AFRICA IS WIDE AWAKE BUT STILL HUNGRY

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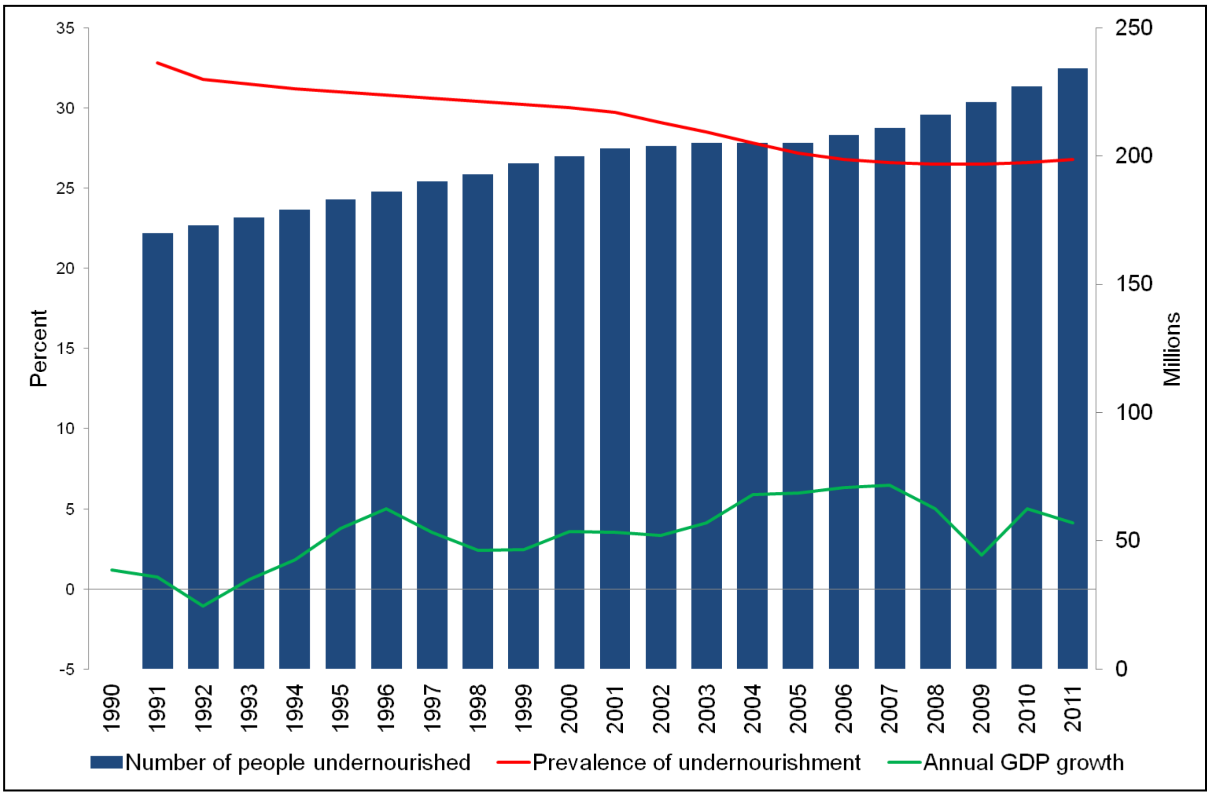
One of the most remarkable turn-arounds in development occurred in the last decade in many of the countries south of the Sahara. Economies have been growing even in the face of economic and financial instability elsewhere in the world; poverty has fallen and child mortality has dropped considerably, among the most visible indicators of progress. But the number of people suffering from undernourishment (a proxy for hunger) has kept rising. There are several reasons to be optimistic about Africa despite the fact that hunger remains pervasive. Sub-Saharan Africa is wide-awake, dynamic and on the move, but still hungry.

1. AFRICAN RENAISSANCE – THE RECENT PROGRESS

In the 22 years between 1990 and 2011, sub-Saharan Africa experienced economic growth in all but 1992. And since the turn of the century, developing sub-Saharan African countries have taken off economically: they have averaged an economic expansion of 4.6 per cent per year (Figure 1) – a stellar performance if we compare with the frequent economic chaos of decades prior. Compare that with EU and the US where economic growth since 2000 has averaged 1.6 and 1.8 per cent respectively.[1]

More interestingly, the economic performance is not only the result of booming commodity prices. Resource rich countries like Angola, Equatorial Guinea and Sierra Leone have grown rapidly but so have countries with a more limited resource base, such as Ethiopia, Uganda and Mauritius. In fact, 22 non-oil countries averaged 4 per cent growth or higher for the decade 1998-2008.[2] This economic progress is expected to continue. The region will continue growing rapidly in the next few years.[3] This is attracting attention from investors. Private capital flows reached an estimated $42.4bn in 2011; foreign direct investment reached $32.5bn. Both are expected to decline in 2012 as a result of instability in the Euro area but overall, the levels have improved dramatically over the last decade. In fact, nowadays private investment exceeds foreign aid. This positive investing environment is reflected in the growing number of countries (Ghana, Senegal, Nigeria, Namibia, Zambia) that can access international capital markets. The most recent member of the club is Zambia, which raised $750m in a 10-year Eurobond with a 5.625 per cent yield, which is lower than what some troubled Euro economies can attract.[4]

Figure 1: Undernourishment and Economic Growth in Developing sub-Saharan Africa



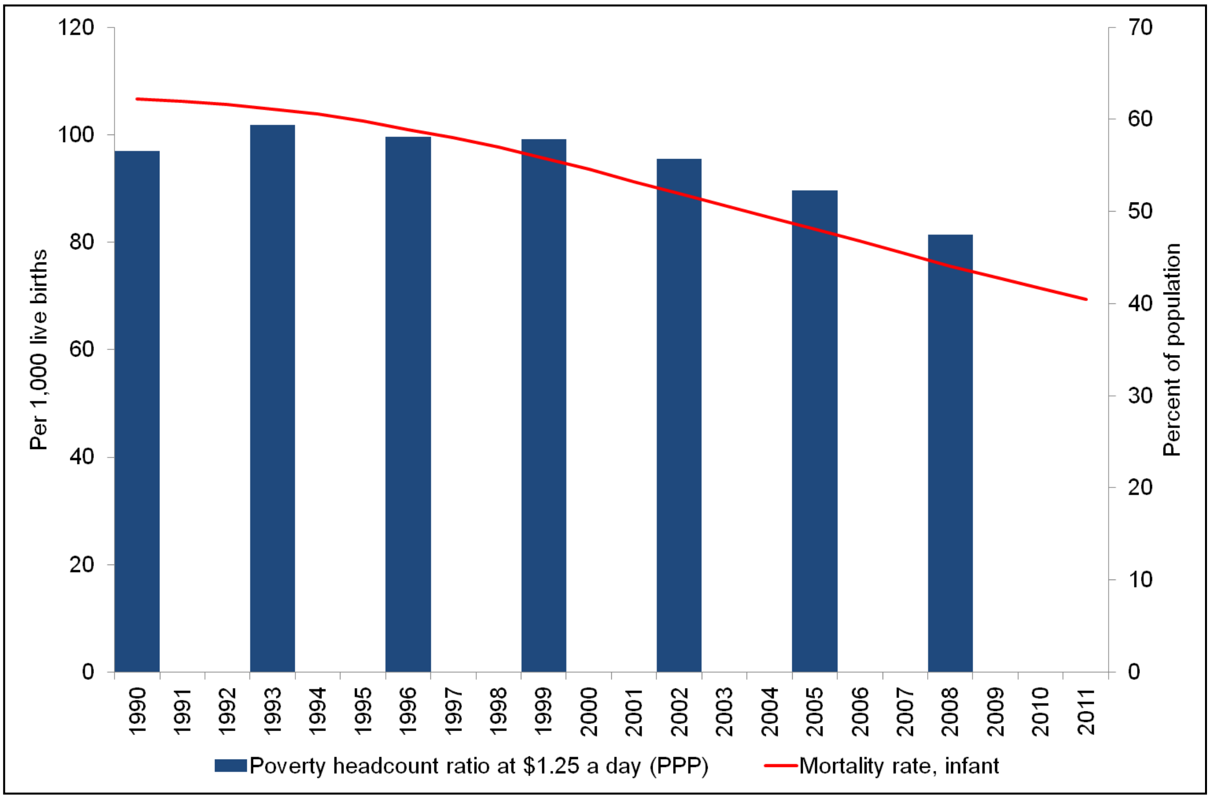
Source: Undernourishment – FAO 2012 http://goo.gl/iY2aL; GDP growth – World Bank 2012 http://goo.gl/Sl1oC

The recent economic growth has been accompanied with other indicators of progress – a rising human development index, a rapid reduction in poverty and a decrease in child infant mortality (Figure 2).

Since 2000 sub-Saharan Africa has been outperforming the rest of the world on the Human Development Index, a composite measure that includes dimensions of education, health and income. Poverty rates for the continent south of the Sahara fell by more than 10 percentage points between 1999 and 2008 – or a reduction in poverty rates of more than one percentage point per year. Not enough to eradicate poverty in a generation but a large contrast from rising poverty rates in the 1980s.

The decrease in child mortality is remarkable - although the overall level remains unacceptably high. In 1990, 17.4 per cent of African children would die before their fifth birthday, in 2012, the rate would be 12.1 per cent. But more importantly, the pace of this decline is increasing. In a majority of countries, child mortality is falling about twice as much per year now than one or two decades ago.[5]

Figure 2: Poverty and Infant Mortality in Developing sub-Saharan Africa



Source: World Bank 2012 http://goo.gl/Kv3xC

In the backdrop of this new dawn for African countries, we see an increasing number of hungry people and a stubbornly constant share of the population suffering from undernourishment (Figure 1). How can these contrasting dynamics be explained?

2. FOOD AND HUNGER IN AFRICA

The food system in Africa, as with the rest of the economic and social structures, is changing. The production of food and calories has increased substantially. Over the last 20 years, there have been significant improvements in food supply in many African countries. The new indicators on the adequacy of average dietary energy supply from FAO indicate that sub-Saharan Africa as a whole has supply of calories 9 per cent greater than the minimum level required by its population, compared to only just achieving sufficiency in 1990-92. Of 45 sub-Saharan African countries with available data, 31 (69 per cent) are deemed to have sufficient supply to ensure adequate nutrition for all their citizens, with 14 (31 per cent) not having sufficient supply and eight having no data available; nine of those with below adequate supply are within 5 per cent of an acceptable level (Figure 4).

Box 1: FAO Food Insecurity Indicators

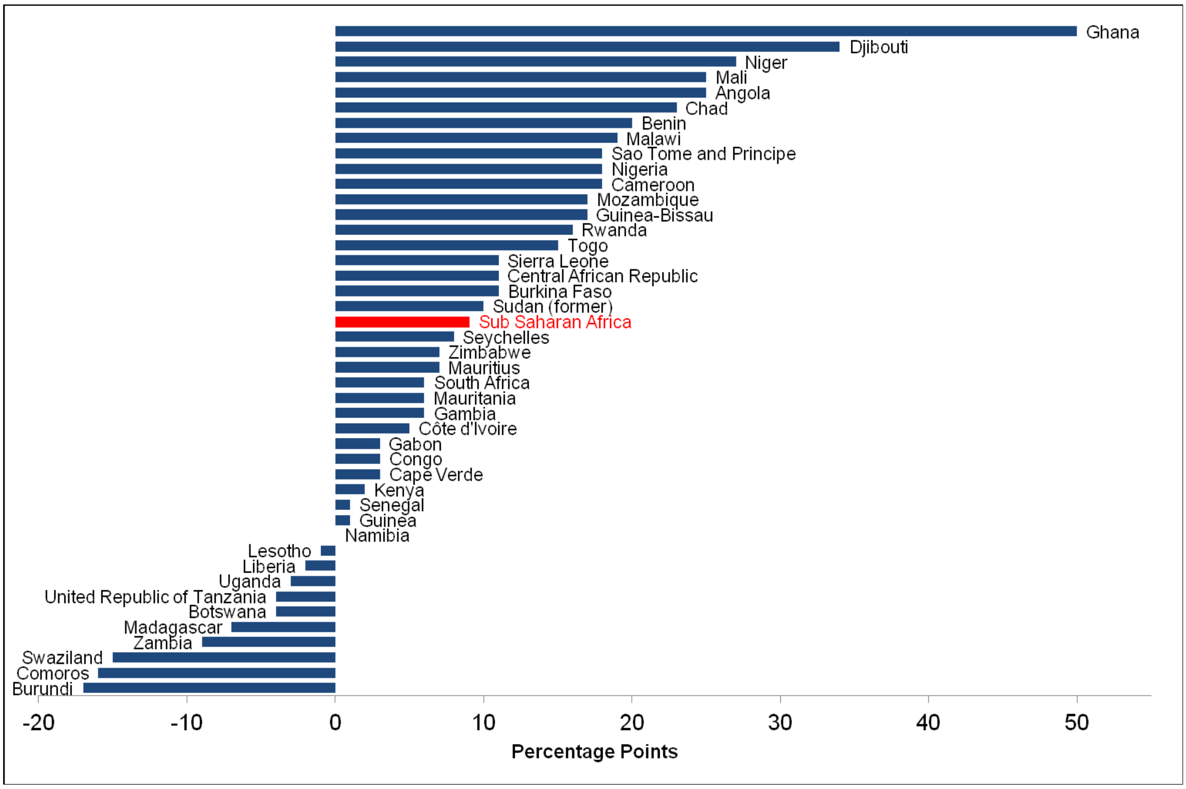
FAO recently presented a new indicator for undernourishment. The indicator expresses the Dietary Energy Supply (DES) as a percentage of the Average Dietary Energy Requirement (ADER) in the country.

Each country's or region's average supply of calories for food consumption is normalized by the average dietary energy requirement estimated for its population, to provide an index of adequacy of the food supply in terms of calories.

Analyzed together with the prevalence of undernourishment, it allows discerning whether undernourishment is mainly due to insufficiency of the food supply or to particularly bad distribution.

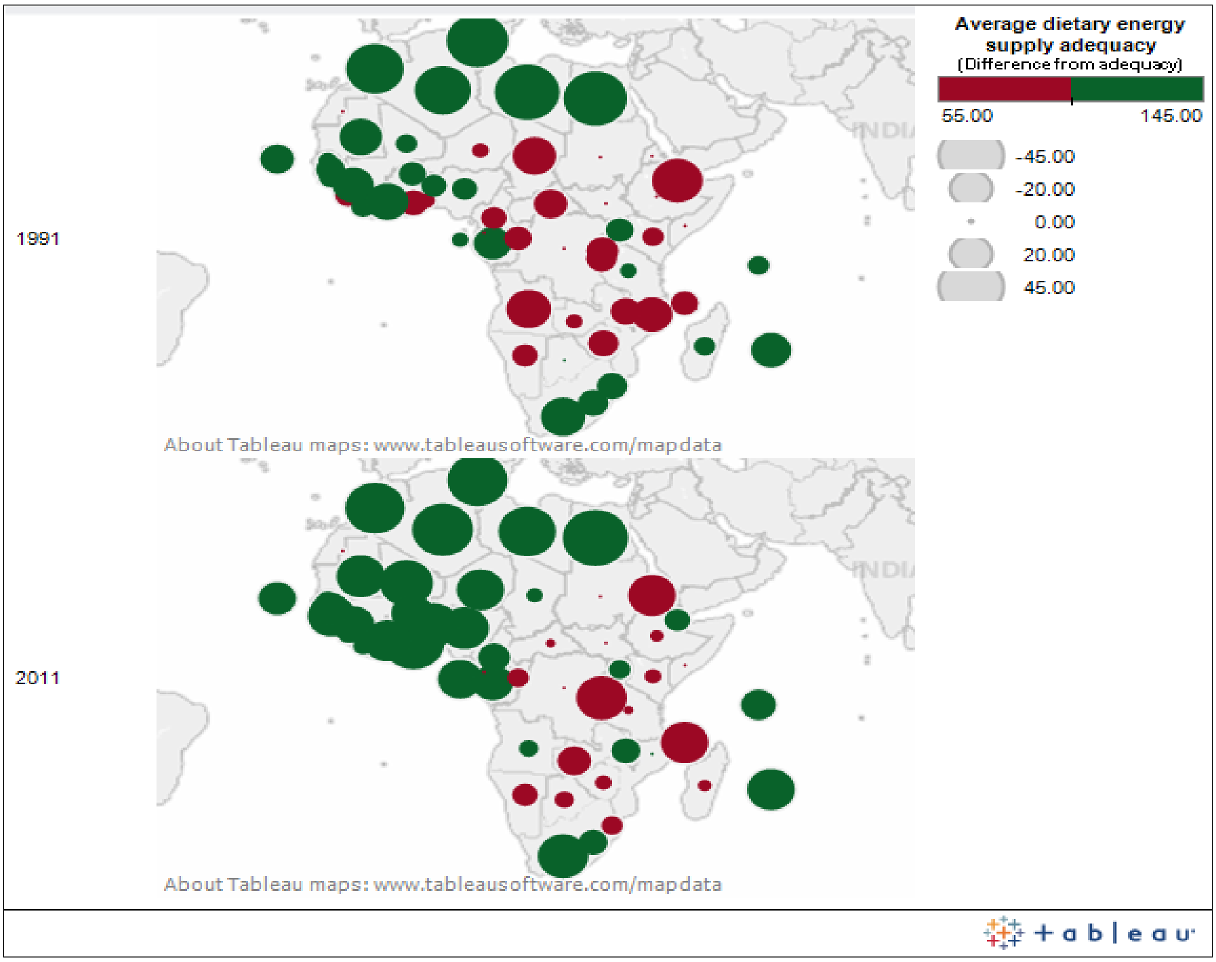
These aggregate improvements mask differences across countries. Ten countries have experienced a reversal in food available (Burundi, Comoros, Swaziland, Zambia, Botswana, Madagascar, Tanzania, Liberia, Uganda and Lesotho – though the latter three still have a supply in excess of requirement). Thirty-four have experienced an improvement; Ghana and Djibouti have increased their available calories by 55 and 47 per cent respectively (Figure 3). Other countries that have made notable long-term progress in food supply include Malawi, Chad, Angola, Niger, Mozambique and Ethiopia, which in 1993-5 was judged to be 27 per cent beneath the level of calorific supply necessary to meet the energy requirements of its people, but is now just 2 per cent from being able to supply an adequate level of food energy to all its citizens.

Figure 3: Change in Average Dietary Energy Supply Adequacy 1990-2 – 2010-12



Source: Calculated from FAO 2012 http://goo.gl/iY2aL

Figure 4: Average Dietary Energy Supply Adequacy by country 1991, 2011



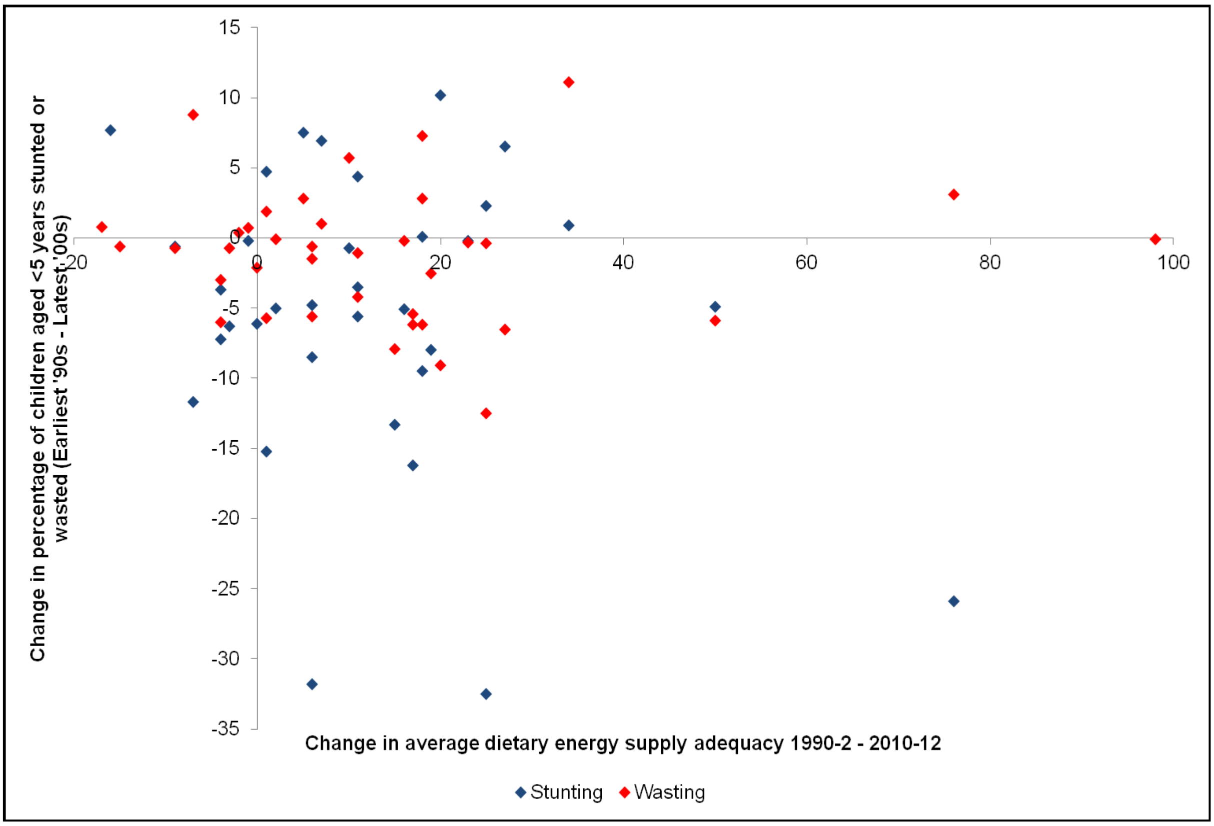
Source: FAO 2012 http://goo.gl/iY2aL

But this overall increase in available calories per person has not resulted in a comparable reduction in undernourishment; chronic undernourishment remains a major problem across the continent. The share of undernourished people has remained more or less constant since 2005-2007 – more than one in four people are undernourished. The absolute number of people going hungry on the continent has actually increased by nearly 38 per cent in the last 20 years – in line with the general growth in population. There are more than 230 million undernourished people in sub-Saharan Africa.

Increased food production and food supply will not automatically resolve the problem of food insecurity. As Amartya Sen wrote in his famous treatise Poverty and Famines: ‘Starvation is the characteristic of some people not having enough food to eat. It is not the characteristic of there being not enough food to eat.’ Nonetheless, in sub-Saharan Africa, the recent increases in food supply adequacy in the last decade have been followed by decreases in the share of undernourished people. And when caloric availability levelled off around 2004, so too did the fight against hunger.

However, when comparing the supply with how well these available calories are utilised, a much less clear picture emerges. Increased availability of calories is not helping African children in a systematic way – indicators of long-term (stunted, or short, kids) and short-term (wasted, or thin, kids) malnutrition have not changed in the same direction as energy supply (Figure 5).

Figure 5: Changes in Stunting, Wasting and Average Dietary Energy Supply Adequacy



Source: FAO 2012 http://goo.gl/iY2aL

Why are African children still malnourished when more calories are available in the continent? Why is Africa the only region in the world still vulnerable to famines as we enter the second decade of the 21st century? It is not only because of natural disasters or the weather. Take the tragic famine in the Horn of Africa in 2011. It has been argued that the severe drought that affected the region caused the famine. The severe drought (the lowest rainfall since 1950/1951) indeed thwarted crop production in marginal lands and increased livestock mortality. Similarly severe droughts were observed in 2011 in the south of the United States and in China but they did not cause famines – there food systems and livelihoods proved more resilient. It is not because of lack of food either. We have seen above that there are enough calories available in Africa (if not in every country). The same holds true in the world - the index reflecting dietary energy adequacy exceeds the aggregate need by 20 per cent.

There are many reasons for this disconnection but they can be synthesised in two areas: insufficient attention being paid to the agricultural sector, and inadequate distribution of food and resources. As food becomes more plentiful, the solutions will increasingly be found in the realm of tackling distribution of food and making sure that people who rely on the agricultural sector for their income, especially small-holder farmers, improve their lot, as we will explain below.

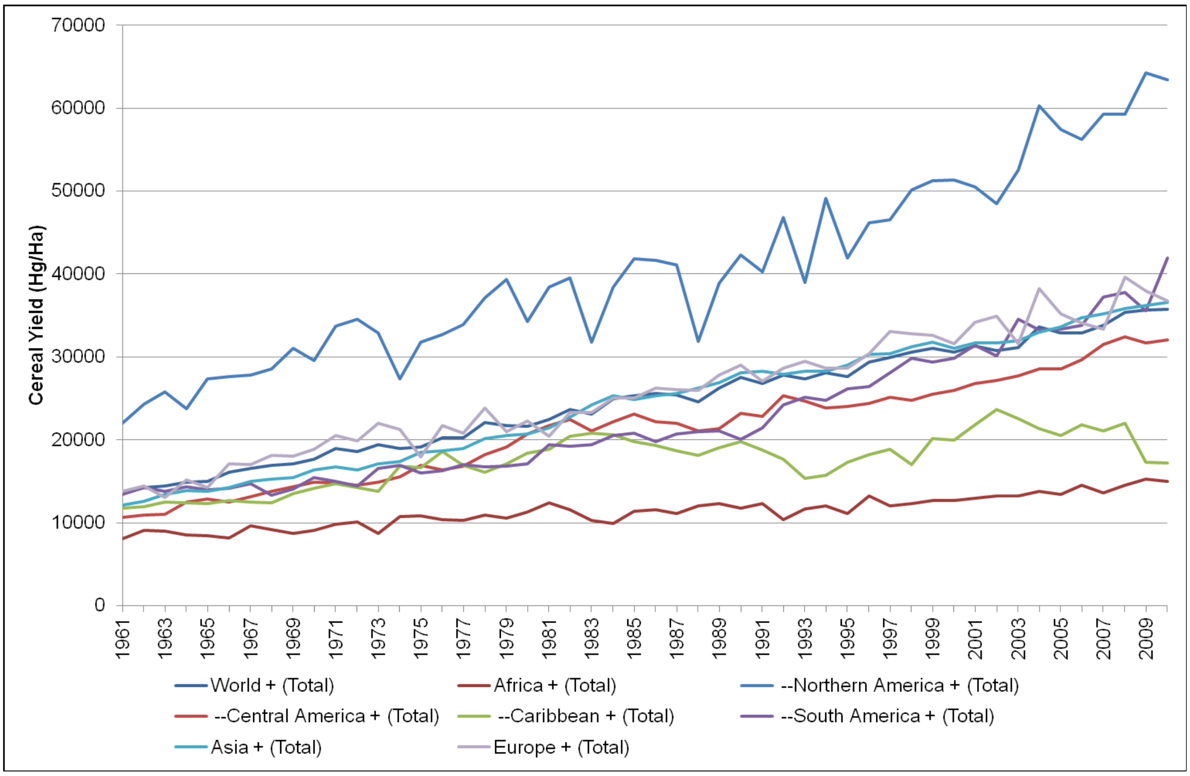
Agricultural productivity for small-holder farmers

The slow eradication of hunger partly stem from the poor performance of the agricultural sector. Agriculture is important in many parts of the world not only as a source of food production but because it is also the main source of income and livelihoods for a vast majority of poor people. The agricultural sector provides jobs and incomes for the poorest people in Africa. Without a decent return to their efforts (which is often the case in countries where the agricultural sector has been neglected) farmers will not be able to buy food.

Increasing agricultural yields is critical because of this fact: the majority of the population – especially the small-holder farmers – derives income from the agricultural sector. Despite rapid urbanisation, the majority (63.3 per cent) of people in sub-Saharan Africa still live in rural areas and there will be more people in rural areas in Africa at least until 2035, according to the UN population division. Data on farms indicate that most of them (80 per cent and some 33 million by some calculations) are small – of less than two hectares of good arable land, or its equivalent – and family managed. The share of production that comes from small farms could be as high as 90 per cent.[6] And the agricultural sector still provides 70 of employment across the region. Hunger (and broader destitution) in sub-Saharan Africa is now about having the means and tools to access food – through good returns to agricultural employment, investment in technologies and infrastructure needed by small-holder farmers and increased economic participation.

These statistics highlight the importance of productivity in African small-holder agriculture. Yet cereal yields in sub-Saharan Africa continue to be lower than almost anywhere in the world. Globally, the most dramatic development and poverty reduction gains in history went hand-in-hand with sharp increases in agricultural productivity, but agricultural yields in Africa have lagged behind those in other regions, getting in the way of more and cheaper food and higher rural incomes (Figure 6).

Figure 6: Cereal Yields 1961-2010



Source: FAOSTAT 2012 http://faostat.fao.org/

Only through increases in agricultural productivity will rural incomes increase in a sustained and significant way. Or as Michael Lipton has put it: 'The answer is that in Africa most food entitlements, especially for vulnerable people, come from farm-work, largely on family land but sometimes for other farmers. Rural non-farm work (and urban work) matter too, but their growth usually depends on earlier growth of farmers' demand, and hence of farm income, output and employment. Also, expensive and bad transport means that local food adequacy, in many places and times, depends on local food supply. Further, if we look beyond hunger to national development and transformation, these have almost always followed expansion, initially in smallholder agriculture, of both work and productivity'.[7] These low yields are the result of decades of neglect where the agricultural sector was ignored in favour of urban development.

Box 2: Electoral accountability and the agricultural sector

Robert Bates has famously argued about this in his seminal book Markets and States in Tropical Africa. Daron Acemoglu and James Robinson have recently explained R. Bates argument and it goes like this (http://whynationsfail.com/blog/2012/10/25/patronage-or-programmatic-politics.html):

'Bates started with a puzzle: why was it that in Africa, a continent thought to have a comparative advantage in agriculture, governments discriminated against agriculture? It was already well understood that they did this through various means, for example, using marketing boards which were by law the only entity able to buy agricultural products. These boards paid farmers very low prices, far below international levels, and all but destroyed the price system, and thus sapped the incentives of farmers to invest or exert effort. Bates showed that this was all about politics. Marketing boards were in effect a way of levying punitive taxes on farmers with the resulting revenues going to subsidize urban elites and used (and often looted) by the government. More importantly, Bates illustrated more generally the political logic behind a whole gamut of "distortionary" policies. The crucial point was what looked like bad economics was really very good politics — for the politicians themselves and their survival.'

This analysis begets the question, why was it that it was rational for politicians to create these distortionary policies? Part of the answer lies in the absence of checks and balances and the inability of citizen in many African countries to hold their governments to account (either through elections or through any other system). Robert Bates and Steven Block explore this in their working paper 'Revisiting African Agriculture: Institutional Change and Productivity Growth'. They argue that recent increases in agricultural productivity in Africa are closely associated with an increase in political competition since 1990.

Bates and Block explain that the transition to electoral competition meant more protection for food producers, especially where the rural population represented a large share of the population. Moreover, electoral competition generated improvements in macroeconomic policy and, through this, higher domestic prices for food producers (in other words, a reversal of the patrimonial policies of the1970 and 1980s). They conclude that politicians wooing rural majorities changed government policies and improved the incentives for farming. The results are preliminary but are important. More importantly, these results reflect an average effect and are hard to match with rapid agricultural progress in countries like Rwanda and Ethiopia, where electoral competition is almost non-existent.

Part of the neglect to the agricultural sector is reflected in the still low levels of public expenditure on agriculture and the low levels of investment in agricultural innovation. The issue of public expenditure on R&D is therefore very important. Around the world public sector expenditure on agricultural R&D amounted to $6.3bn per year (2005 prices). By contrast, the UK alone spent almost as much ($5.4bn (2005 prices)) on direct payments to UK farmers in 2011. This is a very low figure taking into consideration that R&D has proven again and again to be a very good investment – some estimates suggest an internal rate of return of 43 per cent.[8] So, clearly, governments need to increase their spending on agricultural R&D.

Distribution

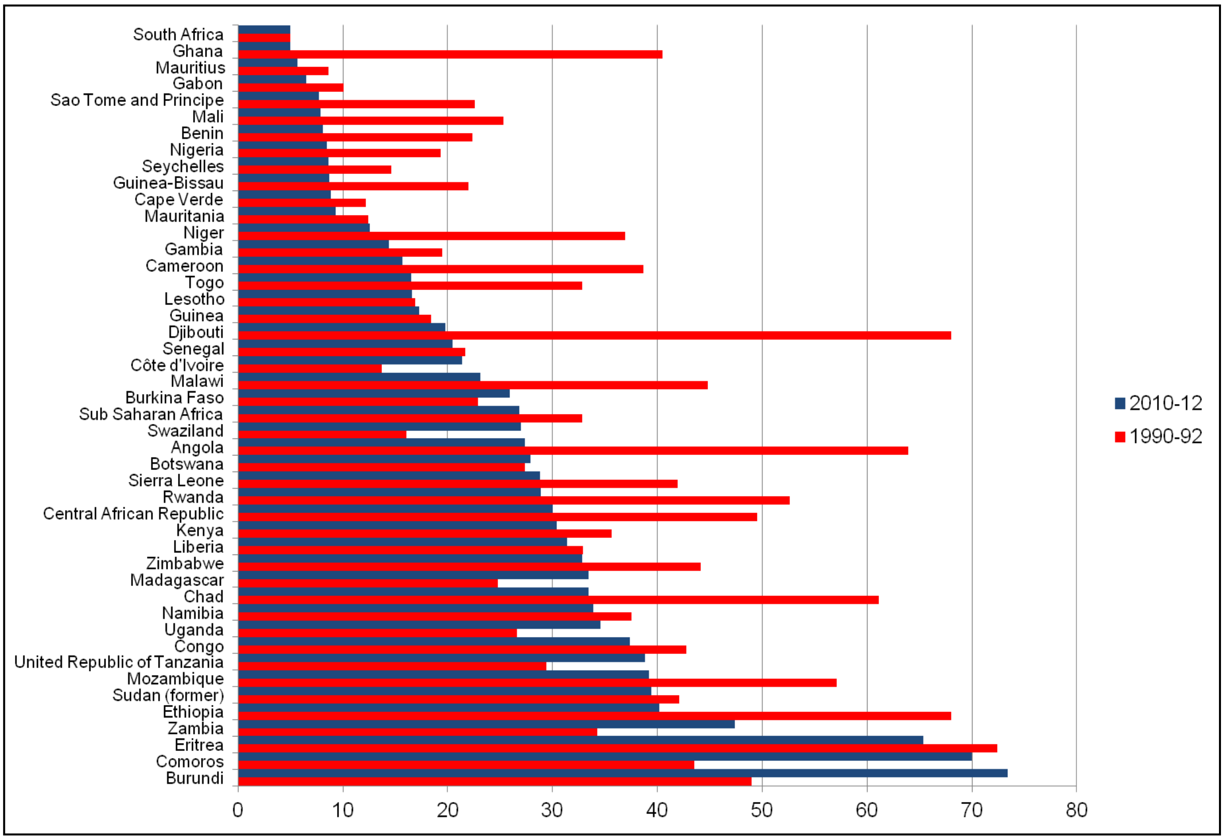
The second outstanding issue for hunger in Africa relates to distributive justice. Distribution of food but also distribution of income and power. In the most basic sense, if food was evenly distributed across people, there would be no hunger or undernourishment, and that is true for Africa and the world as a whole. In some cases, there have been reversals. Take Cote d'Ivoire. Food availability increased in the past 20 years by 10 per cent, yet the share of undernourished people also increased. This suggests a worsening distribution of food.

Access to food, as we discussed above, is related to people's ability to generate stable income and to governments' provisioning of effective safety nets. Distributional issues of access to food are better reflected by the access to food that poor people have in comparison to richer households. A recent study[9] using household surveys for 19 sub-Saharan African countries describes the extent of the distributional challenge. Food represents, on average, almost two thirds of the families' budget (ranging from 40.1 per cent in the case of South Africa up to 85.3 per cent in the case of Tanzania) but it's a more important item for rural (and often poorer) households, who spend a larger share than their urban counterparts. This pattern is repeated when looking at income (as opposed to location) differences. The poorest 20 per cent spend almost 70 per cent of their income on food. Compare that with the share of income that the richest 20 per cent of South Africa (16 per cent) and Rwanda (31 per cent) devote to food.[10] With these very high proportions of poor people's income going towards food, any small shock either to their livelihoods or to the price of food will have a big impact on their ability to feed themselves. Better distribution of access to food and of incomes would minimize the vulnerability of poor people to hunger.

3. THE REMARKABLE CASE OF GHANA

The progress experienced in the fight against hunger by many African countries in the last two decades gives reason for cautious optimism (Figure 7). The bases are there: economic growth and food production have, after decades of violent swings, been increasing. And the rate of undernourishment showed some decline until 2004, when it levelled off. Sub-Saharan Africa is a vast swathe of a vast continent and it is impossible to generalize; the paths taken by different countries in their recent developments are just as diverse. But throughout the previous analysis, there is a clear winner. Ghana has shown remarkable progress in all indicators: a dramatic improvement in food availability and a rapid reduction in undernourishment which has also been translated into better nutrition indicators for Ghanaian children.

Figure 7: Prevalence of Undernourishment 1990-2 and 2010-12



Source: FAO 2012 http://goo.gl/iY2aL

What can explain Ghana's success? Part of the rapid progress experienced by the West African country stems from rapid and inclusive economic growth over the last decade. But the government is building on that progress and has implemented two plans to continue the eradication of hunger: the National Social Protection Strategy, aimed at protecting the most vulnerable consumers of food, and the Food and Agriculture Sector Development Policy, aimed at supporting smallholder farmers through extension services. Moreover, accepting that food production and intake is only the first step towards better nutrition, the Ghanaian government has given the Nutrition Unit of the Ghana Health Service a higher status in the federal bureaucracy as well as autonomy and resources.[11] Interestingly, the recommendations from the World Food Programme assessment that preceded these programmes focused on interventions that would protect people's access to food and nutrition and on managing risk, namely livelihood support, safety nets, nutrition and health, education, and monitoring and preparedness.[12]

CONCLUSION

Africa is rising and often times this positive process is not duly recognised. African economies are growing fast, poverty is falling and other indicators of development show advances on many fronts. Yet hunger and malnutrition remain a thorn in Africa's side. This is not because of lack of food but because of issues of distribution and a relative lack of attention (even if it's improving) to the agricultural sector.

NOTES

[1] http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG

[2] http://siteresources.worldbank.org/INTAFRICA/Resources/Africas-Pulse-brochure_Vol6.pdf

[3] http://www.imf.org/external/pubs/ft/survey/so/2012/res100812a.htm

[4] http://siteresources.worldbank.org/INTAFRICA/Resources/Africas-Pulse-brochure_Vol6.pdf

[5] http://www.childinfo.org/mortality_ufmrcountrydata.php

[6] ftp://ftp.fao.org/docrep/fao/012/ak982e/ak982e00.pdf citing Nagayets 2005.

[7] http://www.ase.tufts.edu/gdae/about_us/leontief/LiptonLeontiefPrizeComments.pdf

[8] World Development Report 2008

[9] http://web.undp.org/africa/knowledge/WP-2012-011-Chauvin-production-consumption.pdf

[10] http://web.undp.org/africa/knowledge/WP-2012-011-Chauvin-production-consumption.pdf

[11] African Human Development Report 2012

[12] http://documents.wfp.org/stellent/groups/public/documents/ena/wfp201820.pdf

This paper was written by Ricardo Fuentes-Nieva and Richard King.

For further information on the issues raised in this paper please e-mail advocacy@oxfaminternational.org

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