

TRANSCRIPT OF DEVELOPMENT DRUMS [EPISODE 22 – ENOUGH – HUNGER IN AN AGE OF PLENTRY]

Host: Owen Barder. Guests: Scott Kilman and Roger Thurow

Listen to the podcast: <http://developmentdrums.org/365>



Owen Barder

Thank you for downloading Development Drums number 22. I am Owen Barder in Ethiopia. In this edition I will be talking to Roger Thurow and Scott Kilman who are the authors of a new book about the causes of hunger in an age of plenty. Before we start I would like to remind you that you can subscribe to Development Drums from the website at developmentdrums.org or you can get it free on iTunes.

I am joined today by Roger Thurow and Scott Kilman to talk about their new book, "Enough: Why the World's Poor Starve in an Age of Plenty". Roger and Scott are both journalists with the Wall Street Journal. Over the last two decades Roger has been a foreign correspondent and Scott has covered agriculture for the paper. And they have both been recognized by the United Nations for their work together on humanitarian and development issues. Roger, Scott welcome to Development Drums.

Roger Thurow

Thank you. Thanks for having us.

Owen Barder

So let me start off by congratulating you on your book, 'Enough', which deals with a big global issue and all the statistics and analysis that that entails and at the same time manages to remain human and connect the reader with what these issues mean for real human beings. And you managed, I think, to talk about individuals who go hungry in a way that generates the reader's empathy but it doesn't tip into, into mawkish pity. And so I just want to say that from my point of view this is a really good accessible interesting book. Can you tell me a bit about what inspired you to write this? What were the experiences that lead you to want to tell this story?

Roger Thurow

Well, thank you, Owen, and I am glad that it's the impression that you got, because when we wrote the book that is what we really wanted to acquire, to make it accessible to people, to bring them into the eyes and the lives of the hungry but then at the same time also show those, both in Africa and abroad, who are on the front lines of the hunger fight and really doing a lot. So our purpose in writing the book was both to outrage and inspire. An outrage that we brought hunger at such increasing numbers with us into the 21st century but also inspire that it's one of the great problems of the world that can actually be solved. It can be one of the great singular achievements of our generation.

I think one particular point of inspiration for us, that moved us to write this in both our writing at the Wall Street journal and then further to write the book was the Ethiopian famine of 2003 and Scott and I did a number of stories on the famine and particularly looking at the policies and things that were going on in the western world by the United States and Europe and the richer countries of the world and how that impacted farmers in the developing world and a lot of that all came to manifestation in the famine of Ethiopia of 2003.

And one particular thing I think that motivated us, and it's a central part at least the preface of the book and then informs the rest of it, is that one of the workers that I was with at the World Food Programme, Volli Carucci who was in the Addis office said to me on my first day that 'looking into the eyes of the starving becomes a disease of the soul'. What you see is that nobody should have to die of hunger. Volli and I then went out into the hunger zones over the next couple of days and that is particularly what we saw and we could also then see kind of the impact of development theory and development policies and the richer world policies that were coming to bear at that time.



Owen Barder

Let's come in a second to the rich world policies and the challenges of overcoming those, and just focus for a second on how big this problem is. You said that we have brought this problem into the 21st century with us. How big a problem is it? Is it a problem that's growing in the world? Is it a problem that's getting towards the Millennium Development Goal of halving global hunger? What's your assessment of how the world's hunger situation looks today?

Scott Kilman

This is Scott. I think what really motivated us to write the book was the realization that this problem is getting worse, and how amazing that is at a time when the world has so many tools to spread agricultural development around the world and, this generation's ability to fight hunger is better than any generation's before. But then you sit back and you realize that the problem is actually getting worse.

So if you look at the data that's collected by the FAO and by the US agriculture department you see that this trend where, not only is that the total number of hungry continuing to grow and now it's above a billion which is the highest level since the late 1960s or early 1970s. But that for the first time in a few decades we are actually seeing the percent of the world that is hungry beginning to grow. So in the '70s and the '80s and in the '90s there was gradual progress against hunger where a percent of the world that is hungry actually declined. And you would expect to see that because the world's population was growing. Even though the number of hungry pretty much stagnated in the '80s and '90s, but in the last decade we actually saw both the number of hungry accelerate and we saw the percent of the world's hungry continue to grow. So, basically making it impossible through the world to meet the goals that were set out, the world food summit to have the number of hungry.

Roger Thurow

And what we, I guess, also saw - and it happened as we were writing the book and coming to the completion of it - was the food crisis of 2008 and with the great spike in commodity prices and the impact that one saw that had on the number of hungry that Scott was talking about. And say in 2005-2006 maybe 850 million people was the estimate of the hungry through the food crisis in 2007-2008 that number then as Scott said skyrocketed past a billion.

One also saw the serious political and security consequence that we had rioting in several dozen countries across the world, particularly in the developing world. And that also is signaled that, yeah, this is something that is a problem that one really needs to get on top of.

Owen Barder

I was particularly struck by the figure that 17 people die of hunger every minute, of whom about 10 are children. And you have some moving accounts in the book particularly about Ethiopia in 2003 of those individual lives and what it means and your own experiences meeting those people and seeing them. I wonder if you could just tell listeners a bit more about how that, what impact that had on you and what you saw.

Roger Thurow

I think one of the great impacts, as I was saying what Volli Carucci in the World Food Program had said, again, looking into the eyes of the hungry and you realize that in the famine and great hunger crisis the starving can speak with their eyes because they are too weak to speak. And what we wanted to do is say, 'okay let's really take readers into the lives and into those eyes so they can see for themselves that nobody should have to die of hunger'.

And what we saw in 2003 and going to the famine zones and particularly the place where the hunger crisis was most acute and some areas of Ethiopia that really hadn't had that prominent declared food security from the progress that they had been making and to see that, gee, the reversal that had gone on there and the situation that they found themselves, in at the time.



And one of the places that we went to, Boricha up in the highlands down by Awassa was in a place where there were a number of emergency feeding tents that had been set up. And when you went in there and saw the children and their parents that were with them and heard from the parents that, gee, the two previous years in Ethiopia they had had the best crops of their lives in bumper harvest both for the peasant farmers, the subsistence farmers and the commercial farmers. But, that when they took their surpluses to the markets and indeed to the same areas where they were now caring their starving children, they found that the prices had had utterly collapsed by up to 80% in some, in some countries.

So what we saw and we wrote about then and then expand them in the book is that in the famine of 2003 the markets failed before the weather did, that the drought was basically the final tipping point. But it was the market collapse, the collapse in the prices, the inability of the market to absorb the surpluses of the country and the farmers were producing that undermined farmer incentive lead them to plant less, to use less fertilizer to use less of the better seeds that they could get.

And so what went in hand was kind of in a biblical sense feast literally giving way to famine and out of the farmer's success came their failure. And that we saw, in addition to the individual scenes that one saw and the children and the parents that were there with them and the horrible suffering that they were going through. Also there was this bigger question of this didn't have to happen and that was one of the motivating things that we also want to write about. We figured that that we needed to bring to the readers.

Scott Kilman

So the story for me that really stuck in my head was in 2007 I had been in Northern Ghana and moved my way into Togo and Benin and I was traveling with some folks from CARE and came to a village where they had a project. It was a well and I was in the part of the country that wouldn't show up on the FAO charts or any kind of chart that would show it as a hotspot for hungry. But even there you found hunger.

What struck in me is that when I was in this village I was talking to a woman. And she was explaining to me how the hunger season worked. She was a farmer and she was caring for several children and I think she was the second wife of someone in the village. And she was explaining to me the math of how much food she had to be able to grow to keep her kids alive through the year. And part of the math that was involved was figuring out, well, when the harvest ends this is how much food I have, this is how much sorghum and millet and corn that I have. And it's going to last me this long before the next harvest begins and so she has to actually do this formulae in her head where the further away she gets from the last harvest and the closer she gets to the next harvest her food is going to dwindle.

And then it's going to reach the lowest point before the next harvest which means that before the next harvest begins as when she is going to have the least amount of energy, the least amount of food to get her by. So oftentimes she has to do things like cut rations on the half for the older kids down to the younger kids to the point where they actually have to pick the leaves off trees and make it into a soup just to fight hunger. And this is not a place that we would think of. This is not a place where US Food Aid is going into. This is not a place where you see the emergency feeding tents and yet this is a place where they live with hunger chronically.

And that opened my eyes up, I think, more than probably any other thing that I saw on that trip because number one, to see this, the constant shadow of hunger in a place that is not in the spotlight. And then number two, my awe of an African farmer who is able to do and make these kinds of calculations or things that are at such a high stake because if she is wrong somebody in her family will get sick and will likely die.

And I was just awestruck. I deal with farmers in the United States all the time, we have the best equipment and have GPS monitors and biotech crops and weather radars and do all kinds of math and nothing compares to what I saw with the skill level of this woman.

Roger Thurow

I would just say what Scott's anecdote shows, that of the hunger in the world there is over one billion people, it's more than 90% who are the chronically hungry. It is less than 10% that are in the hunger



emergencies and calamities that get the headlines, that a huge aid of donations flow in to. The vast majority of it and all the development workers out there on the ground in the world certainly know this, is that so much of it is the grinding, chronic everyday poverty or every day hunger of people going to bed every night without enough food in their stomach.

Owen Barder

Let's talk a bit about the causes and your anecdotes have focused on Africa and a lot of the book is about hunger in Africa. And there is a fascinating chapter that you referred to a few moments ago Roger about the bumper harvest in Ethiopia in 2000 and 2001, the falling prices that lead to and then the lower investment in the subsequent years and the famine in 2003. And you discuss why is it that there hasn't been a green revolution in Africa, why you haven't seen the kinds of increases in agricultural productivity that we have seen in Asia. And, if I understand the chapter right, but perhaps you can explain this thought, it isn't so much what you are saying to do with the agricultural technology itself, about seed varieties and irrigation in Africa, but to do with the lack of complementary inputs, the things that you need to take surplus food to market, the infrastructure, the roads, the market infrastructure being able to trade futures for example in grain and so on. What's your analysis of the green revolution in Africa? How much of this is to do with the agricultural technology? How much is to do with the failure – the systemic failure of both governments and donors and aid agencies to get the rest of the marketing structure in place?

Roger Thurow

Yeah. You are right with your analysis that it's – what we're looking at now I think is the necessity to deal with the entire – what the Gates Foundation calls 'the entire value chain'. Certainly the agriculture technology is important. Africa is vastly behind the other countries, the other regions of the world in terms of fertilizer usage for instance. The soils are so depleted through generations of use without nutrients being restored back into them. Seed research and seed development has also fallen so far behind other parts of the world.

So even the use of conventional breeding and hybrid seeds, corn or wheat is also a rare occasion in a lot of places in Africa. So what one has seen, and I guess what – say the famine of Ethiopia in 2003 really show was in addition to the lack of this agriculture technology or being behind other places in the world that had the green revolution or other agricultural transformations, is that all these other things around it as you described and we described in the book had also failed. From the famine in Ethiopia in 1984 and that horrible calamity, for instance, there was this bigger push in Ethiopia than elsewhere in Africa to produce, produce, produce. And the emphasis was on producing more food and that was good because that was the obvious problem, well there is not enough food that's available, there are horrible shortages.

But along with the production of the food, also needed to come the establishment of the market so that when the bumper harvest actually arrived, as they did in Ethiopia, there would be markets that could absorb the food that would keep in farmers' incentives high to continue to grow as much as they can. At the same time there was lack of development of storage facilities. And so, again, as a lot of the development workers will know, 30, 40, 50% of the African harvest are lost post harvest, just by waste because there is no storage facility. The farm to market roads are so wretched and that even getting the crops to the markets is impossible at times. The financing, which has been improved by a lot of the micro-finance organizations that are coming up and are now focusing on Africa, and the crop insurance that is coming.

So, part of all this is, after the Green Revolution, Norman Borlaug, the father of the green revolution had warned us all about this in when he won the Nobel Peace Prize in 1970 for the Green Revolution and if we didn't get on top of famine, not just dealing with the human wreckage of famine, but actually get on top of famine and hunger, we will be guilty of a criminal negligence without extenuation, and he was warning about complacency setting in, negligence coming and that all basically came to pass. And if you look at just the agriculture development aid fell off the table and so dramatically declined from the middle of 1984, I guess it is what that there was many \$8 billion from rich world countries in agriculture development aid to the developing world.

So, \$8 billion per year in the mid-1980s. By the middle of this past decade, so by 2003-2004, that number had fallen to about \$3 billion; so just an abrupt dramatic drop in agricultural development aid and there



were a lot of policies and Scott can talk about these in terms of the subsidy policies of American farmers – of the whole situation of structural adjustment that basically, the western development theory was that the Africa government sector should get out of the agriculture sector, let the private sector come in and do it, well the private sector in most of these countries wasn't strong enough in order to do a lot of these activities.

Owen Barder

Before we come on to the question of the Western policies and the change in development policy, I would just like to nail down if I can this question of the diagnosis of the nature of the problem. And, more broadly, Amartya Sen said in his famous book on famine and poverty, that hunger is – or famine is not the condition of there not being enough to eat, it's the condition of not having enough to eat. So the distinction he is drawing is whether the problem is lack of food production or whether the problem is that there are people who are so poor that they are unable to access that food or some failure of the market to deliver that food to them.

And it isn't clear to me from your book even having read it quite carefully, quite where you are on this because the title of the book, 'Enough: Starving in an Age of Plenty', suggests that you think that food production is sufficient but that the system is not doing a good enough job of ensuring that people who need food have access to it. But a lot of what you talk about in terms of the policy failures is to do with failure to invest in food production. And I just would like to tease out a bit where you are in that spectrum of: is the main problem that there isn't enough food, or, is the main problem that some people are so poor that although there is enough food they can't access it? So help me through where you are in this.

Scott Kilman

I think in much of the world and for many of the hungry that we are concerned with it is both problems. That if you look at the biggest single group of people in the world who are hungry, who are chronically hungry, the great irony is that they are farmers, or, people who have access to farmland, and that's their primary occupation. So, not only can they not grow enough to feed themselves, they can't grow enough to have something to sell to their neighbor so that they do have income. So to us it's both problematic that there is not enough food and that they also don't have enough income.

So how do you solve that? And we think that one of the most efficient ways that you can fight hunger and fight poverty in the world is to help the world's underperforming poor farmers grow not just enough to feed themselves but so that they have something to sell so that they do have income. I'm not so concerned about the debate about what's more important, the lack of food or a lack of income. I think clearly it's an important observation to recognize that if you do have the income then you should be able to afford food. But I think you can go too far down that road also - and so part of what we talk about in the book, and we saw this played out in the food crisis of 2007 and 2008, is that Western donors looked at poor parts of the world and said, well, the way to help these countries such as Haiti improve their food security is not to have them grow their own food but to have them be able to generate enough income so that they could buy food, in this case and in that case of Haiti import food. That was fine until the price of food got so expensive in 2007 and 2008 that they literally couldn't afford to import it.

So, I think now we are actually starting to see a shift where the World Bank and others are recognizing the importance of a country having food self sufficiency. You agree, Roger?

Roger Thurow

Yeah exactly. You know, I was also going to say to your point that what one finds in almost all situations of a hunger crisis is this horrible dramatic paradox of both surplus and shortage in the same country or in the same region. And I think that paradox addresses - I think what you were also asking is that if oftentimes the production of food itself is not enough, there does need to be all these other aspects of agriculture also brought to fruition. And those things have also been also severely neglected over the past couple of decades.

And as I said, just in storage capabilities, the markets, the role of communication systems; so farmers are able to discover what prices are out there for their foods, and this we write about in the book and Scott in



all his time of covering agriculture in the United States knows and we have written about it in the journal, is that all developed countries have gone through an agricultural transformation, there has been support from government agencies to do that, whether it would be extension agents and extension services that are going out and giving new information and new research and technology and explaining that to the farmers or, subsidies from the government to the farmers in Africa. And all that was a big part of the Green Revolution in Asia. That's been one of the great things that has been missing in Africa.

So, what you find is that African farmers are alone among the farmers in the world who bear 100% of the risk of a very risky business. So when a crop fails in the United States, for instance, somebody is writing a check to the farmers in most cases, and it's usually the government or an insurance company. In Africa, when a crop fails people die, because there is no support system that is there to support who are traditionally and historically economically the weakest folks in a society. And so, yeah, production is important, but that alone is not going to resolve the world's hunger problems if this whole value chain is also not addressed.

Owen Barder

So I thought it was pretty interesting to be reading a book by a couple of Wall Street Journal journalists and I don't want to caricature you but it was unusual to read what seemed a pretty heart-felt plea for more government involvement in the market. That's not something you often read in the Wall Street Journal. And of course the reason why in the 1980s the donors encouraged African governments to get out of agriculture, to pull back the extension workers, to pull back the government intervention is that where it had been tried in the post-colonial period, it didn't work. There are countless examples across Africa of inefficiency and wastage, attempts to collectivize and the thought was that if the government got out, then the private sector would come in and you would have private finance and firms bringing fertilizer and seeds and investment and so on, and of course that didn't happen either. But what is it that you think that has changed that would mean that if the governments did get more involved in agriculture now that they wouldn't repeat the mistakes of the '60s and '70s that were also not a success?

Scott Kilman

What I – we will both talk. This is Scott. We will both talk about this. I think particularly with Africa the biggest difference is it's not the '60s or '70s anymore where you have countries that have just come out of independence and often times were poorly prepared to govern and now we have decades past where we have more governments in Africa that are prepared – that do govern much better and do a better job with that, number one. And then secondly, you have governments in Africa who have recognized the importance of agriculture. In the '60s and the '70s many African governments made the mistake of not thinking that agriculture was the way to begin building their economies and building their nations, but to focus on other things in part industry. Roger, what do you think?

Roger Thurow

Yeah, no exactly. We hear that from all sorts of people now. At the World Bank, at the foundations, in the governments both in Africa and in the richer countries, and the swing of development thinking that, you know, in the post Green Revolution period we are looking at reducing poverty, the poor farmers in the world – in the developing world, they are the problem. They are not the solution, they are the problem. Now that's turned around and no, the poor farmers and creating conditions for them to be as successful and productive as possible is the solution. Bill Gates talks about that often and the efforts of the Gates Foundation is doing, it's the heart of what the Obama administration is trying to do with its global hunger and food security initiative which they call feeding the future. And, so what one sees on that front, and as Scott said, what's different now is you have - I think it was in 2004 the Maputo Declaration of the African governments that they will aim to spend 10% of their budgets on agriculture which is a radical departure, a radical increase from basically more in the culture sector than they had done so in the '80s and the '90s.

And then also from the western countries such as say with the Obama administration plans which is decidedly country led plan that goes to the African governments and it says, what kind of agriculture investment plan do you have? Where do you need help, where do need support and what can we do? What finances and support do you have? What is the private sector doing, how can we support the private sector? And a lot of this is driv, as you said, as the African governments withdrew and you are actually right, of



horrible inefficiencies in how the African governments were doing things, and there are usually inefficiencies whenever the government is doing things like that.

And so, yeah, let the private sector come in and you write that the private sector was too weak in those countries to fill that gap. So, a lot of these efforts now are looking at what can we do to create the conditions for the farmers to be as productive as possible. But also what can we do to get the private sector involved as much as possible. So, say the fertilizers are – or the subsidies that was started by the Malawi government and fertilizer and seeds. One of the efforts there was how do we make sure - how do we get the private sector also involved. So it's just not the government handout or the government subsidy, but that the money and the subsidies and things and the vouchers are flowing through the private sector and the hands of entrepreneurs. So, kind of spurring the entrepreneurship and the private sector at the same time.

You know, one of the things that Scott said is that you are seeing more governments that are basically standing up and taking responsibility for this. And certainly the Malawi government when they began the subsidy program in 2005 or so, basically said, 'we need to be responsible for feeding our people and our children', and to have children from Malawi at international television screens begging for food is a huge horrible thing for a government of a country to have to see, and to witness and we don't want to see that anymore. And he is now the head of the African Union, and when he was just named that a couple of weeks ago or a month or two ago or so, one of the first things that he mentioned was putting agriculture as a top priority of the African Union and of African governments. And so, the more that the African governments are behind this themselves and that they can involve the private sector in those countries, hopefully that will create a condition for this to all take off.

Owen Barder

As you say in the book, that particular subsidy program, the fertilizer and seed in Malawi, was opposed by the Western donors including the World Bank and the Department for International Development in the UK.

Roger Thurow

Yes. Because it went against the development orthodoxy of the previous couple of decades of having the governments get out of those sectors. And this theory called structural adjustment; we even have in the book people who are big proponents of structural adjustment looking back 20 years and saying, 'yeah what we failed to recognize was that the private sector involvement that we had hoped for wasn't there and didn't happen and didn't evolve'. And so the initial opposition to what Malawi was doing from the World Bank and from DFID is kind of along those historic lines that this is breaking with this development theory and orthodoxy that we had. But after the first year or the second year, the World Bank and DFID would then say, 'okay, we see how that is beneficial, how that can actually make economic sense' because some are surplus from Malawi they sold to Zimbabwe. So it became that the money was coming back into, in turn the next year subsidize – financially support the subsidy. So then we see that the World Bank and DFID and other development organizations are then saying, 'okay, how can we work with you on the subsidies around this government support?' And hopefully that it becomes tailored to not only help the farmers but also the entrepreneurs and the private sector in the country.

Scott Kilman

I take it from your earlier question, and we get this sometimes, there is this intrigue that Wall Street Journal reporters could see a role for big government or spending on agricultural development, the government spending or donor spending on agricultural development. And I look at it differently, and so the question that I come to is, well, I will say it this way, not the question, but what I have come to is sort of an understanding that good development is good business. I mean we didn't write the book to try to promote good export opportunities for around the world. We wrote the book because we saw an enormous problem that we think could be fixed by this generation. But I don't see a conflict in approaching hunger and saying that good development programs are a good thing.

It doesn't conflict with my experience of being a business reporter, because I know that there have been several cases in history where countries that have been able to develop a good agricultural system have been able to evolve into a strong economy and when they have strong economies and their middle classes



grow, they become consumers from throughout the world. And that is a good thing for Western countries; markets develop. Really the first of the economic freedoms that took place in China, took place around agriculture. And I would argue that you wouldn't have seen the economy in China do what it's done unless it had started with agriculture in the '70s and '80s and indeed there are very few examples around the world where any healthy economy was able to start without starting first in agriculture. And if you have healthy strong economies that develops opportunities for business around the world. Again that's not why we wrote the book but I don't see that argument as a conflict with any kind of report or anything I have learned about covering business or industries or economics.

Roger Thurow

No, and it is a good kind of reasoning for US and Europe of why there should be support for the African farmers and if you look at those historical examples, what is it Scott, I mean China buys, what, 20% of American soybeans or something?

Scott Kilman

I think somewhere around 18%, maybe 20% of all the soybeans grown in the United States are now shipped to China; you know, China is the single biggest customer of US soybean farmers is becoming a bigger and bigger buyer of all kind of meat and becoming much more important to US farmer. So, on one hand, US farmer a few decades ago could have looked at China and seen that its agricultural system was beginning to grow and saw a threat, but that would have been a wrong way to look at it. Instead that set in motion the economic changes that would allow China to become one of the farmer's biggest customers.

[Music]

Owen Barder

You are listening to Development Drums with me Owen Barder. My guests are Roger Thurow and Scott Kilman, the authors of 'Enough: Why the World's Poorest Starve in an Age of Plenty'. If you enjoy Development Drums you might also enjoy the weekly podcasts from the Center for Global Development called the 'Global Prosperity Wonkcast'. You can subscribe to Development Drums and the CGD podcast for free on iTunes. And you can set it to download new editions automatically to your iPod. Alternatively you can get Development Drum's from our website, developmentdrums.org. You will find all our past episodes including transcripts. I would like to thank Anna Scott, my colleague at Development Initiatives, who in addition to her many other duties has set aside some time to help me make these podcasts happen. If you want to find out about our plans for future episodes or suggest possible topics or guests, please visit our Facebook page.

I would like to move on, if I can, to a theme that runs right through the book and you spoke earlier about wanting to arouse people's anger, and it seems to me that you are pretty angry about the food aid industry. Throughout the book you described the way in which the provision of food aid by donor nations, intended as a humanitarian gesture, does harm. Would you like to tell us a bit about what it is that make you angry about the industry?

Roger Thurow

Yeah, sure. I think it's mainly that, say, in United States there has been a reluctance and a refusal on the part of many that are involved in food aid to modernize the system as it goes along and as we pointed out it's a case of good intentions that have eventually, over time, gone bad or have more negative effects than were intended to. The US food aid system that basically mandates that all American food aid is American grown food and it's shipped for the most part on American flagged ships. And one that adds – what we have seen is that it adds 50% to the cost of food aid or 50% of the cost of food aid is just transportation, and it's not the purchase of the food from the American farmers by the government, by the US government, but it's the whole shipping and the other apparatus that goes along with it. And that over the years what has grown up around it, is what's called this kind of iron triangle of interest from the farmers and the agro industry and the shipping industry and also the NGOs and the organizations that distribute food aid which becomes a fairly important part of the work and the revenue and the finances that they have.



But what that does is – and more and more people are realizing this, is that it can undercut local markets as we saw, again in Ethiopia in 2003, and it's just one set of stunning statistics or numbers that we found at that time. Is that in 2003 the US shipped \$500 million worth of food aid to feed starving Ethiopians. That same year, in 2003 the US spent less than \$5 million on agricultural development aid to help Ethiopian farmers be as productive as possible, so they wouldn't be in a position of needing American food aid to begin with.

And as I was there and you talk to the farmers who were coming off of these two bumper harvests had seen their own market collapse that there was basically, you know, the market for Ethiopian grown grain and cereals decline in some regions by 80%. Some of that food being held back in some of the few warehouses that – say the larger commercial farmers and traders had in Ethiopia. And right past all that was coming this American food aid and the Ethiopian farmers and traders figuring, wait, why isn't there flexibility for the US government to send cash and buy the food that we have here, that was grown, that is stored that we have no – that the internal market has collapsed for in excess to the market, why can't that be purchased with cash from America as opposed to their own food aid come into the country?

So you have Ethiopian farmers looking at that situation, the \$500 million in food aid versus the less than \$5 million in agriculture development aid for Ethiopia that year, and they are concluding, 'gee, I think American farmers need starving Ethiopians', and others are saying 'wait a minute, American farmers have a market for their crops in Ethiopia via food aid, and it's a market that we don't even have'. And so, it's looking at that and the huge disincentive it is for the farmers when something like that happens. It doesn't happen all the time but it is in places where there would be surpluses in countries or in regions where food aid is rushing into and the food aid does save thousands and thousands of people every year and it's much to be supported and praised for that.

But there are these situations where when there could be this local purchase wherewith cash – and Europeans are all cash and I think the Canadians too, that if the American system had a flexibility in addition to sending food, which is needed, there is also this flexibility to have cash available to buy crops that are available either in the country that is suffering from the hunger crisis or from the greater region. And that would then also provide this incentive to the local farmers again to produce as much as possible if there is this other agent coming to the market. Scott?

Scott Kilman

I think what's exasperating is that you can look at the US food aid budget and say it runs between 1 billion and \$2 billion annually. And if you ask the question – 'well if our goal is to save the most number of people from hunger with this money, how should we do it?' - It wouldn't be the way that we do it now. I mean, if you ask the taxpayer, US taxpayer who support the idea of food aid, polling data shows that, gee, you know, here is \$1.5 billion; this is what we spend on US food aid programs, we can save this number of people or a smaller number of people, and I would bet they'd go for the larger number of people. The reason that doesn't happen though is we are told by the US groups that the industry groups that benefit from the food aid program is that they wouldn't be able to get enough political support within congress to change the food aid program.

And the change we are talking about, again as Roger said is that instead of the requirement that the US food aid money be spent solely on buying US grown food that the government, that the US or whatever agency appoint, be allowed to take some of that money and spend it overseas closer to the famine area. So you can get it to famine areas quicker, not only quicker but you could spend it in the places where that money could – you know, is it a great depression term 'prime the pump' where you could create markets for poor farmers that do have more than enough for themselves and have somebody buy that at a good price and then move it back to the famine areas.

But instead what we are told is that the United States, you couldn't get that kind of program through Congress to the Fed. The only way you can get enough political support for the food aid program we are told is if farmers benefit, so the farmers support it and shippers benefit so that the shippers benefit and even that the NGOs benefit from the way that it works now.



Owen Barder

Could you just clear something out for me, I wasn't sure from the book. At times you seem to be saying that food aid was just less efficient than it could be because of the shipping from America or the higher price you have to pay and so on. Does that mean that you are saving fewer people, as you have just said, Scott, than you could do for a given amount of money? At other times in the book you seem to be saying actually that it's part of the problem, that food aid is actually undermining markets, undermining farmers' incomes, contributing to the problem of hunger around the world. Which is your view?

Scott Kilman

Well it depends on the situation here.

Roger Thurow

It's both basically.

Scott Kilman

I mean there is the chronic problem of it not being the most efficient way that we could be spending money efficiently meaning that we could be saving more lives for the same amount of money, that's inherently a good thing. Then secondly, you can look at individual – it doesn't always happen but you can look at individual markets where because we – it has to be US food, that's a logistical problem. It takes several months for when the US government discovers that there is a problem say in Ethiopia, and that message goes through the government's nervous system so that the food – the orders – the bids are put out for the food, the food is bought, the corn or the wheat or the soya beans is bought, it's put into all that bags, it's put on the ships, it moves across the expanse of the Atlantic and gets over that, that could be several months, and by that time the situation may have changed in the place that you have been trying to get the food aid to.

So, that delay in itself often means that food gets to a place too late and actually at a time when it then disrupts the markets where farmers are trying to recover from a shortage. The local markets' prices have gone up, they are trying to recover from a shortage, the market is trying to work, and boom, then you suddenly has these external factors to land on their heads. So that's part of what why we studied Ethiopia because that was a specific example of where that happened, it doesn't always happen, but when it does happen, it's horrific.

Roger Thurow

Yeah. So it's kind of both. It's – as Scott says it's going to be just the inefficiency in the way that America does its food aid and that there is a better way by adding this cash component, we say maybe, 50% perhaps of American food aid should be in cash, because you want American food on the high seas. So when something like Haiti happens and the earthquake, wow, that food is there, it's quicker, it can go in when it maybe as pre-positioned somewhere and Haiti relatively close by to the United States. But, there is that internal structure of American food aid, and we try to present that in the book and make that argument.

And then there is the other argument of food aid, of the impact that it can have in the developing countries and in the hungry countries themselves of undermining farmers' incentive when they see all this food aid come into the country. There were, again farmers in Ethiopia in 2003 who, again coming off these two very productive years, were bringing food to the market in some towns, and they would see at another road, or the crossroad, here comes the food aid come into the country and well they would just turn around and take their crops back home because they knew gee with the food aid coming to the country that's just more food into the system and into the markets and what kind of price are we going to get?

The World Food Program now, for instance, is developing a program and working at it. It's kind of in its initial stage is called 'Purchase for Progress' and the point of that is to use the World Food Program's purchasing power. And the World Food Program is the largest purchaser of grains and cereals in Africa to use that purchasing power as incentives particularly for the smaller farmers to grow as much as they can, to have surpluses that the World Food Program then could indeed buy, so creating this additional market.



And that's something like if America had a cash component to its food aid, it could perhaps be a contributor to that program and you see American philanthropists such as the Gates Foundation and Howard Buffet, Warren Buffet's son. They are both involved in this. They are thinking, well, let's give that plan a try and some backing and see if that does indeed create this incentive for African farmers that in essence would see, if we grow it, someone will buy it. It's like the futures contracts that farmers in America and Europe and everywhere else in the developed world work on that's an incentive for the farmers to grow. And so, using the provision of food aid, the purchase of food aid as an incentive as opposed to a disincentive, which it is in many cases.

Owen Barder

Let's move on to agricultural subsidies, which is another part of the system that you criticize pretty heavily in the book. The practice in America and Europe of subsidizing particularly agricultural exports but agricultural production generally to support farmers which you argue undermines the incomes and livelihoods of developing world farmers. I was struck that the example you gave is primarily in the book is cotton which of course is one of the more egregious agricultural subsidies and has usually affected cotton producers in Western Africa.

But that isn't a food example obviously. And I was wondering if, how big a problem you think the farm subsidies issue is in terms of its impact on hunger and food production rather than in things like cotton and coffee and so on.

Scott Kilman

Well, cotton is not a food crop but as you observed, there is this debate over what's more important having adequate food or adequate income, and the way that the farmers of Mali have an adequate income to buy food is if they have a good cotton crop and they can sell it on the world market at a good price. So that's why we see it as part of the hunger issue.

Cotton is probably the cleanest example, the clearest example of where Western subsidies have an impact on poor farmers in Africa. The other major US crops are corn, soybeans, wheat and cotton that are subsidized. Not that many soybeans are grown in Africa but there is corn although not much of, it's mostly domestically consumed and that isn't exported. So I think cotton is the best example to use to look at the impact of Western subsidies. But I think the same rules apply to the other crops too – to wheat and corn and soybeans, it's just a question of the degree that the international price of these commodities are affected.

Owen Barder

And then towards the end of the book, the last chapter is kind of a manifesto of things that we can do. Obviously changing the food aid regime and changing the farm subsidies regime but you also have a long list of other measures that you think that the industrialized world could take. Part of it is about increasing aid. You suggest a global fund for small farmers, you talk about greater investment in infrastructure, you talk about greater use of genetically modified crops. I was struck that a lot of this was to do with what industrialized countries should do. There wasn't much analysis in the book or discussion in the final chapter about Africans own leadership. You have some recommendations that you should spend more on research and a couple of paragraphs on land reform, but to what extend do you think that the primary responsibility lies with those of us from industrialized countries to change all behavior and policies, and to what extend is this primarily an issue for the policies and actions of developing countries and their governments?

Roger Thurow

I think it's a dual thing, and it has to run on parallel tracks. Obviously the primary responsibility for making sure that their own populations are well fed and there is adequate food production in the countries, and this notion of food security would lie with the African governments themselves. The same way that we are saying we point that out earlier in the book, in as we are whipping up this outrage of things of how we got into this stage of the behavior of some African governments. The impact that conflict has, using food as a weapon of political control, of other political decisions that would harm the farmer, of ignoring and neglecting the farmers that the African countries and governments themselves are to blame for, as well as



the international institutions and the financing institutions and development institutions were also ignoring and neglecting the African farmer.

But then you also need these parallel things we were talking about; support that farmers need and even African farmers left to bear 100% of the risk that allowed the African countries themselves, even if they devote 10% of their budgets to agriculture will still need additional funding for that. When we call for, not in essence more aid, because there is also – obviously as you are well aware of and all the listeners would be aware of, this debate of ‘what’s the use of aid in Africa and the developing world after so much money over the decades has been spent, and what does one have to show for it?’

I think one of the points that we make is that a lot of that aid has not gone into the agricultural sector. Agriculture in essence has been starved of aid both by the African governments themselves and the international community. So, a reorientation of that aid to basically aid the people who in a lot of African countries make up 60, 70, 80% of the population of those countries. And those are the small farmers.

And so, I guess our recommendations are, both on what the richer world countries can do, but then also obviously, here are things that have to also go on in Africa and the big role that African entrepreneurs could play. And in the chapter under recommendations, I guess we didn’t include things that we had also mentioned in previous chapters of the book, and one of the great examples of what African business people and entrepreneurs themselves are doing and the role that they can play such as Eleni Gabre-Madhin who started the Ethiopian Commodities Exchange who was the moving force behind that in Ethiopia, and that all coming out of the famine of 2003 and realizing the crucial nature of markets. So those are things that by showing the example of what we are kind of giving, that becomes also a recommendation of sorts that, hey there are these things that these folks are doing, and as they are successful hopefully they become models to be replicated.

Owen Barder

And if you could speak to a policymaker in a lift, in an elevator and they said to you right, what are the three things that we as Western policymakers ought to do differently, what would be your priorities? Would it be to do with the aid side or to do with the food aid side or – we haven’t talked about ethanol subsidies. But where do you think are the most important interventions for Western governments.

Scott Kilman

I’ll start – number one I’d say read our book. Roger what’s number two?

Roger Thurow

There you go, read our book. As we start off that last chapter, this parallel between what the statements of Harry Truman and things as the Marshall Plan and things got going, and, well, here is what Obama and the administration can do. Following up on what he talked about in his inaugural address of helping farms flourish in the developing world. And the things that they are doing with this global hunger and food security that – and there’s bills that are looking for funding for that - would say to American policymakers, ‘look at what the administration is trying to do, see how that can be supported, how American aid in essence can be shaped to create the conditions for the poorest farmers in the world to be as productive as possible, to feed their families, to feed their regions, to feed their communities, and to put that at the forefront’, and also that it’s not only in the interest of those farmers themselves and the African countries and the upliftment or the alleviation of poverty in the development of Africa, but it’s also decisively in our interest here too.

One, we can’t live in a world where more than 1 billion people are going to bed hungry every night; and two, it is in our own security interests that that doesn’t happen. So there are also more than practical reasons that basically hunger ought to be the number one priority of development aid and the development system’s efforts.

Scott Kilman

And if I had the opportunity to be stuck in an elevator with a policymaker, it’s not unlike some examples where Roger and I have had conversations with policymakers during the writing of this book and after the



writing of this book, and when I get time what I do is I don't give them a list of three things that would have the most impact, like, changing ethanol subsidies or changing food aid. What I find myself doing is trying to have a conversation about why the hunger situation that we have in the world today is not a natural state.

I think many people look at hunger as something that has always been with us and will always be with us, and that's unfortunate but that's just the way the world works. There isn't enough for everybody and we just have to accept that and we need to make a good effort, but it's not going to be our number one priority. And the conversation I try to have, and I often end up having is to help people to understand that there are things that this generation can do, that can – we think – end hunger in this generation and at least take an enormous bite out of it. And I think there are certain policy things that can be done; there are technological things that can be done that if you put them all together you start to realize that it's not an overwhelming problem that it is something that we can make a big difference of.

Owen Barder

Scott Kilman, Roger Thurow authors of *Enough: Why the World's Poorest Starve in an Age of Plenty*. Thanks to both of you for coming on Development Drums.

Roger Thurow

Our pleasure. Thank you.

Scott Kilman

Thanks – thanks for your time.

[Music]
