

**Overcoming poverty and famines – or: do economists learn from disaster?**

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Amartya Sen, the Indian Nobel prize winner in economics of 1999, in his seminal work on poverty and famine (OUP 1981) started his preface with “Much about poverty is obvious enough. One does not need elaborate criteria, cunning measurement, or probing analysis, to recognise raw poverty to understand its antecedents.” He also observed, however: “But not everything about poverty is quite so simple. Even the identification of the poor and the diagnosis of poverty may be far from obvious, when we move away from extreme and raw poverty.” As a child living in Dhaka he had to witness the Great Bengal Famine of 1943. Having made himself a name as a thorough economist and econometrician he came back to this disaster when studying the subject for the International Labour Office. Analysing the Ethiopian famines of 1972-74 he came to the shocking conclusion that “Ethiopian famines took place with no abnormal reduction in food output, and consumption of food per head at the height of the famine in 1973 was fairly normal for Ethiopia as a whole.” Such insights might not have been new, but it was Sen’s book which reached a wide readership and started a re-thinking in the growth-versus-distribution debate.

That the link between harvests and overall food availability is much weaker than commonly believed could have been known from studying the Great Bengal Famine, which rests deeply in the collective memory of India in general and of Bengal (and Bangladesh) in particular. The Indian answer has been the world’s largest public distribution system (PDS) which helped to avoid food shortage develop into famine. Large scale food aid would have been less effective without PDS. The poor harvest of 1943 would not have had the disastrous consequences in more peaceful time. It was the Second World War that disrupted food trade, although other factors also played a role. The same applies today: Most food shortage results from war and civil unrest. Generally, more food is available per head, internationally, despite rapid population growth thanks to improved technology (“green revolution”). Malthus did not foresee that food production ever would outgrow population. He saw the solution only in “moral restraint”, which by the way has happened, although very differently “morally” than the Reverend had recommended.

Famines, however, have not disappeared (Sudan has become the latest “case” in early 2004). But as Sen has tried to show in his later works, they do not happen in states, where democratic traditions are followed. Overcoming poverty and famines, thus, has become less a matter of production or population growth than of political, social and economic organization. As far as economists are concerned, they have been – of course – right all the times. Their advice often, however, has been subject to the confines of their theoretical models. This already had been the case during the 1840s when the Great Potato Famine devastated Ireland. Taking refuge to market laws might have worked, if only the potato blight had not struck year after year. The then new Communist ideology fell on fertile ground while the potato, the poor man’s crop, was wiped out all over Europe. And as in the case of the Sahel in the 1970s food was exported from Ireland (then: wheat) while people were dying on the street.

Since the days of the Potato Famine economists are not so sure that basic needs are best left

exclusively to the market. And they were not responsible for the famines in Bengal, Ethiopia, Sahel or Bangladesh (1974). But they may be guilty of leaving “non-economic” factors out of their considerations. There certainly could be more interaction between economists and policy makers and more emphasis on disseminating basic economic insight.

How difficult this must be can be seen from the fact, that so many countries are spending substantial amounts of taxpayers’ and consumers’ money on agricultural policies that only partially benefit the target group, i.e. the small farmers, not to speak of overproduction and a trade policy that harms potential (poor) agricultural exporters. Such ill designed policies are even to be found in countries where we expect them least: India is holding grain stocks far beyond any recommended quantities at the same time when it is home to the largest number of poor and undernourished people in the world. Going by the Indian experience it seems to be easier to increase production with a mix of improved technology, infrastructure, on-farm investment, attractive support prices and state procurement than to guarantee a livelihood to all citizens.

The focus of the current issue is on the other major region of poverty and famines, i.e. Africa. Ethiopia no longer is in the news for famine. This volume is on what had been achieved and how it happened.