

Introduction to
A-F Policy in Developing
Countries

M 3132

***Development: Issues, Strategies,
Policies***

Development Indicators

Food Security and Agriculture

Prof. Franz Heidhues

**No society can surely be flourishing and
happy of which the greater part of the
members are poor and miserable**

Adam Smith (The wealth of nations)

**A world in which the greater part of the
members are poor and miserable cannot
be flourishing, nor happy nor peaceful.**

The Development Context of Food Security, Poverty and Natural Resources

Securing food for everyone, eliminating poverty and protecting natural resources are key components of any development strategy that aims at improving people's living conditions sustainable, i.e. in the long run.

Nature provides for everybody's need but not for everybody's greed.

Mahatma Gandhi

Characteristics of development Problems (I)

1. Low levels of living standards

- Low per capita income
- Poverty
- Hunger
- Disease
- Low life expectancy, high child mortality

Characteristics of development Problems (I)

2. Economic structure

- Low diversification of the economy
- Low degree of industrialization
- Large share of agricultural sector
- Predominance of primary exports

Characteristics of development Problems (I)

3. Factors of development

- High population growth
- Lack of capital
 - a)Physical capital
 - b)Human capital
- Inadequate infrastructure
- Indebtedness

Characteristics of development Problems (II)

4. Natural resources

- Difficult ecological conditions
- Droughts
- Erosion
- Desertification

Characteristics of development Problems (II)

5. Political-institutional framework

- Lack of participatory processes
- Lack of good governance
- Weak administration
- Small voice in the global economic system
- Ethnic diversity, minority issue

- 800 Mio people hungry, undernourished
- 185 Mio children who suffer under food shortage with permanent damage to their physical and mental capacities
- 50 Mio people only survive with food aid
- High population growth which eats up progress made in food production and economic growth
- Increasing unemployment and urban agglomeration

- natural resources and biodiversity are placed under increasing pressure
- poverty and discrimination result increasingly in crises and wars
- increasing streams of refugees
- rising gap between rich and poor, between countries and within nations

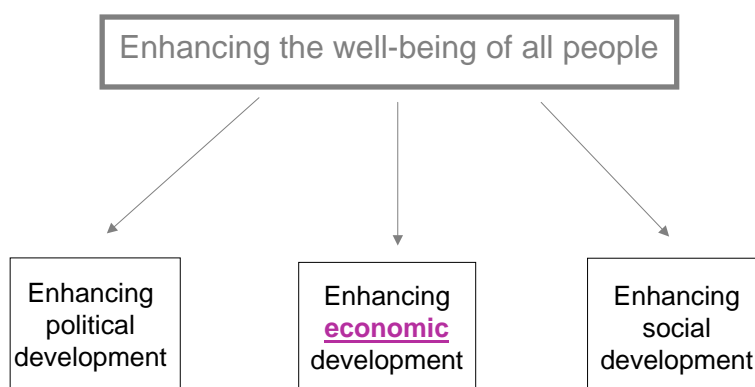
Development – what is it?

- Increasing income? (economic growth?)
- Increase in total income? In per capita income? For some or for all?
- Improvement of social conditions? Health conditions? Nutrition? Others?

Development – what is it?

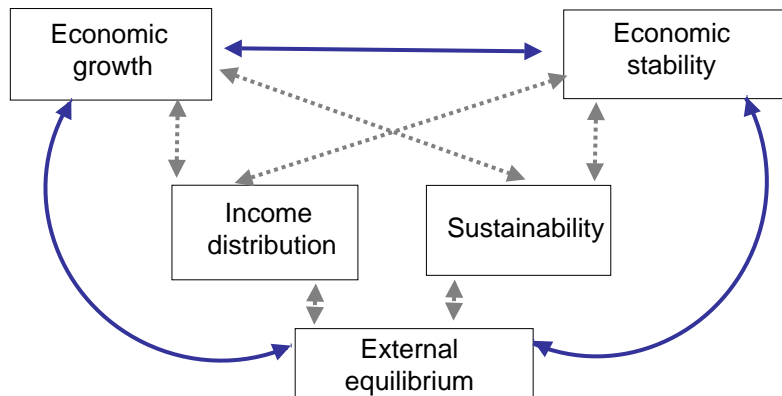
- Reducing discrimination?
 - Gender issue
 - Ethnic minority issue
- Developing/strengthening?
 - Democratic/participatory
 - Decision making in private and public spheres
- Improving people's living conditions?
 - Economically, socially, and politically for all and permanently, i.e. without endangering the natural resources

Development objectives and Interdependencies



Enhancing economic development as development policy objective

Development policy objectives



Development Indicators

Categorization of developing countries

Developing country = Countries with a development level that has stayed behind those of industrialized countries

The World Bank distinguishes	1993 GNP per capita (US-\$)	1997 GNP per capita (US-\$)	2000 GNP per capita (US-\$)	2006 GNI per Cap.(US\$)
↻ Low income countries	0-750	0-786	0-755	0-905
↻ Lower-middle income countries	751-2900	787-3125	456-2995	906-3595
↻ Upper-middle income countries	2901-8300	3126-9655	2996-9265	3596-11195
↻ High income countries	>8301	>9655	>9266	> 11195

Out of 36 countries belonging to the low-income countries, 24 are African countries.

German and English Terminology

Inländerkonzept

$$\text{NSP}_{\text{FK}} = \text{NNP}_{\text{fc}}$$

$$\text{BSP}_{\text{MP}} = \text{GNP}_{\text{fc}}$$

Wobei

NNP: Net National Product

GNP: Gross National Product

NDP: Net Domestic Product

GDP: Gross Domestic Product

fc: factor costs

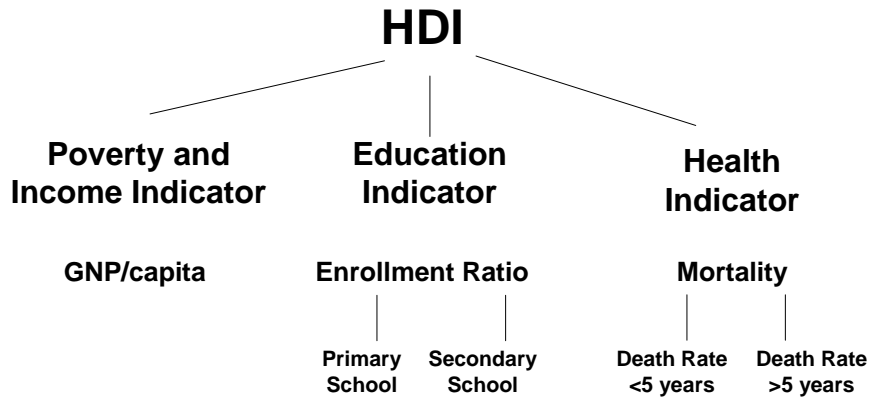
mp: market prices

Inlandskonzept

$$\text{NIP}_{\text{FK}} = \text{NDP}_{\text{fc}}$$

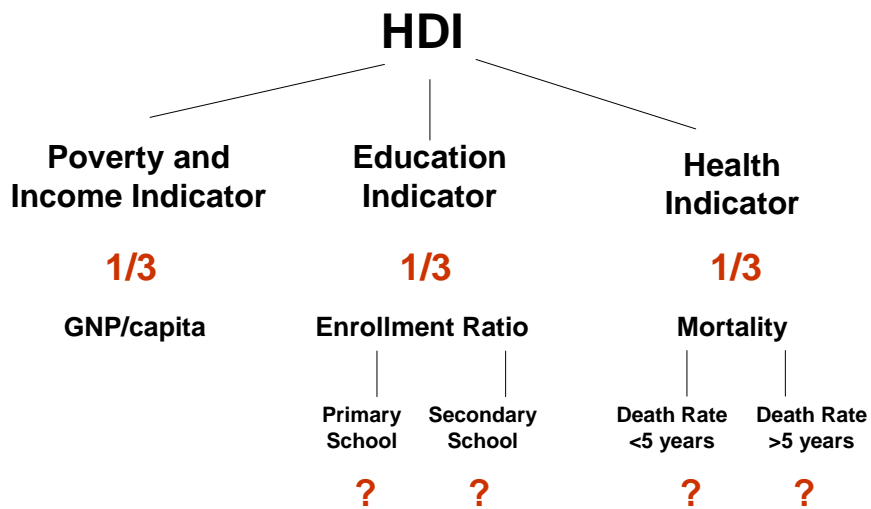
$$\text{BIP}_{\text{MP}} = \text{GDP}_{\text{mp}}$$

Human Development Index (HDI)



Problem of composite indicators: what weights?

Human Development Index (HDI)



Food Security and Agriculture

Definitions and Concepts

Food Security Definition

- Quantity and quality
- At all times
- All members of society
- Culturally acceptable

To lead a healthy and productive life

Basic Views

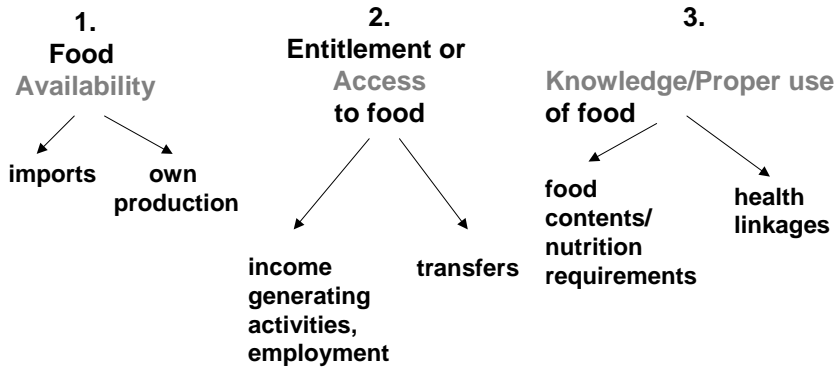
- Food security as a basic human right
- Food security as precondition for development
- Food security as the result/symptom of poverty

All three are relevant; one does not exclude the other from being relevant

Food security

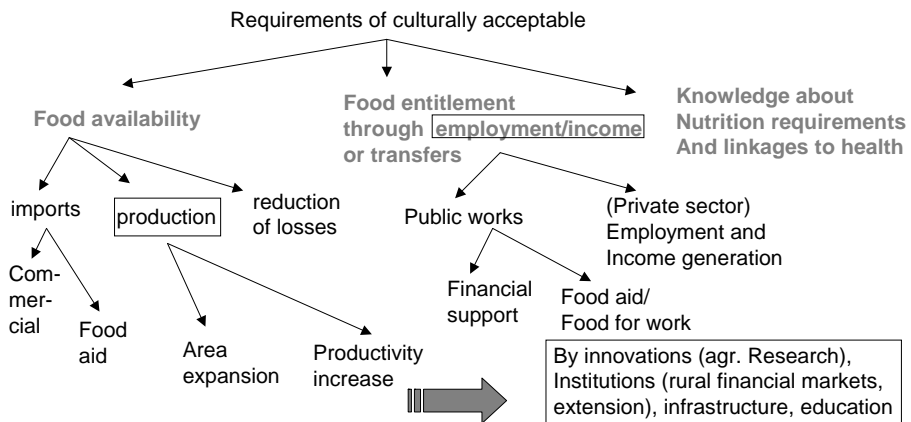
- Global level
- National level
- Household level
- Individual level

What is required for Food security



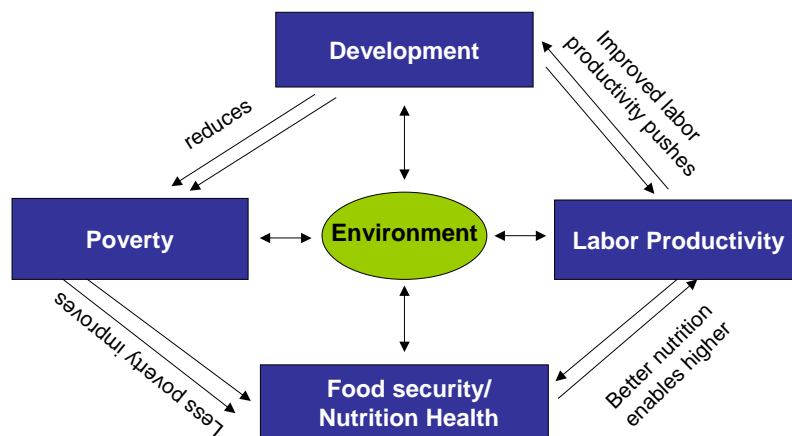
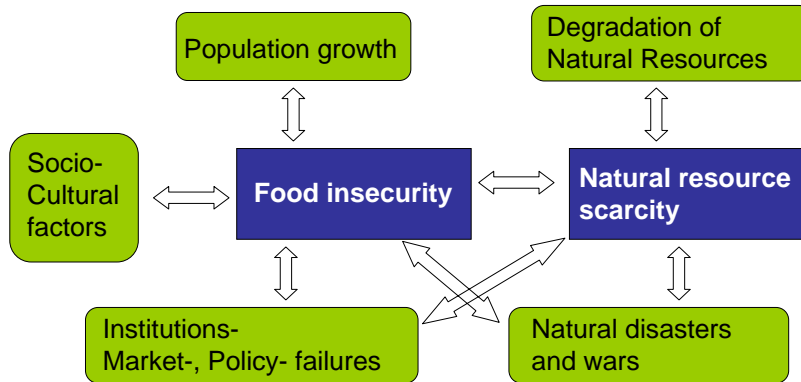
Food security – Definition (continued)

In adequate quantity and quality – at all times – for all members of society



3. Food Security in Context: The Complexity of Food Security

The Food Security and Natural Resource Context



These interdependencies can work with in both ways, as a winning circle but also as a vicious circle

4 Evolution of Thinking I

From the glooming picture in 1950's

- To industrialization (1950's) – food as the forgotten half of development
- To agricultural science (1960's) based development: the green revolution
- To rural development (1970's)/basic needs
- To structural adjustment (1980's)
- To comprehensive development (1999)
- To priority for poverty reduction (2000) →
- Back to agriculture (from neglect to respect)

4 Evolution of Thinking II

Food as production problem – 1960's green revolution

Adding access – the 1980's contribution (Amartya Sen)

Adding knowledge / use of food 1990's

- 2000's food and water
- food and environment
- food in crises
- 2005 food versus fuel, the issue of bioenergy
- (again agriculture is in the forefront)