

**Special Topics: Market Information and Food Insecurity Response
Analysis (MIFIRA) Framework
AEM 6940**

Spring 2010 Preliminary Syllabus
Half Semester: January 25 - March 17
Monday and Wednesday 8:40-9:55
Room: TBD

Instructors:

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Course Description:

Food aid is no longer the only, or even the dominant, response to widespread food insecurity. Donors, governments, NGOs and recipient communities exhibit rapidly growing interest in and experimentation with cash-based alternatives, both in the form of direct cash distribution to food insecure persons, and of local or regional purchase of food using cash provided to operational agencies by donors. But humanitarian assistance and development communities lack a systematic, field-tested framework for choosing among food- and/or cash-based responses to food insecurity.

This course outlines the rationale for “response analysis” and introduces a new, field-tested, systematic approach to this emergent activity. The Market Information and Food Insecurity Response Analysis (MIFIRA) framework provides a logically sequenced set of questions, and corresponding analytical tools to help operational agencies anticipate the likely impact of alternative (food- and/or cash-based) responses and thereby identify the response that best fits a given food insecurity context.

A particular focus in this course will be on different approaches to analyzing markets based on variable data availability, establishing monitoring and evaluation systems and identifying key triggers and forecasting their likely effects. Final projects will examine market functioning using available secondary data, in Kenya, Uganda or other locations of interest with chronic or regularly food insecurity populations.

Course Objective:

This two credit, half semester course is a “training of trainers” course in market information and food insecurity response analysis (MIFIRA). At the end of this course, students will be trained in key analytical tools necessary to assess market functioning as well as develop training materials for use in the field.

Summer Internships:

Students taking this course are eligible to apply for internships with our partner organizations to create MIFIRA baselines in summer 2010. Selected through a competitive process during the semester, up to six students will spend six weeks in either Kenya with Catholic Relief Services and the University of Nairobi or Uganda with CARE and Makerere University, gathering primary and secondary data and synthesizing and reporting their findings. Travel expenses, including per diems, will be covered for interns.

Course Prerequisites:

This course is open by application to graduate students from any field who have successfully completed at least one graduate statistics course and who have a strong understanding of at least intermediate microeconomics. Submit a one page statement of interest, identifying prior relevant academic training and personal and/or professional experience that will enable contributions to the seminar and prepare the student to fully engage with the course material.

Home Page and Readings:

The course home page is on Blackboard (<http://blackboard.cornell.edu/>). The page provides you with announcements, information about the course, links to the syllabus, lecture notes, useful web sites, and all the usual, good things available on Blackboard sites. We strongly recommend that you check the course web site frequently during the semester, especially for announcements prior to class. Readings not available electronically through Cornell's Library system will be posted on Blackboard.

Course Requirements:

Students are expected to complete assigned reading prior to coming to class.

Readings are a mix of journal articles and unpublished white papers and working papers. Some articles will require careful reading for theory and best methodological practices, while others are intended to expose readers to key issues or debates at the intersection of food security and market analysis.

Two **assignments** are intended to demonstrate concepts, solidify skills, and assist students with completion of the final project. Students should approach the assignments as components to be included into their final projects. Assignments must be completed on students' own (i.e., without partners) and will receive letter grades. Each of the assignments is described below.

The **final project** will be to identify and review available academic and grey literature examining food markets and analyzing secondary data on markets in a targeted area in order to prepare a gap analysis. A "gap analysis" critically reviews and analyzes available information and identifies what aspects of market analysis are currently lacking in secondary sources. These identified gaps will then help to

prioritize collection of primary data during summer 2010 internships. Students will work in teams on final project and presentations.

Project teams will give brief **presentations** of their final projects, highlighting both key findings and areas where additional information is required.

Grades and Point Allocation:

There is no “curve” in this class; you are not competing against your classmates.

<u>Exercise</u>	<u>Points</u>
Participation	25%
Assignments	25%
Presentations	10%
Final Project	40%

There are no examinations in this course.

No extensions are granted. Late or missed assignments will receive a grade of zero.

Academic Integrity:

We strictly enforce Cornell’s Code of Academic Integrity. We strongly encourage you to discuss course material with your classmates outside of class. Any individually assigned written work you turn in and the oral presentations you make must be entirely your own. At the minimum, a violation of the code of academic integrity will result in a failing course grade.

Office Hours:

Prof. Barrett’s regular office hours are Wednesdays 10:00AM -12:00PM during spring semester in my Warren Hall office (enter through Warren 314). During office hours, I always drop whatever I am doing to address your concerns. Outside those times, please feel free to email questions to me at any time or to call for an appointment. Please also feel free to drop by my office any time, but please understand that I am often out of the office or busy and unable to visit with you right away outside of office hours. So I may have to ask you to come back later.

Erin Lentz’s regular office hours are in Warren 314, on Wednesday afternoons between 1-3pm or by appointment.

Course Outline:

The course will use the MIFIRA approach to frame the market analysis tools. For each topic, lectures will present the theory behind the analysis and then present tools that can be used with high quality data and tools that can be used for tools with low quality data. Readings for each date are to be completed prior to class on that date. Assignments will ask students to use generate and compare findings using both low and high quality data.

01/25 Course description and overview and Response analysis and debated responses to food insecurity

- Cash versus food
- Transoceanic food aid versus local and regional procurement

Supplementary Readings:

- Harvey, P. (2007) "Cash – based responses in emergencies." London: Overseas Development Institute HPG Report No. 24.
- Wahenga (2009) "An urgent appeal to WFP: Please reconsider your plans for direct food transfer in Malawi." September 13. http://www.wahenga.net/index.php/views/comments_view/an_urgent_appeal_to_wfp_please_reconsider_your_plans_for_direct_food_transf/

01/27 Approaches to Market Analysis

- Market Information and Food Insecurity Response Analysis (MIFIRA)
- Emergency Market Mapping and Analysis Tool (EMMA)
- World Food Program Emergency Food Security Assessments
- Sphere Project's Minimum Standards for Economic Recovery

Readings:

- Barrett, C.B., Bell, R., Lentz, E.C. and Maxwell, D.G. 2009. "Market Information and Food Insecurity Response Analysis." *Food Security* 1:151-168.
- Maxwell, D., E. Lentz, and C. Barrett (2007). "A Market Analysis and Decision Tree Tool for Response Analysis: Cash, Local Purchase and/or Imported Food Aid. Background Paper. Paper commissioned for the Food Resources Coordination Team, CARE USA. Atlanta: CARE.
- Albu, M. (2009) EMMA Implementation Guidelines.
- Selections from World Food Program (2009) Emergency Food Security Assessment Handbook.
- Donovan, Cynthia and Megan McGlinchy. 2006. "Market Profiles and Emergency Needs Assessments: A summary of methodological challenges." May. World Food Programme, Emergency Needs

Assessment Branch (ODAN).

02/01 Context

- Causes of food insecurity
- Types of crises

Readings:

- Barrett C.B. and Lentz, E. (forthcoming) "Food Insecurity." In Robert Denemark et al. eds. *The International Studies Compendium Project*. Oxford:Wiley-Blackwell.
- Sen A. (1981) "Poverty and Famines: an Essay on Entitlement and Deprivation"
- Devereux S. (2009) "Why does famine persist in Africa?" *Food Security* 1(1) pp. 25-35.

Assignment due February 17

Create a 2-4 page contextualizing brief about Kenya, Uganda or another location of interest. (1) Include a summary of regional and domestic trade policies related to food, and, if possible, directions of food flow for each country's key commodities in that region. (2) Summarize key literatures about frequency, form, and severity of food insecurity, crises commonly experienced, dominant forms of livelihoods, key commodities consumed and produced, and common threats to livelihoods. (3) Include available estimates of marginal propensities to consume, terms of trade, and income and price elasticities (these latter analytics will be discussed next week).

02/03 Market Characteristics

- Marketshed mapping
- Trade Policies

Readings

- Timmer, C. P., W.D. Falcon, and S.R. Pearson (1983) *Food Policy Analysis*. Baltimore: Johns Hopkins University Press: chapter 4, "Marketing Functions, Markets, and Food Price Formation".
- Dorosh, Paul A., 2001. "Trade Liberalization and National Food Security: Rice Trade between Bangladesh and India." *World Development*. Elsevier Science. Vol. 29 (4) pp. 673-689.
- Dorosh, P., Dradri S., Haggblade, S. (2009) "Regional trade, government policy and food security: Recent evidence from Zambia. *Food Policy*." *Food Policy* 34 (2009) 350–366.
- Timmer, P. (2009) *Rice Price Crisis in Asia TBD*

02/08 Households and Markets

- Access

- Preferences

Readings

- Smith, L., and Subandoro, A., (2007) "Measuring Food Security Using Household Expenditure Surveys." International Food Policy Research Institute. Especially chapters 1 and 2.
- Grosh, M., Glewwe, P., ed. (2000) *Designing Household Survey Questionnaires for Developing Countries: Lessons from 15 years of the Living Standards Measurement Surveys*. World Bank. Especially Volume 1, Chapter 2

02/10 Households and Consumption

- Demand Elasticities
- Marginal propensities to consume
- Terms of trade

Readings

- Timmer, C. P., W.D. Falcon, and S.R. Pearson (1983) *Food Policy Analysis*. Baltimore: Johns Hopkins University Press. Pp. 35-60 "Food Consumption Analysis."
- World Food Program (2008) "PDPE Market Analysis Tool: Price and Income Elasticities."
- World Food Program (2008) "PDPE Market Analysis Tool: Terms of Trade."

02/15 Supply Responsiveness (1)

- Spatial Price Analysis & Market Integration

Readings

- Fackler, P.L. and B.K. Goodwin (2001) "Spatial Price Analysis," in G. Rausser and B. Gardner, eds., *Handbook of Agricultural Economics*, Amsterdam: Elsevier.
- Barrett C. (2008) "Spatial Market Integration" in Durlauf, S., and Blume, L., ed. *New Palgrave Dictionary of Economics*.
http://www.dictionaryofeconomics.com/article?id=pde2008_S000448
- World Food Program (2008) "PDPE Market Analysis Tool: Market Integration."

Assignment due March 8

(1) Assess national supply, production and consumption levels. Examine domestic prices compared international prices. (2) Compute import parity prices. (3) Conduct a spatial price analysis either using data provided or using data for Gap Analysis Final Project.

02/17 Supply Responsiveness (2)

- Supply Chains

Readings

- Mendoza, Gilberto (1995) "Chapter 11: A Primer on Marketing Channels and Margins," in Scott, Gregory J., ed. (1995) *Prices, Products, and People: Analyzing Agricultural Markets in Developing Countries*. Lynne Rienner, Boulder.

02/22 Availability and Prospective Source Markets - Domestic Markets

- Import Parity Prices

Readings

- Tadesse G. and Shively G. (2009) "Food Aid, Food Prices, and Producer Disincentives in Ethiopia." *American Journal of Agriculture Economics* 91(4)
- Famine Early Warning System (2008) "Import / Export Parity Price Analysis." *FewNet Market Guidance* (1). May.
- World Food Program (2008) "PDPE Market Analysis Tool: Import Parity Prices."

02/24 Availability and Prospective Source Markets (2) – Regional Markets

- Food Balance Sheets
- Informal Cross Border Trade

Readings

- Tschirley, D. and A.M. del Castillo (2006) "Local and Regional Food Aid Procurement: An assessment of experience in African and elements of good donor practice." Policy synthesis for cooperating USAID offices and countries missions No. 79. Washington: USAID.
- Food and agriculture organization. 2002. "Training in the Preparation of Food Balance Sheets: Food Balance Sheets: Applications and uses." June-July. No. 6. FAO, Rome.
- Famine Early Warning System (2006) "Informal Cross Border Food Trade in Southern Africa" November.
www.fews.net/docs/Publications/1001210.pdf

03/01 Competition

- CR4
- Trader diversity and other measures
- Barriers to entry

Readings

- Barrett, Christopher B. 1997. "Food Marketing Liberalization and

Trader Entry: Evidence from Madagascar,” World Development, 25(5): 763-777.

- See also: Timmer, C. P., W.D. Falcon, and S.R. Pearson (1983) Food Policy Analysis. Baltimore: Johns Hopkins University Press: chapter 4, “Marketing Functions, Markets, and Food Price Formation”.

03/03 Putting together the pieces (1)

- Estimating Supply Responsiveness to Demand
- Triangulating findings
- Weighing findings

Readings

- Ouma, R., Mude, A., Lentz, E., and Barrett, C. (2009) “Market Analysis and Food Insecurity Response Analysis Framework: An application in Northern Kenya.” Draft.

03/08 Putting together the pieces (2)

- Estimating Supply Responsiveness to Demand
- Triangulating findings
- Weighing findings

Readings

- None – work on final projects

03/10 Monitoring and Evaluation & Triggers

- Identifying Triggers
- Linking baselines to M&E systems

Readings

- None – work on final projects

03/15 Gap Analysis Student Presentations (1)

03/17 Gap Analysis Student Presentations (2)