

POLICY SYNTHESIS

for Cooperating USAID Offices and Country Missions

Number 17 March 1996





FACILITATING EFFECTIVE FOOD SECURITY POLICY REFORM

By

Food Security II Cooperative Agreement
between
U.S. Agency for International Development, Global Bureau, Economic Growth
Center, Office of Agriculture and Food Security

Department of Agricultural Economics, Michigan State University



Office of West Africa Affairs Sahel Regional Program

Country Missions

WHAT'S BEEN DONE: Stimulating Both Demand for and Supply of Information Relevant to Food Security Policy Reform.

Many existing food security policies are based on incorrect information and conventional wisdom. Often, decision makers do not respond to research findings, especially when research does not directly address development needs. Thus a significant food security policy challenge is to discover how to increase both the demand for and the supply of policy-relevant research, and to encourage its use.

As one way of meeting this challenge, USAID has been very successful in facilitating effective food security policy reforms in Africa through careful focus on both **policy substance and process** in the Food Security in Africa (FSA) and Food Security II (FS-II) Cooperative Agreements with the Department of Agricultural Economics at Michigan State University (MSU). Global and Africa Bureaus, along with selected African USAIDs, collaborate with host-country research organizations and MSU in this project. The overall project goal is to increase food security as part of a broad-based, market-oriented sustainable economic growth strategy.

As stated in an external evaluation, "the FSA project has made major contributions in **empirically unmasking incorrect 'conventional wisdom'** about rural households, informal local and regional markets, and the capability of farmers, traders and government managers to respond to policy reforms, institutional changes and technological improvements. It has shown how policy reform can become more directly attuned to food security issues by better

understanding household consumption patterns; rural trade patterns; informal regional trade flows; internal marketing institutions; the diversity of household strategies for coping with short-term emergencies; and the limits imposed by technological constraints."

The FSA evaluation concluded that, "overall, the project has been highly successful in combining applied research; networking of researchers, donors and policy makers; and training in-country researchers and users of research to achieve the goal of improving food security by improving government and donor policies." Through the current FS-II Cooperative Agreement, these collaborative efforts continue, focusing on helping African governments and donors strengthen their capacity to design and implement improved food policies. The project continues to demonstrate that paying careful attention to the linkages between applied research, capacity building and policy dialogue is crucial in order to increase simultaneously the demand for and the supply of policy-relevant information. Experience shows that without such a joint and iterative build-up of both the local demand for and the supply of empirically based policy analyses, local involvement and follow-up on current policy reforms is difficult to sustain.

WHERE IT WORKS: Examples of Contributions to Key Policy Changes.

Through a combination of mission add-ons and centrally funded activities, this policy research and dialogue approach has made significant and timely contributions in several African countries:

Mali: The head tax was removed, benefitting many food security vulnerable rural households. Reduced marketing margins and better market information have improved food access.

Zimbabwe: Restrictions on intra-rural grain trade were removed, lowering cereal prices paid by grain-deficit households. Rural and urban consumers gained access to low-priced whole maize meal.

Mozambique: Monetized food aid (yellow maize) is better programmed and priced to benefit both producers and consumers.

Southern and Eastern Africa: Basic changes in market regulations to allow private traders access to grain and to allow small hammer mills to compete with industrial mills provided opportunities for low-income consumers to improve their diets and real income and generated increased employment in milling.

Africa-Wide: Local decision makers and donors are aware of the high rates of return to investment in agricultural research, of the key factors which influence the payoff to such research, and of the contributions to consumers of investments in new technology.

HOW IT'S DONE: Determinants of Effectiveness.

Key methods used by this project are:

- ♦ a "joint product/interim report" approach to applied research, which treats capacity-building and research results as joint objectives, and uses working papers and periodic briefings to ensure timely availability of research findings. FSA and FS-II activities have involved African policy makers and researchers not just in defining the research problem, but as active collaborators throughout the research process. This builds local analytic capacity, improves research quality and credibility, and creates greater demand by policy makers for the results.
- systematic and cost-effective field research, focusing on careful definition of the research questions and collection of only the minimum necessary data.
- use of a food-systems perspective in assessing the impact of changes in technologies, institutions and policies on production, income generation and food consumption.

- ◆ a commitment to go beyond existing macro-level data to analyze critical food security issues. The project emphasizes collecting and analyzing household, firm and market-level primary data to evaluate the people-level impacts of various measures taken to stimulate economic growth and foster food security.
- diffusion of research results to inform the policy debate, through presentations and distribution of publications in strategic meetings and national and Africa-wide conferences.

STRATEGIC MANAGEMENT AND BACK-STOPPING ISSUES: What Helps Make the Difference in This Approach.

Several key management and institutional backstopping actions help make this Cooperative Agreement productive:

USAID Washington Actions: Project managers contribute to updating the research agenda, as well as well as to monitoring project implementation. They focus especially on identifying cross-country and other general policy lessons.

USAID Country Mission Actions: Mission staff interact with local policy makers and researchers to help shape the policy dialogue agenda. Management attention is placed on helping to deliver quality outputs, not just controlling project inputs.

Host Country Actions: Local researchers and policy makers are interested in improving empirically based policy analysis capabilities, and in undertaking innovative policy dissemination activities. Local counterpart organizations start and maintain working paper series and other measures for promoting policy dialogue.

Michigan State University Actions: MSU maintains a critical mass of experienced tenure-stream and temporary staff, attracts outstanding foreign and domestic graduate students to participate in the research, and has a efficient business office to backstop in-country activities. African counterparts are heavily involved in project design, in-service training and long-term training. For tenure and promotion decisions, MSU rewards its staff for implementing the "joint product/interim report approach" in conducting research and policy outreach activities.

*Work for this summary was conducted under the Food Security II Cooperative Agreement Between AID/Global Bureau, Office of Agriculture and Food Security, and the Department of Agricultural Economics at Michigan State University. The views expressed in this document are exclusively those of the authors.