SUMMARY NOTE

Panel Discussion: Whose Responsibility Is It To End Hunger?
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Title: Which Institutions Must Act?*

To achieve sustainable food security for all, new actions will have to be taken by a wide range of local, national, and international institutions, both in the public sector and in the private sector. What should be the division of labor among these institutions? Figure 1 offers a classification of the institutions that might have to play a role:

![Figure 1—Institutions potentially responsible for acting to end hunger](image)

<table>
<thead>
<tr>
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<th>For-Profit Private Sector</th>
<th>Public Sector</th>
<th>Not-For-Profit Private Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>International Level</td>
<td>Multinational corporations (MNCs)</td>
<td>Intergovernmental organizations (IGOs)</td>
<td>International nongovernmental organizations (INGOs)</td>
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<tr>
<td>National Level</td>
<td>National corporations</td>
<td>National governments</td>
<td>National nongovernmental organizations (NGOs)</td>
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<tr>
<td>Local Level</td>
<td>Local private marketers and tradesmen</td>
<td>Local authorities</td>
<td>Grass roots organizations (GROs)</td>
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The most logical division of labor between these institutions is for IGOs to provide the *global* public goods needed to end hunger (e.g., open and stable international food markets, an efficient international famine early warning system, a capacity to deliver timely international food and famine relief, and a well-financed international agricultural research system), while local authorities and national governments provide the necessary local or national public goods. These would include internal peace, rule of law, a stable macroeconomic environment, public health services, universal public education, an adequate rural transport and power infrastructure, and a national agricultural research system. Private companies will never have an incentive provide such goods (public goods cannot be sold, because they are openly available to all), and while some INGOs, NGOs, and GROs may have an incentive to provide such goods, they will seldom have the financial resources or authority to do so. Profit-making companies and not-for-profit NGOs can play a valuable role once these public goods have been provided (once markets are working, once the roads have been built) but

* These remarks are extracted from a forthcoming IFPRI 2020 Vision Discussion Paper titled "Governance and Food Security in an Age of Globalization."
the public goods most needed for societies to escape hunger must be provided by public sector institutions.

If we adopt this logical division of labor, with IGOs working at the global level and national or local government authorities working within states, an important observation can be made. In the two regions of the developing world where hunger is still highly prevalent (South Asia and Sub-Saharan Africa) the most important public goods now being under-supplied are local or national public goods, rather than global public goods. By implication, local and national governments have greater room and hence the greater obligation to improve their performance.

At the global level, IGOs are now delivering some necessary public goods with considerable success. Negotiations conducted in the WTO have helped to keep international food markets relatively open. Organizations such as FAO have developed significant famine early warning capabilities. International food aid organizations such as WFP have a strong record in getting food to nations facing short-term emergencies (so long as the governments of those nations cooperate, and so long as those nations are free of violent internal conflicts). And the international agricultural research centers of the CGIAR have put a significant quantity of internationally usable agricultural research into the public domain. The supply of these global public goods is not completely adequate, but it has been enough to help most geographic regions reduce hunger dramatically. In regions where hunger remains acute, such as South Asia and Africa, global public goods deficits are less significant than public goods deficits at the local or national level.

In South Asia, hunger persists despite the availability of a dependable international food trading system. In fact, hunger persists here in part because some governments in this region have made it a policy (in the name of "self-sufficiency") not to use international food markets. The states of South Asia import only 2 percent of their (inadequate) internal grain consumption from world markets. Governments in this region have also made it their policy, for years, to avoid foreign direct investments by MNCs. South Asia receives only about one-eighteenth as much foreign direct investment as the low- and middle-income countries of East Asia, and only one-nineteenth as much as Latin America and the Caribbean. Given such weak connections between the region and most global markets, hunger in South Asia is hard to attribute to globalization or to some deficit in global governance.

The hunger that persists in South Asia today has origins which are primarily local. In many cases the problem traces back to low farm productivity within rural communities that are situated in non-irrigated dryland areas that experience less than 750 mm of rainfall a year. These disadvantaged farming communities have not yet found a way to make their land productive. Grain yields on non-irrigated land in India average only 0.7 to 0.8 tons per hectare, which is only one third the yield average on irrigated land, and non-irrigated farming in India still accounts for 67 percent of total cultivated area, and struggles to support 40 percent of the country's vast population. Improving the productivity of these poor dryland farming communities will require substantially larger investments by local and national governments in agricultural research, rural infrastructure, and human capital (gender-equal).

In recent decades national governments in South Asia have done a better job of delivering important public goods to their own citizens, and as a consequence rural income has increased and hunger is now finally in numerical decline. The prevalence of child malnutrition in South Asia fell from 61 percent in 1985 down to 49 percent by 1995. The trends in Africa are not yet so favorable. In Sub-Saharan Africa the prevalence of adult hunger is now greater than in South Asia (34 percent versus 23 percent according to FAO), and with population growth the total number of hungry people continues to increase.
Africa's hunger problems are once again mostly local in their nature. Sub-Saharan Africa, a bit like South Asia, has been bypassed by many of the new forces of globalization. Whereas Africa in colonial times was deeply integrated into global commodity markets, Africa today is actually retreating from export trade. Africa's total volume of exported coffee, groundnuts, palm oil, and sugar has been shrinking; it is actually smaller today than it was thirty years ago. Total FDI flows into Sub-Saharan Africa have also become negligible, equaling less than 1 percent of the developing world total. Africa does rely on imports for a slowly growing share of its total grain consumption (14 percent of consumption, compared to only 2 percent for South Asia) but many of these imports are now arranged as food aid or financed through development assistance rather than commercial export earnings. The outside world gives Africa roughly 2.8 million tons (grain equivalent) in food aid every year, and roughly $11.3 billion in net official development assistance. Despite the availability of such global public goods, the number of hungry people in Africa continue to rise.

Hunger persists in Africa today not because of global market malfunctions, but instead because of low productivity growth within Africa's own farming sector. In Africa, average agricultural valued added per farm worker is actually declining. Total food and farm production per capita is also declining. This makes Africa dramatically different from the rest of the world. FAO data indicate that in the developing countries as a whole between 1970 and 2000, per capita food production increased by 51 percent, but in Sub-Saharan Africa per capita food production decreased by 9 percent. When it comes to ending hunger, some advocates like to argue that "food production isn't the problem," but in Africa lagging agricultural production clearly is a problem because it translates so directly into lagging rural income growth, persistent poverty, and hence persistent hunger.

Farmers in Africa have had trouble increasing their productivity mostly because of public goods deficits at the local or national level. In too many countries in Africa national governments have failed to provide essential public goods such as internal peace, rule of law, protections for individual or community property (especially farmland and grazing land), adequate rural infrastructure (e.g., feeder roads to serve remote farming communities), and sufficient investments in agricultural research. These missing public goods at the national level are holding Africans back. Farmers in Africa hesitate to invest in more productive farming techniques so long as under-funded national agricultural research and extension agencies are unable to demonstrate the promise of those techniques. They hesitate to move beyond traditional subsistence crop production to growing higher value crops so long as poor road systems and high transport costs make it impossible to purchase inputs (such as fertilizer) at a low price, or sell commodities into the local market at a high price. They also hesitate if the roads are not safe from militia soldiers or bandits, or policemen demanding bribes.

When national governments fail to deliver the essential public goods necessary for domestic food security, GROs, NGOs, and INGOs may try to fill the gap. NGOs are good at working alongside governments, but they seldom have the ability to replace governments. NGOs are not good at keeping or restoring peace in societies divided by violent conflict, or protecting property and enforcing rule of law, or making the research and infrastructure investments needed to supply the rural poor with science-based technology options, or providing an integrated infrastructure for delivery of water, power, and rural transport. NGOs can provide important assistance in the delivery of supplemental services to the poor, if governments provide a conducive environment. When national governments fail or abdicate, NGOs will usually not be a sufficient answer.

To conclude, it is national governments (in South Asia, Sub-Saharan Africa, or elsewhere) that must now take primary responsibility for ending hunger. Hunger has been reduced rapidly in East Asia primarily through successful public goods supply actions by national governments, not through foreign aid, global governance, or a proliferation of NGO projects. Yet outsiders are not free from
responsibilities. Donor governments, IGOs, and INGOs can and must play a supporting role. Mobilizing financial and technical resources is one thing outsiders can do. It would help if these resources were more often focused on local or national public goods investments, rather than on simple relief (which does not solve long-term problems) or on what is sometimes called "structural adjustment." Rather than conditioning so much international assistance, lending or debt relief on the pursuit of "policy reform" (which often reforms policies only partly, or only temporarily, or not at all) the donor community should refocus on financing public investments in tangible goods, such as infrastructure, human capital, and research. And most of all, instead of cutting back on international assistance to agriculture at a time when hunger in some regions is still growing, donor governments and IGOs should increase that assistance.

These essential external financial contributions by donor governments and IGOs will not succeed without parallel actions by national governments. But wealthy outsiders will not be credible in prodding local governments to act if they continue to fail in strengthening their own tangible commitment to ending hunger, a project which should engage us all.

Note: The views expressed in this summary note are those of the author and are not necessarily endorsed by or representative of IFPRI or of the cosponsoring or supporting organizations.