwfp/fag/index.asp?section=1&subsection=5>