Food for Development: The World Food Programme

by

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Using food surpluses as aid to developing countries is not a new idea; but it has evolved considerably over the last decade. The distribution of food as a form of relief has given place to local-currency sales of surpluses in order to finance development and to the direct supply of food as an incentive and source of energy for hungry and unemployed people who can be mobilised to work on labour-intensive development projects. The World Food Programme was launched in 1963 to explore further, on a multilateral basis, how food aid can help development, and this article describes what is being attempted by the W.F.P. during its initial three-year experimental period.

INTRODUCTION

UNTIL 1963 foreign aid provided through multilateral channels on a grant basis [2] was confined largely to technical assistance (notably the Expanded Programme of Technical Assistance of the United Nations) including pre-investment assistance (the United Nations Special Fund). The channelling of financial and material aid through multilateral machinery was mainly to meet post-war emergencies, as in the case of the United Nations Reconstruction and Rehabilitation Agency, the United Nations Works Relief Administration in the Middle East and the United Nations Korean Reconstruction Agency. For years the developing countries have been pressing for capital grants-in-aid through United Nations machinery, notably to finance non-self-liquidating infrastructure projects and to meet what were called "economic and social overheads". Variations of basically similar proposals succeeded

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[2] The International Monetary Fund and the International Bank provide repayable financial assistance; the International Development Authority requires repayment of its aid also, although on very easy terms.

one another under the titles of " United Nations Economic Development Agency ", " Special United Nations Fund for Economic Development ", and " United Nations Capital Fund ". But the first multilateral programme to be actually launched to give substantial grants of material aid for development provides grants in surplus food rather than in cash and seeks to use surplus food to build capital. It is the World Food Programme.

This Programme is one of the instruments intended to help countries to achieve the main aim of the United Nations Development Decade.[1] It will be recalled that this aim is to help all developing countries to become capable, by 1970, of increasing their national income at a rate of not less than 5 per cent. a year. The General Regulations of the W.F.P. provide that " the W.F.P. shall, on request, provide aid for . . . implementing pilot projects, using food as an aid to economic and social development, particularly when related to labour-intensive projects and rural welfare ". The other two functions mentioned are " meeting emergency food needs and emergencies inherent in chronic malnutrition (this could include the establishment of food reserves) " and " assisting in pre-school and school feeding ".[2]

When the W.F.P. was launched jointly by the United Nations and the Food and Agriculture Organisation (F.A.O.)[3] a target of $100 million was proposed for contributions, of which one-third should be in cash, to cover the experimental period January 1963 to December 1965. Up to April 1964 pledges to the Programme amounted to about $91 million, of which only one-fifth was in cash, the remainder being in commodities and such services as shipping and insurance. The pledges came from 65 countries, in all regions of the world. Countries that have pledged $1 million or more are Australia, Canada, Denmark, France, the Federal Republic of Germany, Italy, Japan, the Netherlands, Norway, Sweden, Switzerland, the United Arab Republic, the United Kingdom and the United States. The latter country, which has accumulated the

[1] Another instrument is the Freedom from Hunger Campaign, with which the W.F.P. is often confused. This seeks, by means of technical assistance, a little material aid and promotional action, to stimulate and help the developing countries to expand food output, especially by methods that can have fairly quick results (such as, for example, the more widespread and better use of fertilisers). W.F.P. aid contributes to the financing of investments and improvements in agriculture, but also in other economic sectors too. Both aim to reduce hunger through development, but the Freedom from Hunger Campaign is not a financing programme like the W.F.P., and the W.F.P. helps to expand investment and output generally, and not just food output.

[2] World Food Programme : *General Regulations*, Part B, para. 5.

[3] See *Development through Food—A Strategy for Surplus Utilisation* (Rome, F.A.O., 1961).

largest food surpluses, has contributed $50 million. Of the 30 or more commodities contributed[1], a few—unfortunately including sugar and rice—have been in negligible quantities, but very large quantities of milk (dried skimmed), butter, cheese, dried eggs, wheat, wheat flour, maize, sorghum and vegetable oils (later replaced by butter-oil) were pledged. Ample supplies of dried whole milk, dried fish and canned fish were also received, as well as small quantities of canned meat, condensed milk, tea and medicinal cod liver oil. Lack of rice has restricted the scope for W.F.P. action in Asia. One consequence of the disappointingly small proportion of pledges in cash was that the idea of buying additional commodities to fill deficiencies in the W.F.P. " food basket " had to be dropped. The W.F.P. meets the cost of shipping its food to the border of the beneficiary country, and most of the cash is used for this purpose. Recent increases in shipping rates have stressed the need for further pledges in cash, for which an appeal has been made by the United Nations and the F.A.O.

Of the total of $91 million pledged, $5 million is required for administrative expenses and $22 million is earmarked for emergencies. Thus $64 million is available for projects. Up to April 1964 a total of $8 million had been committed or spent on assistance in 12 cases of emergency.[2] Up to May 1964, 138 projects had been submitted, which, if all were adopted, would use up virtually all of this sum. Not all will be adopted, however. Projects continue to be submitted, and this is desirable in order that there may be an adequate range from which to choose the best, and in order to have as wide a variety of types of project as possible to implement during this experimental period.

Some Projects

The following examples give an indication of the different types of project already adopted.

Lake Chad is a stretch of water in the world's greatest desert equal to the size of Switzerland. Its edges are very irregular and ill-defined. Narrow fingers of water, or bubble-shaped inlets, proliferate into the surrounding land. The local population,

[1] The full list includes canned meat, milk (condensed), milk (dried whole), milk (dried skimmed), butter, cheese, dried eggs, dried fish, canned fish, fishmeal, fish concentrate, wheat, maize, sorghum, wheatflour, oats, canned fruit, dried fruit, pulses, dates, sugar, date syrups, tea, butter-oil, medicinal cod liver oil, vegetable oil, barley, rice, beans, lentils, peas, green coffee, brazil nuts.

[2] In Algeria, Cuba, Dahomey, Indonesia, Iran, Morocco, Pakistan, Sarawak, Syria, Tanganyika, Thailand and Tobago.

originally nomadic, started at the turn of the century to build sand banks across the mouths of these inlets, so that the water in them gradually subsided to nil as a result of evaporation. The soil left bare in these polders is among the most fertile in the world and the local people had no difficulty in cultivating enough maize for their own consumption, as well as wheat which they traded over quite a wide region. The European Development Fund of the European Economic Community was approached not long ago with a request that it might give financial assistance to bring a much wider area around the lake into cultivation at a faster rate than the local population could achieve unaided. Their own efforts and methods could be strengthened by some equipment, and technical guidance and pumps could be used to evacuate more rapidly the water trapped in the dammed polders.

Unfortunately, however, the level of the lake rose inordinately in 1962 and 1963, breaking many of the man-made dams and flooding the precious cultivated land on which the people depended for much of their livelihood. Traditions of nomadism had lingered on and, faced with this setback, many people who still had their cattle were tending to resume nomadic grazing and to abandon this promising " bread-basket " area just when financial assistance was in the offing to develop it. Unless the population could be newly rooted there without delay there would be far too few people to carry out the development work and to cultivate a wider area.

Following discussions with a joint I.L.O.-F.A.O. mission in the middle of 1963, the Government of Chad arranged to obtain the assistance of the W.F.P., which agreed to give the Government 5,330 tons of wheat. This will be sold to a new flour mill in the capital, Fort Lamy, which was established to mill wheat from the lake region and whose success was threatened by the flood damage to the wheat crops. With the proceeds of this sale, the Government will buy local foods suitable to make up a balanced ration for distribution in the lake region to workers and their families during the time required to repair and reconstruct the flood-damaged polders and to bring the reclaimed land back into cultivation. Food will also be supplied for meals in schools in the region in order to encourage school attendance, which will provide the educational base for later training in agriculture, for which facilities are to be set up. Land reclamation and settlement will be completed at the end of 1964, but school feeding will continue until the middle of 1966. Both actions will counteract the tendency to revive nomadism.

Before being adopted, this project was submitted to the United Nations, F.A.O. and I.L.O. for technical scrutiny of the economic and agricultural soundness of the scheme and of its conformity with

international labour standards, and was also submitted to an intergovernmental committee which was consulted to ensure that the project would not displace commercial trade in food. Supplies of wheat have to be obtained from one of the nearest countries that have pledged this commodity to the W.F.P., and arrangements have to be made to transport it, at the Programme's expense, to the borders of Chad—a land-locked country. The Government, to which title to the food passes at the border and which is responsible for execution of the project, signs an agreement which states its obligations, including provision of information and granting of access to the project for checking use of the food and appraisal of what is being achieved.

Land Settlement and Resettlement

A similar procedure is followed in regard to all other projects. They are undertaken as quickly as possible, because the three-year experimental period is short and because the need for aid is particularly urgent in a number of cases. For example, there are populations who must move to new areas because the place where they live is to be covered by water pent up behind a newly constructed dam. In a number of cases new communities have to be built and new land brought into production in the areas to which they move.

In the Sudan (as well as in the United Arab Republic) a lake about 300 miles long will build up behind the High Dam being constructed in Aswan and will displace a considerable Sudanese population along the banks of the Nile, including the inhabitants of the town of Wadi Halfa. The latter are moving 800 miles to a new settlement in Khashm-el-Girba, where a dam is being constructed on the Atbara river, together with associated irrigation canals, a town and 26 villages.

These settlers and their families, numbering approximately 50,000, are being fed by the W.F.P. over a period of three years so that they will have the means to live while growing accustomed to new and different agricultural conditions and while clearing and bringing into cultivation 125,000 acres of land set aside for them. Similar support, for a similar purpose, is being provided by the W.F.P. to people being displaced by the new dams at Akosombo in Ghana and at Brokopondo in Surinam. In Ghana the greater part of the W.F.P. food given will feed 80,000 settlers during six months, until they harvest their first crop from new land, but some is being sold and the proceeds used to pay part of the wages of 2,000 workers engaged in the construction of some 10,000 houses, roads and other public facilities in the 52 new villages where the

displaced farmers will live. The Government is using the resettlement scheme as an opportunity to introduce mechanised farming and thus to change the traditional pattern of shifting cultivation to permanent and improved agricultural production.

Straightforward land settlement, whether the settlers have had to move from another area because of *force majeure* such as dam construction, or as refugees, or just from choice in the hope of making a better life, is the purpose of the largest category of projects submitted for W.F.P. support. The utility of food aid for such a purpose is unquestionably established. Land settlement projects apart from those already mentioned have been adopted by the W.F.P. in Bolivia, British Guiana, Jamaica and Tanganyika. In the case of Bolivia, for example, W.F.P. aid costing $2.5 million will, in conjunction with a loan from the Inter-American Development Bank, enable people to make a better life in the temperate Alto Beni region than is possible in the semi-arid and rugged conditions of the very high *altiplano* of the Andes. In Jamaica the settlers are redundant workers laid off from a sugar-processing plant as a result of mechanisation, who have been given land provided by the company owning the plant.

Sedentarisation of Nomads

Similar to land settlement is the resettlement and sedentarisation of nomads. The W.F.P. is giving food aid costing nearly $3.5 million to the United Arab Republic for the resettlement of nomads in the coastal western desert and for the development of livestock husbandry there. This project, which has made a satisfactory start, involves the reduction of nomadism and the conversion of the area into mixed and settled farming by reclaiming tracts of desert land and improving animal husbandry practices, including land management. In Jordan the W.F.P. is supplying 6,000 tons of maize for a pilot project to establish feed reserves for 90,000 sheep belonging to Bedouins living in the southern part of the country. The feed will be used during periods of drought, to prevent over-grazing of already limited grazing land and to improve the diet of pregnant and nursing ewes. Also, wheat flour, canned meat, vegetable oil, cheese and tea are being provided to 150 workers and their families at the research station in El Jafer. The project will help the Government to formulate a sound policy for land use and settlement which may also be applied to neighbouring areas. In Syria a project costing the W.F.P. nearly $750,000, for stabilisation and development of nomadic sheep husbandry, was already started in 1963.

Land Reclamation and Afforestation

Reclamation of tidal land, somewhat comparable to the technique of land reclamation used at Lake Chad in so far as inlets on the sea coast are blocked off, drained and cultivated, is being supported (by feeding those who do the work of reclamation) in Chiayi in Taiwan. The construction of a sea dyke, irrigation and drainage channels, roads and wind breaks will take two years and require approximately 1.3 million man-days. After completion, the reclaimed land is expected to produce enough food annually for 5,000 people on the west coast. In the same country, land reclamation is also being supported by the W.F.P. on 13 co-operative farms.

Both land reclamation and afforestation are being assisted in the Lebanon. Afforestation improves the supply of wood products and can help to arrest erosion in areas where this danger exists. W.F.P. food for those planting quick-growing species of trees in the northern and western parts of Turkey helps in the establishment of intensively managed tree plantations on 5,000 hectares of degraded forests in five selected areas, which will help to meet the increasing demand for timber and other forest products and will pave the way for similar action on a bigger scale. The work will require 1,410,000 man-days ; W.F.P. assistance, valued at $650,000, is to provide food for the workers for two years.

Because of pressure of population it is becoming necessary in a number of countries to cultivate uplands and slopes considered too steep for the purpose in the past. This can be done successfully if the right techniques are used : the task of preparation can be labour-intensive. W.F.P. aid to Jamaica for watershed management in the upper reaches of the Cane river and the Rio Minho is an instance of using food aid to get this work done. Some 2,800 workers engaged in reforestation of non-agricultural land and engineering work on rivers and streams, and farmers introducing better and less erosive farm practices, are receiving, for themselves and their families, 2,000 tons of nine different food commodities to provide them with an adequate diet for two years. Watershed management is also being supported at Kizilcahamam in Turkey. Farmers in 40 villages are being encouraged, through the provision of W.F.P. food for themselves and feed for their animals, to use the land to its maximum capacity by measures of soil and water conservation and by improvement of pastures. A broader range of activities to develop the capacity and use of agricultural land is being assisted by the W.F.P. in Sahela-Sra in the Western Rif of Morocco. The F.A.O. is giving technical assistance in this connection with the support of the United Nations Special Fund.

In Burundi W.F.P. aid is being given for the improvement of agricultural production through multiplication of improved seeds. In addition to the instances already given, W.F.P. aid to India in the form of animal feed supports intensive egg and poultry production and marketing in Uttar Pradesh and the increase of milk production in Anand-Gujarat.

Community Development

Most projects are concerned with only one specific form of activity, but not all. There are some multi-purpose or community development projects, and these are not entirely confined to rural areas. They include co-operative action for community development in Iraq ; urban community development in Bolivia ; community development in the east of Punitaqui, Coquimbo (Chile) ; the establishment of nine model villages in Turkey in which people from more crowded rural areas will be resettled ; and community development in the areas of Khartoum and Managil. Food aid nourishes those who bear the burden of physical labour involved in this development and can be allocated as an incentive to accomplish each of the range of steps that may be undertaken in a programme of community development. For example on the outskirts of La Paz, Bolivia, inhabitants receiving food aid will be engaged in the improvement and construction of houses and communal facilities and in steps to improve sanitation. W.F.P. food will also be used in nutritional education and home economics courses. In Chile, the Punitaqui Valley, deteriorated by mining operations and indiscriminate goat raising, will be rehabilitated by corralling of goats, their replacement by sheep and llamas, and the establishment of pastures, afforestation, protection of watersheds and expansion of cottage industries. In Turkey model villages are to be constructed and roads built. In the rural areas of Khartoum and Managil W.F.P. food will give an incentive to workers to contribute their labour to soil improvement, irrigation, construction of village-to-market roads and improvement of livestock.

Self-Help and Voluntary Labour

Effect is being given, in a very similar way in different countries, to the idea that much can be done by self-help and voluntary labour which a developing country could not afford to pay for. This is called " human investment " in Guinea and other African countries ; " mass education " in Ghana ; *animation* in Senegal ; *travaux au ras du sol* in Madagascar ; *shramadana* in Ceylon and other Asian countries ; and *cooperación popular* (or

minga, the Inca term) in Peru. The pattern generally followed is to encourage local communities to select their most urgent needs for new facilities, construction and development, to give the communities technical guidance in carrying out the work on an unpaid basis and to train community leaders to supervise the work. In some instances unpaid labour is also contributed under these programmes to labour-intensive elements in larger projects, notably public works, which can be included in the development plan of the country only if this contribution is made, other resources being insufficient.

It would seem that food aid has an important role to play in support of programmes of this kind, since it can provide an incentive to sustain energy and enthusiasm which would otherwise tend to flag in the long term. The W.F.P. might well promote their wide adoption.

W.F.P. aid to Senegal under the *animation* programme includes the provision of food to camps where four-week courses are organised for training community leaders, and to the workers (and their families) giving their services free. The latter are engaged in the construction of buildings for rural co-operatives (comprising crop storage space and office accommodation) ; in land clearing and development both for market gardening and for other cultivation and in the building of agricultural irrigation works, in different parts of the Senegal River valley and the regions of Casamance and Sine Saloum.

In Ceylon minor irrigation works, which provide an indispensable basis for raising agricultural productivity, are carried out in rural areas partly on the basis of collective remuneration of the villages (at the equivalent of half the labour cost at prevailing wage rates) and partly by those prepared to contribute their labour for nothing under the *shramadana* movement. The W.F.P. is providing food, including most of the little rice that it has, to feed both groups of workers. It is estimated that the work of repair, restoration or improvement of tanks, bunds and channels for irrigation and drainage, on several hundred different work sites[1], growing in number each year, will require close to 1.4 million mandays. It is hoped that more people will be able to contribute their labour without pay when rations are provided by the W.F.P., since the villagers benefiting from the works did not always give the volunteers meals and it seemed excessive to expect them to bring their food with them, in addition to coming to work for

[1] Because of the scattering of numerous work sites, which would render transportation and distribution of W.F.P. foods complex and costly, commodities supplied will be sold in Colombo to finance the purchase of similar items in each locality, and to permit cash payment wherever meals or food rations cannot be distributed.

nothing. If the W.F.P. does succeed in expanding the *shramadana* contribution to Ceylonese development, a higher rate of economic growth can be achieved.

A substantial proportion of W.F.P. projects can contribute to reducing unemployment and underemployment; particular interest attaches to those which expand employment opportunities for young people. The unemployment of youth has given rise to considerable concern in many African countries, and there will be particular interest in what can be achieved by a project recently adopted by the W.F.P. in the Congo (Brazzaville) for the training of urban unemployed youth for rural settlement. Two-year courses in agriculture and civics will be given in five training centres to about 900 youths. W.F.P. aid will provide nourishment for the trainees as well as for 2,000 youths who are already trained, or will complete their training, and who will be settled in five land settlement zones in 1964 and 1965. Food will also be supplied to the staff of 100 responsible for training and giving technical guidance in the training centres and settlement zones. The settlers will be provided with food until they can bring into production bananas and cocoa, palm oil, tobacco and market gardening products and by this means support themselves.

Projects Using Wage Labour

While most of the projects so far mentioned have been of a " self-help " character, not employing wage labour, there are other W.F.P. projects—notably in the field of public works—where wage labour can be rendered more productive if food is given as a supplement to a low wage. Alternatively, wage labour can be partly financed with food wherever food is acceptable as part of a wage and where the remaining (cash) part, which the W.F.P. has decided should be not less than half of the prevailing wage for such work, is sufficient to cover non-food needs up to local standards.

In the Sudan a green belt is to be developed around Khartoum with W.F.P. aid. In South Korea W.F.P. food will form part of the remuneration of workers building an embankment to promote flood control in the Naktong River Basin. In Iraq an urban improvement project including the construction of a circular road in Arbil has been adopted. The construction of secondary roads in Mus province in Turkey is the first to be adopted of several rural road-building projects that have been submitted to the W.F.P.

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Other projects already adopted by the W.F.P. are less easily placed in broad categories, although similar action could in certain cases be supported in other countries. For example, in Morocco

food will be provided to some 17,000 Koranic religious teachers who will lend their services for a few months to teach the adult male population how to read. In the Lebanon W.F.P. food will help to remunerate workers carrying out archaeological excavations, since it has been shown that archaeological discoveries stimulate the tourist trade, which is an important source of foreign exchange and additional national income.

At the end of May 1964, 53 projects had been adopted by the W.F.P.; but more than twice that number have been submitted, and many of them are likely to be adopted and to be started during 1964. An indication is given in the accompanying table of the different categories or fields of action into which they can be divided. The number mentioned in each category adds up to more than the total number of projects submitted because there is double counting of those which pertain to more than one field of activity in the classification by type of project.

This is a brief glimpse at the sort of things the World Food Programme is doing to demonstrate how food aid can help development. The remainder of this article describes and discusses its policies, problems and potentialities.

Some Major Questions

While the illustrations that have been given indicate that food aid can be tangible and useful, a number of major questions are raised. Some can be answered simply and others are more complex and receive more detailed attention in what follows.

Food for Relief and for Development

First, since many people are hungry through no fault of their own, why not just give them surplus food on purely humanitarian grounds without requiring anything of them ?

The W.F.P. does provide aid of this kind in emergencies, but it aims primarily at making people able to manage without relief. It takes the view that the best way to end hunger, taking into account both human dignity and the need to maintain the livelihood of those engaged in agriculture and food trade, is to help the poor and hungry to participate in building up the economies of their countries so that they can eventually afford an adequate standard of living. Food aid is one way of helping them. As indicated by the examples of projects given above, it does not have to be confined to building up agriculture—it should help them to develop whatever forms of production bring the greatest return in their country, which may include a return in the form of food imports for the exports that they can make most efficiently.

W.F.P. PROJECTS : NUMBERS, COSTS AND PERCENTAGES, BY TYPE AND BY REGION

Type of project	Number of projects by region				Number by type	Percentage of total cost
	Africa	Asia	Latin America	Europe		
Special Feeding :						
Expectant mothers and pre-school children	1	1	1	—	3	1.0
Students	15	2	4	2	23	13.9
Other special groups	2	—	—	1	3	0.8
Economic and Social Development :						
Colonisation and land settlement	9	6	4	1	20	16.4
Land reform	—	1	—	—	1	0.8
Land reclamation and development	4	6	1	1	12	12.3
Irrigation and drainage	1	4	—	1	6	1.9
Afforestation	3	4	1	2	10	6.2
Diversification of crops	1	—	—	—	1	0.7
Promotion of animal husbandry	3	14	4	—	21	14.4
Establishment of stocks for price stabilisation	2	—	4	1	7	1.7
Community development	7	4	2	1	14	7.4
Housing, building and area planning	2	4	2	1	9	6.9
Road construction	1	4	1	1	7	4.0
Other public works	—	7	1	—	8	3.0
Industrial projects	1	3	1	4	9	6.4
Establishment of industrial estates	—	—	—	—	—	—
Mining projects	—	—	1	2	3	2.2
Total by region	52	60	27	18	157	—
Cost by region (U.S.$)	22,010,300	28,862,400	12,426,300	9,580,900	72,879,900	
and percentage of total cost	30.2	39.6	17.1	13.1	—	100.0

There are two instances in which governments distribute W.F.P. food without demanding a *quid pro quo* from the recipients. One is disaster relief. The World Food Programme has earmarked about a quarter of its resources to bring emergency food relief to people rendered temporarily incapable of supporting themselves—for example those affected by the earthquake in Iran, by the volcanic eruption in Bali, Indonesia, by cyclone and flood in East Pakistan and the Caribbean and by the different factors creating refugees—in Algeria, Rwanda and elsewhere. In some of these cases the emergency relief is followed by further W.F.P. aid to support those engaged in the task of reconstruction, or aid is given only following the emergency, for this purpose alone. The former is the case in Bali, where more than $1.8 million of W.F.P. aid for relief to date will be followed by $2.9 million of aid for rehabilitation. The latter is the case in Yugoslavia, where W.F.P. food is being supplied for four months to 60,000 workers who are rebuilding Skopje.

The other instance is that of expectant mothers and pre-school and school-age children—none of whom should work and who, if given food when needed, will be healthier and perhaps be relieved of the necessity of working. Such feeding programmes are being undertaken in Afghanistan, Bolivia, Colombia (in the Department of Caldas), Mauritania and Togo. Even these projects have a developmental effect, which shows up most quickly in the cases of vocational education and training. Two of the institutions supported in Mauritania come into the latter category ; about three-quarters or more of those assisted in Kabul, Afghanistan, do too. In Bolivia the aid is given to rural teachers' colleges. The W.F.P. has not done more in this respect because U.N.I.C.E.F., as well as many non-governmental bodies, are already doing a lot. The W.F.P. is at present an experimental programme—its main purpose is to demonstrate different and especially new and untried ways of using food aid.

Dietary Habits

Another important question is : do food aid programmes really give people the kind of foods they want to eat and does this offer them an adequate incentive to work ?

While it is generally true that people who are really hungry will eat anything, everyone has very definite preferences and eating habits and a reluctance to eat something unfamiliar. In certain cases there are taboos against eating particular foods, which may not be broken even by the starving.

Food preferences are a real limitation on the scope of food aid programmes. Most of them supply wheat, which is a very widely consumed staple. The W.F.P. has been handicapped in helping

rice-eating countries because it has very little rice at its disposal. But some of these countries want to encourage their people to eat wheat instead of rice, because it is more nutritive, dollar for dollar, and because rice has a ready export market and is a good foreign exchange earner. This is an aim in East Pakistan, for example.

Senegal began to produce a little rice in its river valleys but consumption quickly outpaced production there, because rice became a prestige food that many strove to afford. The country therefore had to use up precious foreign exchange to import rice. The traditionally popular dish, couscous, is made from millet, which is a major local crop, but its preparation involves hard labour—pounding the pestle—which more and more Senegalese housewives understandably seek to avoid. An enterprise in Senegal has established a plant for the industrial processing of couscous. The W.F.P. is providing this plant with an initial supply of sorghum (akin to millet, the latter not being available to W.F.P.) since, although much millet is produced in Senegal, little of it comes on to the market. The payment made by the enterprise for this sorghum is allocated to financing an educational programme to popularise the consumption of industrial couscous. This will widen the use and circulation of money in Senegal, since millet growers will begin to sell their produce to the couscous-processing plant, and they and others will seek cash to buy the processed couscous to avoid having to prepare it at home. If effective, this project will encourage local production of millet and counteract a trend to consume more and more imported rice.

It is economically sound to encourage the consumption of a new commodity in some circumstances but not in others. For example fish is generally not eaten in Mauritania, although the coastal waters are well stocked with fish that are caught by neighbouring countries. Mauritania, which is mostly desert and cannot produce all the food it needs, has included the development of fishing for local consumption as a major element in its development plan. How can the eating of fish be encouraged ? A W.F.P. project will do this. Its primary aim is to assist in expanding sorely needed facilities for secondary education and vocational training. The W.F.P. is substantially augmenting, over a two-year period, supplies of food to secondary schools and two vocational training centres in Mauritania, all of which are run on a boarding-school basis. Whereas up till now the students have sometimes had to be sent home before the end of the school year for lack of food to feed them, W.F.P. aid will make possible an expansion in the numbers admitted and trained. Among the major items in the diet provided by the W.F.P. is dried fish. It is hoped that the students will grow used to eating fish and will set an example for others to

follow in later years when, as educated people, they take up positions of responsibility in Mauritania.

On the other hand, the I.L.O. rejected the idea of proposing that vocational trainees being trained with I.L.O. assistance in a centre near Lagos, Nigeria, might be fed with W.F.P. aid, because the W.F.P. does not dispose of the customary items in their diet and it would be harmful to develop in the students a taste for the commodities which the W.F.P. can provide, some of which will not be produced in Nigeria.

The W.F.P. has a much wider range of foods than most food aid programmes—about 30 commodities altogether—but the lack not only of rice but also of sugar is strongly felt. Perishables can never be handled ; items such as vegetables and fruit have always to be provided from local sources. Some W.F.P. protein foods such as dried and canned meat, dried fish, cheese and powdered eggs are a valuable addition to unbalanced, protein-deficient diets which are so prevalent, and they can give extra energy to those engaged in heavy work. In the poorest countries these items, and butter, are considered luxuries, and despite nutritional considerations a more simple diet is considered appropriate by the W.F.P. so as not to develop " expensive tastes " that cannot continue to be indulged.

Payment of Wages Partly in Food

Another capital question, of close concern to the I.L.O., is how far it is right or possible to remunerate workers partly or wholly in the form of food rather than cash.

A distinction should be drawn here between those W.F.P. projects which employ wage labour and those which do not. Up to the present, the latter are in a majority. There is no question of the propriety of offering food alone to people who are giving their labour without pay as a contribution to the general welfare or who, as in most cases, are doing or making something that benefits them directly. Where wage labour is employed, the situation is different. The W.F.P. adheres to the international labour standards of the I.L.O., irrespective of which Conventions have been ratified by the countries benefiting from its assistance. All W.F.P. projects that would employ labour are submitted to the I.L.O. for technical scrutiny, and are not adopted unless the I.L.O. gives the assurance that they are in conformity with international labour standards. The I.L.O. gives its help when necessary and desirable to amend projects in order that they can meet this condition.

The Protection of Wages Convention, 1949, permits payment of wages partly in kind where such payment is customary and

appropriate. Payment partly in food meets the stipulation of the Convention that the workers should be paid in kind only things that are of use to them ; W.F.P. aid is particularly suitable in this respect because of its policy of providing as many of the elements in a balanced family diet as it can. It is important to stress that payment can be only *partly* in food because wage labourers have non-food needs to cover and normally have no other source of income. They should receive a cash payment for this purpose and, as already mentioned, the W.F.P. follows the rule that a cash payment which is less than half of the prevailing wage in the locality would be inadequate. In quite a number of W.F.P. projects the cash payment is more than this. In some, food is provided entirely as a supplement to a full cash wage, notably in countries where prevailing wages are particularly low.

Most countries follow the international labour standards in their national legislation on this subject, but a few have laws prohibiting any part of wages to be paid in kind. In such cases W.F.P. food can only serve as a supplement to a full cash wage, or be sold and the proceeds used to finance part of the wage bill. A similar course has been followed in the few cases where workers or their trade unions have not agreed to remuneration partly in food.

In practice it would appear that it is in rural projects, especially those in the subsistence sector, that remuneration in food is most readily accepted and has the strongest incentive. It is normal in such areas to translate labour into terms of food, since most labour is devoted to food production. It is also generally welcomed by workers engaged on industrial, construction or other projects in isolated areas, where food supplies and markets are poorly developed. Food is also valued more highly than cash if severe inflationary conditions prevail. In urban areas and more developed, monetised parts of the economy [1] experience during this experimental period may show that the sale of food to help finance purely cash wages will have to be the general rule. This has been proposed by the I.L.O.

Sales of food aid are liable to incur the danger of displacing commercial sales ; this is a complex question discussed in detail below. The main safeguard is to provide food aid to people who cannot afford to buy enough. This includes the unemployed and the underemployed, for the most part, and close consideration should therefore be given to the W.F.P. as an instrument for expanding employment in developing countries.

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[1] In some quite backward areas the offer of food as payment may be resented or treated with suspicion because it has recent historical associations with paternalism, feudalism or other forms and degrees of servitude.

Full Employment for Development

Fuller employment of the many millions in the developing countries can make a major contribution to economic development.[1] What are governments doing to expand employment as a means of development ? At first sight achievements seem to fall considerably short of aspirations. Difficulties are greatest where population, already pressing hard on available resources, is growing rapidly. Even in countries where plenty of cultivable virgin land remains available, new settlement and cultivation is in some instances considered such an easy solution of the unemployment problem that insufficient vigour, resources and political courage are devoted to meeting the prerequisites—provision of infrastructure and community facilities, changes in land tenure, agrarian reform and so forth. While the investment required to create one job in industry and other non-agricultural sectors is widely known to be substantial, the settlement of new land requires a good deal more than just transporting the worker to the virgin soil with a spade in his hand.

By and large it is doubtful whether enough attention is given to employment objectives in the developing countries. Apart from the difficulties where land is lacking, it is widely thought that full employment must await economic development—that it is a condition only attainable in developed countries. When there has been vigorous action it has been in countries where direction of labour was considered admissible (and hence, at least in theory, full employment is " cheaper " to achieve), or where the gravity of unemployment and the quality of government made it politically necessary and possible to do something effective, or in a few instances where economic advisers not only perceived the potency of full employment for development but were sufficiently influential to get something done about it. Instances of the latter have been few, because not even all economic advisers and planners are yet won over to full employment as a development policy.

Till now the manpower aspect of economic development which has received most attention is the need for skilled labour, which is generally scarce. The idea that unskilled labour, which is generally abundant, can also be used for development, and that the extent to which it is not fully employed offers a hidden source of savings to be invested in development, has not yet been adopted as a major element in most development plans.

[1] See I.L.O. : *Employment Objectives in Economic Development ;* and *Employment and Economic Growth,* Studies and Reports, New Series, Nos. 62 and 67 (Geneva, 1962 and 1964).

Full Employment and the Demand for Food.

But there is a practical problem. The unemployed and underemployed consume what little they earn and depend mainly on relatives. The latter deny themselves to support their unemployed kin. If the unemployed or underemployed members of a family obtain full employment it is natural that they should consume more, especially food. Their need to consume more is, from the individual point of view, the reason why it is so important to find more productive work for them. The newly employed will expect a larger and better diet than they did when they were dependants, as a return for their work and for the extra energy they use during a fuller and heavier working day and as an inducement to move—if the work has to be done in other places. Those who formerly supported them could now save more (they could save the equivalent of what they were formerly transferring to dependants) without reducing their own consumption. But they too will want to eat and live a little better. Particularly if they are peasants or subsistence farmers, it will not be easy to find a tax or other measure that will effectively stop them from doing so.[1] Such a measure, if found, is likely to be considered harsh and unacceptable.

There will thus be a need for additional resources to the extent that both the newly employed and those who formerly supported them will consume more than before. Resources will also be required to transport both existing and additional food and other supplies to the newly employed who move to take up work in different parts of the country.

Food may well be among the items whose output is increased by fuller employment, but there are often fears that a policy of full employment in a poor country may generate an unsatisfiable, and hence inflationary, demand for consumer goods—especially food—among the newly employed. It is difficult to expand local output of food and other "wage goods" rapidly, because it takes time to bring more land into production even if there is virgin land left to cultivate—and because there are competing demands for productive resources in investment works which tend to have high priority. Similarly, it is difficult to increase imports of food for lack of foreign exchange, and in this instance also there is a tendency to give high priority to imports of equipment and other items for investment.

[1] In Afghanistan farmers are required to give a part of their harvest to help feed the army, and the army, which constitutes virtually the only organised labour force detached from the land, allows a substantial number of its battalions (the labour battalions) to help in building roads and in other essential development works. Ragnar NURKSE mentions the similar economic function of a stiff land tax in Japan in the late nineteenth century (*Problems of Capital Formation in Underdeveloped Countries*).

Food Aid Offers a Solution.

Grants of food by countries that have surpluses can enable poor countries to use them as a basis for expanding productive employment without inflation.[1] These countries would generally prefer to receive aid in the form of cash but, realising that donor countries can add surplus food to the maximum aid which they can give in cash, they generally prefer food to nothing. Donor countries welcome the opportunity to put to good use their food surpluses that are not only an embarrassment but expensive to store. This may also appeal to them as a relatively easy way of meeting demands for additional foreign aid. Foreign aid in cash is a " blank cheque " drawn on the whole economy of the donor country—it is liable to be spent on goods and services badly needed at home and may even cut into the country's foreign exchange reserves to cover " offshore " purchases. (The latter is true, for example, of some of the funds which a country provides to the International Bank.) Foreign aid in kind is aid " tied " in the economic instead of the political sense. On top of what a country can afford to give in cash, it can give in kind those things which are surplus—surplus stocks of food and other commodities, and products of industries that have surplus production capacity. It must be noted, on the other hand, that surplus disposal as foreign aid presents a certain danger to both donor and recipient countries —that of retarding or even postponing indefinitely an adjustment in the structure of production.

Food surpluses are the most obvious and important example of an opportunity to expand foreign assistance by adding aid in kind, and a massive start was made with them by the United States which since 1954, under Public Law 480 and various broadening amendments, has given away or disposed on special terms of food valued at over $10,000 million. This represents 28 per cent. of total United States food exports.[2]

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[1] As noted above, other consumer goods besides food will be needed to stem an inflationary demand by the newly employed, and resources will have to be diverted to producing these additional goods. Nevertheless, food is one of the most important items and if that need is met then the effort to cover other needs will be more manageable and the rate of investment can be higher than it could be in the absence of food aid.

[2] The exact figure for the period 1954-63 is $10,694 million. To this should be added $2,076 million of food sales for foreign currency and economic aid under the Act for International Development (Public Law 87-195) and the Mutual Security Acts (Public Laws 665 and 165). Other food exports—which might be called purely commercial exports—amounted to $26,008 million. See *Eighteenth Semi-annual Report on Activities Carried on under Public Law 480, 83rd Congress*, 88th Congress, 1st Session, House Document No. 149, table II, p. 4.

There are a number of reasons why governments appear prepared to shift an increasing proportion of food aid from bilateral to multilateral channels. A bilateral food programme is likely to include only a limited number of foodstuffs, and will be helpful only to recipient countries that want these foodstuffs. A multilateral food aid programme can bring together the food surpluses of different countries, which vary in composition, and can also receive donations of food that are neither surplus nor in short supply, but given partly with the intention of broadening the choice of commodities in the " food basket " of the programme. This makes it easier to match availabilities and needs.

Pledges of surplus and non-surplus foods can be made by countries that are too small to set up a bilateral food aid programme of their own—for the minimum size of an efficient programme is substantial.

Some other advantages of multilateral food aid are similar to those shared by multilateral aid programmes in general. The insertion of a non-political agency between the donor and the recipient country avoids a relationship of dependency of one nation on another. A project is not in danger of being brought to a standstill at mid-point because of a radical change in the political complexion of either donor or recipient country. Pledges of food to a multilateral programme have to be firm and unconditional.

Co-ordination is facilitated by multilateral machinery—it is not only fruitful to bring the different food pledges together in one basket, but also to co-ordinate the allocations of food aid to different countries and projects. It is helpful to link food aid with other multilateral aid—technical assistance and monetary finance—through the arrangements for co-ordination and co-operation between international organisations. These arrangements also make available to a multilateral food aid programme the benefit of technical guidance and evaluation by the international organisations.

Safeguarding Agriculture and Trade

Why was the World Food Programme launched on an experimental basis for a limited period ? Bilateral experience with food aid was already considerable. It included the direct distribution of United States food to workers in Morocco, Tunisia and elsewhere [1], which is akin to the " project approach " on which a venture of the restricted size of the W.F.P. must mainly rely.[2]

[1] Some account of these programmes, launched under section 202 of Title II of Public Law 480, is given in " A Plan for Full Employment in the Developing Countries ", by Gabriel ARDANT, in *International Labour Review*, Vol. LXXXVIII, No. 1, July 1963.

[2] This approach is described on pp. 121 ff. below.

Even multilateral experience in providing food aid—under the United Nations Reconstruction and Rehabilitation Administration, the United Nations Work Relief Administration and the United Nations International Children's Emergency Fund—was by no means lacking. But there were new ideas as to ways in which food aid could be used, which had still to be tried out [1], and some countries, such as Brazil and France, stressed that the role of the W.F.P. should be viewed as complementary to rather than as a substitute for bilateral food aid. One important aim of the experiment would thus be to discover and try out novel approaches to food aid that exploit fully the advantages of a multilateral programme. In fact the advantages of multilateralism may well point not only to complementing bilateral aid but also to shifting a portion of established food aid programmes from bilateral to multilateral administration, or at least to reorienting the bilateral action in a multilateral framework.

The idea of starting the W.F.P. on an experimental basis was extremely valuable in so far as it made for flexibility in the terms of reference of the Programme. It is an advantage, for example, that the purview of the Programme is not limited to rural or agricultural development. But another aspect of the experimentation is that the W.F.P. has to prove itself—it will be continued (probably with larger resources) in the years following 1965 only if the three-year experiment is found to be a success. Until governments reach a decision on this point, which will not be before the results of the experiment become available in 1965, the whole operation has to be conducted as though it will come to a dead stop on 31 December 1965. There can be no commitment to deliver food to any project beyond that date, nor can W.F.P. staff be retained for longer. This rigidity has made the experiment more difficult. There is a need for almost dangerous haste in carrying out the whole of the task to be done. It might have been wiser to set a more flexible time limit, with advance provision of alternative arrangements—one or the other to be put into effect before the end of the experimental period—to wind up the Programme or to prepare for its renewal and possible enlargement.[2]

[1] *Development through Food—A Strategy for Surplus Utilisation*, op. cit. Earlier pioneering publications (written by Dr. Mordecai EZEKIEL) were *Uses of Agricultural Surpluses to Finance Economic Development in Underdeveloped Countries—A Pilot Study in India*, F.A.O. Community Policy Studies, No. 6 (Rome, 1955); *A Note on the Utilisation of Agricultural Surpluses for Economic Development in Japan*, ECAFE/FAO Agricultural Division, United Nations Economic Commission for Asia and the Far East, document No. E/CN.11/L. 60 (Bangkok, 1958).

[2] It may become imperative to make provisions of this kind in the not-too-distant future.

There were undoubtedly strong and varying considerations which led different countries to favour the limitation of the W.F.P. to an experimental fixed term. To have set it up for a much longer fixed term would have implied the inevitability of continuing food surpluses far into the future ; but this would not have constituted an objection to starting a programme of indeterminate duration.[1] What seems a much more important consideration is the impact of food aid on trade in food commodities and on agricultural development. Different aspects of this problem will be of concern to three groups of countries.

There are, first, donor countries, which already fail to sell all the food they produce and only wish to dispose of their food surpluses in ways that will not reduce their markets still further. On the contrary, they hope that food aid will stimulate economic development and thus lead to an increase in the demand for food on the market. Even more anxious about their markets are those countries which succeed—by keeping their prices sufficiently low—in avoiding food surpluses. They can compete in the market with less efficient producers, but they cannot compete with aid programmes that siphon costless food grants into the market. There are two groups of countries in this category. On the one hand there are countries that neither give nor receive food aid but which depend substantially on food exports to countries receiving such aid. On the other hand there are the recipient countries themselves, whose farmers and food merchants also depend on sales to a population of which a substantial proportion (which can be as high as 20 per cent.) may be getting food without having to pay for it. Their governments will consider their interests among others, and the extent to which their interests are bound up with those of the country as a whole.

Countries which operate bilateral food aid programmes are on terms of close friendship with a number of the countries that are major food exporters, and participate fully in consultative machinery (the F.A.O. Subcommittee on Surplus Disposals in Washington) to keep them informed in advance of food aid plans. And yet there are grounds for suspicion that some of the massive bilateral food aid granted in recent years has displaced commercial food sales and has held back domestic agricultural development in some developing countries (although it has financed action to stimulate it in others). It is not surprising, therefore, that countries are cautious in entrusting large quantities of food to an international administration and have chosen to limit its life initially to three years. The Executive Director of the W.F.P.

[1] As is the case with other United Nations aid programmes.

can, on his own authority, approve any project requiring food aid not exceeding half-a-million dollars in value. Even for larger projects he has this power at present, after notifying members of the Intergovernmental Committee of the W.F.P. of project requests, except where, within 45 days' notice, a member requires that a project be held over to the next session for the Committee's approval. No international official has had comparable authority in the past in the field of aid. Such delegation of power is necessary to efficiency and expedition, and is a welcome and encouraging development. But, perhaps above all else during this experimental period, governments are watching to assure themselves that relatively independent international officials administering food aid can be relied upon to do it in such a way that existing agricultural interests are not harmed but if possible promoted.

Practically every step that the Executive Director of W.F.P. and his staff have taken shows the mark of their effort to justify the trust placed in them and to build confidence in their respect for this overriding principle.[1]

For example the W.F.P. had as a precedent the experience of bilateral food aid programmes which have devoted much of their resources to the " bulk supply " of food to a country in general support of its development efforts (i.e. the food is supplied to the government, which sells it and uses the counterpart funds for broad purposes). But the W.F.P. preferred that its aid should be tied to the support of certain activities specified in advance ; in this way those who will consume the food are identified and counted, and the supply of rations is tailored to their number. This firm and, until now, exclusive reliance on what is called the " project approach ", in contradistinction to the " bulk supply approach ", although dictated partly by the relatively small quantity of foods placed at the disposal of the W.F.P., is also preferred because the W.F.P. believes that it offers a surer means of avoiding the displacement of trade. Similarly the General Regulations stress support for labour-intensive projects partly because in developing countries these can give employment to the many unemployed and underemployed ; these people and their families cannot afford to buy as much food as they need and, when given more food while they work on W.F.P. projects, are likely to eat rather than sell it. The unemployed are marginal buyers of food ; to give them W.F.P. food affects commercial markets very little.

[1] The position is not entirely unlike that of the International Bank in its formative years. The providers of its resources, whose confidence it had to win, were the people who bought its bonds. And so the bank staff sought to convince them that they could act as prudently as any of the big commercial banks on Wall Street and wherever else the bonds were sold.

It can be imagined what pressure there is on the W.F.P. to take a more flexible attitude—to provide governments with food which they sell on the open market to finance many of the useful things for which money is required, in particular to meet costs other than labour costs, and needs other than food needs in the projects submitted to it. Quite apart from the importance of requiring a minimum local contribution (to cover these other costs), in order that the government may have a stake in the project for whose execution it is responsible, the W.F.P. does not forget the principle that every sale of its food must be counterbalanced by an equivalent addition to the demand for food.

The Executive Director of the World Food Programme has made the following policy statement on this subject, which is important in view of the considerable anxieties raised among food producers and merchants by food aid:

> The Regulations governing our Programme lay down that our operations must be conducted in accordance with the F.A.O. Principles of Surplus Disposal. In particular it is enjoined that commercial markets and normal and developing trade are neither interfered with nor disrupted and that the agricultural economy in recipient countries is adequately safeguarded with respect both to its domestic markets and the effective development of food production. These conditions are best satisfied when the food supplies brought in under W.F.P. are moved directly into additional consumption over and above what is taking place through current commercial transactions. This is the reason why our first preference is for the distribution of the commodities supplied by us in kind to people engaged in new undertakings. Under these circumstances it is also easier to verify that the commodities provided under W.F.P. do not displace existing supplies on the market but result in net increase in consumption. The provision of our supplies on the basis of specific projects rather than in bulk for general support to a government's development programme furthers the same objective, although this is not the only reason for this approach.
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> Thus the ideal plan would be to distribute W.F.P. supplies in kind in an approved project. We recognise, however, that there may be serious difficulties in enforcing this condition strictly in certain circumstances. From the point of view of administrative and operational convenience, as well as to meet some specific internal requirements of a project, it may be expedient in certain cases to sell the commodities provided under W.F.P. and then use the sale proceeds for carrying out an approved project.
>
> Such cases should, however, be regarded as exceptions to the general rule of direct distribution of supplies in kind. Moreover, each such proposal for sale of W.F.P. supplies will need to be examined on its merits. The principal consideration will be to guard against the proposed sale depressing the market price of the commodity in question or a related commodity to any serious extent over an appreciable period of time. We may assume that this will be satisfied if the proceeds of sale are directed to purchases of the commodities supplied with as short an interval as possible after the sale. For instance, the supplies may be sold at the port of entry and the receipts disbursed as wages to labour engaged in a project which is located in the interior. This will be permissible provided the circumstances indicate that most of the new income generated will be used in buying up the same types

and quantities of food and that private trade may be expected to move the supplies to the site of the project to take advantage of the new demand created there.

There may also be need in a project for relatively simple tools and equipment which may be fabricated in a short time with available material and idle local labour. If a small proportion of supplies received under W.F.P. be sold to raise funds for purchase of such tools and equipment, it is possible that the income accruing to the local craftsmen will be mostly spent in picking up the W.F.P. supplies again.

Sales of W.F.P. supplies may be justified in these and similar circumstances and will need to be approved in each case. It should be clear, however, that the proceeds of sale should be spent in implementing the specific project which is approved and should not go to meet the costs of other projects or to augment the general budgetary resources of the government. Further, the disbursement of the sale proceeds must go to the benefit of people in the lowest income brackets, because only such people may be expected to spend most of their earnings on food.

Comparative Advantages of Aid in Cash and in Kind

Developing countries seek the widest possible freedom and sovereignty in organising their efforts toward development. Aid without strings attached contributes to this, and for this reason multilateral aid tends to be preferred. As to the form of aid, nothing offers greater scope than a grant of fully convertible foreign currency. Aid in kind is welcome as an addition to the maximum amount of more flexible financial aid that can be given, but will be little appreciated as a substitute for it. The " supply management concept ", if applied in donor countries[1], would increase the usefulness of aid in kind. This concept means, in the domain of agriculture for example, that a food aid programme would not just use the supply of food surpluses in whatever commodity composition it happens to arise, but would, by manipulation of the policies that subsidise the creation of surpluses, adapt the commodity composition, as far as is possible, to the particular commodity requirements of the countries to be aided. However, this would enhance the dangers, mentioned earlier, of delaying an adjustment in the structure of production in donor countries. Such an adjustment would eradicate surpluses in output or in production capacity, divert the productive resources thus liberated to increasing the output of goods and services in short supply and hence enlarge the capacity of the country to give aid in cash rather than in kind. This should be the ultimate aim.

Meanwhile one may ask what are the advantages of aid in kind ? The case of food aid may be taken, since it is the only aid in kind so far being given on a substantial scale.

[1] None of them have yet adopted it.

First, since it is a relatively painless form of aid to donors, it may make it possible for them to provide more aid in total than they otherwise could.

Secondly, development based on food aid may lead to a quicker improvement in nutrition than that based on monetary aid, both because of the immediate increase in food supplies and because food aid appears to be most widely usable in agricultural development. Improvement in nutrition should bring an increase in productivity, although this effect has not been sufficiently studied and measured in large-scale experiments. It seems possible that the economic benefit of the effect can be substantial, even though one cannot know whether it would be comparable with the economic benefit of greater flexibility in the use of cash aid.

Thirdly, attention has already been drawn to the fact that food has a greater incentive effect in the subsistence than in the modern sector of the economy ; it may in some circumstances be preferred to money. In any event, since food aid lends itself particularly to rural development, it may be used to promote more of the latter than other forms of aid would. This may be desirable, since rural development, which benefits a majority of the population in developing countries, tends to be neglected.

It has been noticed that the provision of " packaged aid " such as the delivery, assembly and even the staffing of a complete steel plant, may be much more effective in producing an increase in steel output than the provision of an equal value in cash. Food aid is not, of course, a complete package. To be useful it must be combined with tools, equipment, raw materials, land, managerial and skilled staff and so forth. Nearly all of the big projects supported by the W.F.P. had already been provided with these other requirements before the W.F.P. came into the picture. In the future, the W.F.P. will have to work in close co-operation with other sources of foreign aid if it is to operate on a larger scale.

Evaluation

Since the W.F.P. is at present an experiment, one of the most important steps to be taken is the evaluation of its results. This will provide a basis for deciding on its future and, if it is extended and expanded, on the way in which it should continue to operate.

It is expected that roughly a hundred development projects will be implemented during the current three-year period. At least a brief independent appraisal will be undertaken of each, by the international organisations concerned with the different types of projects as well as by other bodies such as universities and research institutes. About one-quarter of the projects will be

subjected to closer scrutiny because of such factors as their size and importance, particular experimental interest, the desire of the government for a detailed examination and the availability of relatively good facilities for evaluation. Governments receiving W.F.P. aid commit themselves to maintain and supply certain records concerning the use of the food and the results obtained.

Studies now being undertaken by independent consultants will also weigh in the decisions concerning the future of the W.F.P. They concern such matters as the needs that food aid can meet in developing countries and their capacity to absorb it ; the capacity of more prosperous countries to support food aid programmes and the effect of such giving on their economies and on the agriculture and commodity trade of other countries ; the relationship between food aid and other kinds of aid ; the operational and administrative problems of food aid ; and the relationship between bilateral and multilateral food aid. The Executive Director of the W.F.P. will also express his own views on the results of the experiment and the future of the Programme, and these will be transmitted to governments with the comments and proposals of the Secretary-General of the United Nations and the Director-General of the F.A.O. on all these studies and recommendations.

There can be little doubt as to the potentialities of using food and other aid in kind to promote the expansion of employment and the acceleration of economic growth if handled in the right way. Already at the last session of the F.A.O. Conference (November 1963) a few countries indicated a desire for the Conference to recommend that the W.F.P. should be extended without waiting until 1965, as originally planned, before taking a decision as to its future. But it would be less than realistic not to recognise that the practical difficulties of implementation are great.

A matter of concern to everyone who knows the past history of foreign aid is the difficulty of ensuring that the food reaches the people for whom it is intended. There are differences of view as to whether it is easier to pervert the use of monetary aid or of aid in food. It is known that some of the former finds its way into private bank accounts even outside the countries that it is desired to help. Food is not necessarily more traceable, because for example it can be stated, without possibility of easy verification, that rats have devoured a quantity of food stocks that cannot otherwise be accounted for. Cases are known in which dried milk which was intended to nourish very poor and hungry children in an arid area has been used to paint the white lines on the courts of a tennis club, and of famine-stricken people who have continued to die of hunger while the food dispatched to help them has been sold across the border in a neighbouring country and the proceeds

used to line the pockets of officials and cabinet ministers whose duty it was to bring the food to their hungry citizens. Less venal, but equally effective in preventing food from reaching the people who need it, is the fact that no one responsible for expediting arrangements to obtain and use food aid feels personally the pinch of hunger. It is not a simple matter to design and formulate sound projects and to handle and distribute large quantities of food. Thus the inefficiency and overloading of some local administrations, together with the vested interests which can affect their conduct of such affairs, is in no way counterbalanced by anything more than the vicarious sympathy of the authorities for the hungry and the unemployed.

It will be interesting to see, during this experimental period, whether an international secretariat bound to publish the results of its operations, good or bad, can evoke a higher standard of honesty and efficiency than can a bilateral food aid programme administered by a donor country which is anxious to preserve its good relations with the beneficiary country. The experience of U.N.R.R.A. and U.N.R.W.A. indicates that it would be unreasonable and illusory to expect the W.F.P. to be completely successful in this respect. There are bound to be some losses and some mistakes. It is a part of the experiment to reveal how they can arise and how they can be avoided in future.

It should not be overlooked that a major bilateral food aid programme, such as that of the United States, benefits in its administration from the existence of a vast foreign service, with extensive administrative and technical staff in each country able to watch closely the implementation of food aid projects. It will have to be asked, during the course of the W.F.P. experiment, what is the minimum size of an effective food aid programme, and the answer may indicate something quite large. It already appears necessary for beneficiary countries to establish a central service to receive, handle and distribute food aid on behalf of the different ministries concerned with the technical aspects of various food aid projects in the different domains of action. This may have to be paralleled by an adequate international staff stationed in each region and perhaps in each country, more extensive than the services of the United Nations Resident Representatives and of the W.F.P. field project staff now available (there is not more than one outstationed W.F.P. official per project or per country). Under the General Regulations of the W.F.P. as they now stand, the government of the beneficiary country has primary responsibility for the execution of a project, but it may prove necessary for an enlarged international administration to assume a greater part of this responsibility.

It will undoubtedly be difficult to discover exactly how multilateral food aid can complement (rather than compete with) bilateral aid. But when one considers the immense size of the United States "Food for Peace Programme," one cannot help being impressed by the number of requests for aid that the W.F.P. has received within a year-and-a-half of being launched.

While the "project approach" has the advantages of being specific and concrete and of facilitating the protection of trade and agriculture, it makes heavy demands on administration, which may be too costly in relation to small projects.[1] Consideration may therefore have to be given to supporting substantial multi-purpose and regional development projects as well as national development plans. In the latter case food aid would be proportioned to the number of new jobs expected to be created under the development plan, and used as a factor to encourage planners to adopt a more "labour-intensive strategy" of development. If the W.F.P. is called upon to operate on a much larger scale, such broad aid schemes appear almost inevitable because governments would be reluctant to create and finance an international administration on the scale that would be required if the "project approach" were adhered to exclusively. On the other hand, support of such schemes would not be possible for a small programme.

It has already been noted that there is a need for other kinds of aid to be linked more closely with food aid, since projects can only be launched if resources can also be found to cover the cost of equipment, supplies, land and buildings and the part of labour cost which food aid does not cover. If this link with other kinds of aid is not successfully forged this may be another factor favouring "bulk supply" or, more specifically, a "development plan" as well as a "project" approach.

It is generally the essence of a development plan to give priority during a coming period to those investments which will bring the highest return with the input of domestic and foreign resources expected to be available. The use of food aid should therefore be co-ordinated with the development plan, both when it is used to amplify it and when it is to supplement it with labour-intensive schemes using few other resources. The use of food aid to amplify a plan without distorting it or departing from its priorities would involve an estimation of the amount of new employment and

[1] As a general rule, the W.F.P. no longer wishes to accept any project requiring less than $200,000 worth of aid. This limit effectively rules out support for a number of I.L.O. projects (such as the feeding of vocational trainees and their dependants) which are too small. This may not continue to be true if the W.F.P. is renewed for a longer period, because a minimum of $200,000 spread over a greater number of years would imply a lower rate of aid per annum, closer to the dimensions of these projects.

additional disposable income that would be guaranteed under it if it were enlarged by a certain percentage with a view to attaining the goal of full employment more rapidly. When the additional disposable income has been ascertained, the additional demand for food could be calculated. This additional demand for food, to the extent that it exceeded the planned growth in local food output and in food imports under established priorities for the allocation of foreign exchange, would create a food gap which food aid could then be used to fill. Although this calculation sounds complicated it would only have to be undertaken approximately, to guide the food aid programme as to how much food should be earmarked in support of the development plan. Actual releases of food could be determined by such indicators of the " food gap " as movements in local food prices and food output, and import statistics over the period of the plan. Also, granting of the food aid could be made conditional on the undertaking of adequate efforts by the government to formulate employment objectives, incorporate them in the development plan and implement them, in accordance with an employment-expanding strategy of development such as has been recommended by the I.L.O.[1]

Some indication of how a development plan could also be supplemented by schemes supported with food aid has already been given. It has been noted that whereas other kinds of aid —notably monetary aid—are generally used mainly to develop the modern, monetised sector of the economy and tend to have most direct impact on towns and other parts of the more developed enclaves in the economy, food aid fits well into the subsistence sector and can respond particularly to rural needs. It can therefore serve as a useful means of supplementing a development plan outside the modern sector, especially by promoting the unpaid labour schemes mentioned earlier in this article, as well as the " transitional sector " schemes recently proposed by the I.L.O. to the Preparatory Technical Conference on Employment Policy convened in Geneva in 1963.[2] These schemes would mobilise workers not fully employed in the subsistence sector, who cannot yet (for lack of training, experience or adequate investment) find employment in the modern sector, but for whom productive work, in return for food and such cash wage as can be afforded, might be created through labour-intensive public works and other development projects requiring little capital equipment. Neither these schemes nor self-help and community development projects should

[1] See *Employment Objectives in Economic Development*; and *Employment and Economic Growth*, op. cit.

[2] See *Employment and Economic Growth*, op. cit., pp. 173-182.

be allowed to serve private profit; they would concentrate on meeting urgent communal and national needs.

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It is most important that the World Food Programme should be better known and understood. To use surplus food to nourish the hungry and to utilise their time and energies for the improvement of their environment and economy is an attractive and essentially simple and straightforward idea. But its application is complex for reasons which have been examined. The World Food Programme reflects a sense of the solidarity of mankind which must be the ethos of the United Nations Development Decade.