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American expert urges food aid reform

Make that cash, not grain

BY RON FRIESEN
Co-operator staff

On November 15, a cyclone with winds of over 240 kmh and packing a five metre-high tidal wave slammed into southern Bangladesh. Over 3,500 people died, millions were left homeless, crops were lost and famine loomed.

As you're reading this, food aid shipments from North America are on the water headed toward that devastated country. It'll take them 139 days to get there.

That's nearly five months to move food from where it is to where it's needed while people are going hungry. You'd think there has to be a better way of delivering emergency food aid.

So does Chris Barrett.

One way is to "untie" food aid from bulk commodities by providing cash instead of grain, said Barrett, a University of Cornell agricultural economist at Ithaca, New York.

Untying (or decoupling) food aid by donating cash lets relief agencies buy food locally and regionally, speeding up disaster response, he said.

That was the case during the 2004 southeast Asian tsunami. There was plenty of food inland, but no money with which to buy it. Instead of food supplies, relief agencies called for cash donations.

Untying is what the EU, Canada, Australia and other food-donor nations are doing. But not the United States, which



American food aid expert Chris Barrett is critical of U.S. food aid policy.

provides more than half of the world's food aid.

Most U.S. food aid programs are tied to agriculture budgets and farm policies. Bureaucracy and slow response times can create expensive and sometimes even deadly delays, Barrett said.

The inflexibility of U.S. food aid policy is the "800 pound gorilla" nobody in international relief work wants to talk about, he said.

Much has changed since

modern food aid began with the enactment of legislation in the U.S. in 1954, Barrett recently told an audience at the University of Manitoba.

The U.S. is no longer fighting the Cold War, when food aid was a policy tool for simultaneously combating world hunger, fighting communism and reducing grain surpluses resulting from generous farm supports, he said.

World food needs have

shifted as well. In 1960, the major food aid recipients were India, Poland, Egypt, Pakistan and Brazil. Today, those countries are largely self-sufficient in food and the top recipients now are North Korea, Ethiopia, Bangladesh, Kenya and Russia.

U.S. farm policy has also changed so that burdensome government-held grain stocks are no longer an issue. U.S. food aid itself is less program-based

and more driven by emergency response.

Still, direct food aid as practised by the U.S. can be counterproductive, Barrett said.

Early claims that donating food would stimulate agricultural exports later on proved empty. Food donations can disrupt local markets and undermine food security. The practice of monetization — selling agricultural commodities to obtain foreign currency for use in assistance programs — is often wasteful, said Barrett, who co-directs Cornell's African Food Security and Natural Resources Management Program.

Barrett praised Canada and other donors for reforming food aid by moving it under international development and away from agriculture. This enables allocation based on humanitarian and development needs, not program policies, he said.

The EU has decoupled most of its food aid. Canada and Australia have substantially done so, so that not all food must be sourced at home.

But the U.S. is still a laggard in food aid reform, said Barrett.

When two-thirds of the world's 6.2 billion people live on \$2 a day or less, global food security must be the sole objective of food aid, Barrett stressed.

That means donor nations must streamline their efforts and change their approaches to feeding the hungry. Often that means sending cash, not grain, across the ocean, he said.

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