

‘Giving money is surprisingly effective’



Professor Ruerd Ruben does research on the question of which policy improves the world food supply. Just before retiring, he gives his assessment of which interventions make a difference. ‘Giving governments and poor people blank cheques is surprisingly successful.’

text Albert Sikkema *photo* Harmen de Jong

The corona crisis is causing a lot of suffering but it also holds out opportunities for scientists who study the impact of policy, says Ruerd Ruben. ‘If a system comes under great pressure, due to an epidemic or a war for instance, history starts moving faster. Then governments make decisions faster and you see the impact of measures sooner. We often have to wait a long time to see whether an intervention works, but in this corona crisis, you see the effects of a lockdown very fast.’

Ruben is extracting other lessons too from the corona crisis. ‘This is a health crisis which has implications for our food policy too. It is mainly obese people who die from the coronavirus. The virus attaches to fat. So food has started playing a bigger role in public health and health insurance packages.’

Ruerd Ruben, who retires in June, has been doing research on the global food supply for 35 years. He mainly studied the effects of policy on issues such as poverty, malnutrition and the environment. He is professor of Impact Analysis for Food Systems at Wageningen University and leads research programmes at Wageningen Economic Research.

Why should food play a role in public health policy?

‘We have researched this in a joint programme involving WUR and the International Food Policy Research Institute (IFPRI) in Washington. For every one dollar you invest in improved nutrition, you save 16 dollars on health care.’

Why is that?

‘An important benefit is less malnutrition in infants under five years of age, because malnutrition in young children leads to poor attainment levels at school and later to low labour productivity and more overweight – undernourished people run a greater risk of overweight later in life. So the health policy should aim at improving the diets of children and mothers.’

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So they mainly need better food rather than more food?

‘In the 1980s it was believed that we didn’t have enough food for the growing world population. Now we think: technically speaking, we can produce enough food to feed the world. So why aren’t we doing that? That is where behaviour and policy come into the picture. We know, for example, how we can improve agricultural production in East Africa with climate-smart agriculture. The farmers can improve production by using new cultivation methods, but these are labour-intensive. In that case, farmers would rather look for a job outside the agriculture sector, because they can earn more. So our advice does not fit with their farming practice and survival strategy.’

How do you solve that?

‘The technology needs to be appropriate for local behaviour, but government policy is very important too. It makes a big difference whether the government builds roads and provides electricity or leaves development to the market, which has been a popular approach in many countries for the past 30 years.’

You argue for an integral development policy. Do you have a good example of that?

‘The biobased group at WUR did research on the big post-harvest losses of tomatoes in Nigeria. They provided good crates so that fewer tomatoes rotted during transportation to the city. That helped, but the crates had to be returned from the city to the countryside. So a project was set up with vegetables traders, so that a deposit was payable on the crates. When that worked as well, the tomato growers said: great, more tomatoes are being sold in the city. We want to benefit from that too. So then came supply contracts with the farmers, with better conditions. Only then was the project finished. In one year, they had organized the technology, the system and the value distribution.’

You work on one problem with several disciplines?

‘Exactly. We are now working with the IFPRI on a study on overweight, with nutritionists and food technologists. They have never worked particularly well together, because they have different views on the pros and cons of

processed food. Now we are getting them to collaborate, with help from the social sciences. The aim is to find out together when processed food has health benefits, and how much people are prepared to pay for that.’

Yet there are still just as many malnourished people in the world as ever.

‘That is not the case. Twenty years ago there were still 1.6 billion malnourished people in the world, and that number has been halved. Chronic poverty has gone down around the world too. We have made tremendous progress.’

What made that possible?

‘We always think in terms of more food. But when we researched that at the ministry of Foreign Affairs, the most important factor turned out to be clean drinking water. With clean drinking water, you prevent diarrhoea and people digest their food and absorb the nutrients they need. Secondly, budget support works. We did that for a while in the Netherlands, giving 10 per cent of the development budget to the governments of developing countries. With no strings attached. Most politicians opposed it vehemently, thinking the money would end up in the pockets of corrupt rulers. But the funding turned out to be very effective; most of it ended up in the health and education sectors. But Dutch politicians closed their ears to that, so budget support was scrapped.

Another surprisingly successful approach was the cash transfers to poor people. You give people who don’t have enough to eat money for a few months. Those people don’t spend all the money on food, but use some of it to improve their business or their roof, so they don’t fall ill so easily. This World Bank programme in northern Ethiopia was highly successful and is now being rolled out in more than 30 countries.’

And what doesn’t work?

‘Land reforms. We encouraged them in Latin America: you divide the land of the big landowners among the small farmers. It didn’t lead to better incomes for the small farmers. The landowner lost his land, but not his power. He went to the farmers and said: you need me for trade

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and credit. So most of the money still disappeared into the landowner's pocket. Land reform is not enough, our evaluation showed. You need to set up farmers' cooperatives and reform the banking system at the same time, so the small farmers can obtain credit. And sometimes you need to buy out the landowner. They've got to disappear from the scene.

Another thing that doesn't work very well is ethical labels. I was involved in the launch of the Max Havelaar Fairtrade label and later on I did large-scale field research on its impact on farmers. Initially, farmers' incomes went up, but that initial gain soon got lost. Before long, the non-certified farmers started making the same improvements to their cultivation methods. What is more, so many farmers were certified that there wasn't a market for all their products. So the Fairtrade farmers' incomes went down again.'

Hasn't the global reduction in malnutrition and poverty come from the tremendous development of China?

'That's right. The number of hungry or malnourished people has gone down by 800 million, and half of those people live in South-East Asian countries such as India, Bangladesh and Indonesia. Malnutrition in Africa has hardly gone down at all. What China has done is to create the conditions for a more efficient food supply by building roads and supplying electricity on a large scale. That is key. In Nigeria, food chains involving refrigerated food do not get off the ground because electricity is scarce and unreliable. The Chinese government strengthens the market, whereas in Africa business people have to pay for everything themselves. That weakens entrepreneurship. Which is very important.'

Why?

'Combating poverty is largely a matter of building entrepreneurial capacity. The struggling small farmer, who produces a bit of food and does odd jobs here and there needs to be galvanized into action. Such a farmer needs to be able to expand, whether in food production, repair work or something else. The small farmers, who many Wageningen folk have such sympathy for, need to become enterprising, to expand and to mechanize. You can't feed a city of 10 million inhabitants like Lagos with small farmers

alone. You need a well-oiled food supply chain, and that begins with infrastructure, as the development of China shows.'

Does Wageningen focus too much on agriculture?

'It used to. In the past, researchers were much more compartmentalized than they are now. I've noticed that the young generation is better at thinking at the food system level. They can switch quickly between disciplines and they understand the importance of the interactions between sectors.

The older generation sometimes lacks that broader perspective. Wageningen experts tend to seek cooperation with ministries of Agriculture in developing countries. But that happens to be the least important ministry in a lot of countries. You should sit down with the ministry of Finance, Infrastructure or Health, because that is where the money is, and the power to arrange smart interventions, with a role for food as well.' 

RUERD RUBEN

Ruben works for VU University Amsterdam, Wageningen University, Radboud University and the ministry of Foreign Affairs. He is currently professor of Impact Assessment for Food Systems at Wageningen University & Research, and leads research programmes at Wageningen Economic Research. He is also a fellow at the international institute IFPRI in Washington. Together with Professor Eric Smaling, Ruben is writing a report on food transitions for the UN Food Systems Summit which will take place in 2021. Ruben is seen as an international expert on development issues.