SQUEEZED
Life in a Time of Food Price Volatility, Year 1 Results

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High and rising food prices no longer come as a surprise, but rapid price changes and the cumulative effects of five years' worth of price rises are still squeezing those on low incomes. People are working harder over longer hours and their wages are not keeping pace with inflation, so they are having to adapt wherever, and however, possible. The first year results of a four-year study on how food price volatility affects everyday life find important changes in people's wellbeing and development. But in areas of life neglected by policy, domestic care work and informal social safety nets in particular, Squeezed provides reasons to prepare for the next food price spike and provides recommendations for how best to do so, including widening social assistance for the most vulnerable; being ready with temporary spike-proofing measures; monitoring the real impacts on people’s lives and wellbeing; rethinking social protection policy to ‘crowd-in’ care and informal social assistance; and enabling people to participate in policies to tackle food price volatility.

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EXECUTIVE SUMMARY

Young man, Kalyanpur, Dhaka, Bangladesh:

To us, wellbeing means earning money, eating good food and sleeping peacefully at night... We have so many desires like buying a bed, television, good clothing… But we cannot fulfil our desires. Although we could live well, if the price were a little less. We are now afraid of going to market.

Forty-year-old unemployed woman, household head, Mukuru, Nairobi, Kenya:

The prices have never been friendly to us. They have always been too high for us yet I heard on the news that the Members of Parliament want to increase it further. Do they think that everyone is paid as highly as they are? I don’t know what we will do.

Teacher, Chugüexá Primero, rural Guatemala:

Children are affected by food prices, because they don’t perform well in school when they are not well-fed. They can’t remember what they learnt in class, or they are tired, they are restless, or they are anxious for snack time; when they see the snacks they get really restless.

Typical daily food consumption, village in Dadu, rural Pakistan. In the community two families (10-15 people) usually eat together - this food represents their reported consumption.
Figure 1: Global food prices (before and after Jan 2007)

Half a decade after the price spike of 2007-2008, food price volatility (FPV) has become the new norm: people have come to expect food prices to rapidly rise and fall, though nobody knows by how much or when. So what does the accumulation of food price rises mean for well-being and development in developing countries? And what can be done to improve life in a time of food price volatility?

*Squeezed* provides some preliminary answers to these big development questions, based on the first year results of a four-year project conducted across 10 countries with different levels of exposure to price rises (see Box 1). The research reveals the profound reverberations of a once-in-a-generation shock to the global food system. While much remains uncertain, it is clear that the cumulative effects of price rises and insecurity are squeezing people on low incomes. Many people are earning more, but this is often illusory: wage rises rarely match rises in the cost of living. People have to cope in time-honoured ways by cutting back, substituting, shopping around, and growing and gathering more. The impacts are felt in homes, relationships, communities, and workplaces, changing the way people think about themselves and others. A big social change in these societies seems to be that the crisis-coping mode is becoming more routine and widespread; food stress is now normal and good food is rare to find, and the effects are no longer limited to the very poorest people. A second major and abrupt change relates to the increasing significance of money in people’s lives, often at the expense of other factors such as social status, relationships, love, and values. Food prices seem to be changing people’s priorities.

While the harvest failures of 2012 did not produce the sharp price spike that had been feared, global food prices remained at, or close to, record levels. Prices were less volatile in 2012 than in recent years, and there was no evidence of a crisis on the scale of that witnessed in 2007-2008. In 2012, the impacts of global food price movements were relatively muted in the 10 countries under study.

Despite this relative global stability, most of the research sites experienced general rises in food prices during 2012. For many the primary concern is the high prices, although farmers also worry about price volatilities, and unpredictability makes it difficult for people to save and plan for the future. In most of the 23 research sites, while wages have largely risen, this increase has not kept pace with the rising costs of fuel, rent and agricultural inputs, which climbed again in 2012, in the wake of five years’ worth of price rises.
The nature of work is also changing, as:

- food price rises have so far failed to attract young people into farming; agriculture is less appealing because of unpredictable returns, high input costs, and high costs of living; education is seen as a ticket off the farm, and agricultural aspirations are rare;
- agricultural inputs, wholesale goods, and transport have increased, cutting into profits and pay rises;
- on the basis of price rises, some formal sector groups have mobilized successfully to demand higher pensions, particularly in Bolivia, or to increase wages, as in Bangladesh and Indonesia;
- riskier work has become more common, including, for example, gold mining in Burkina Faso; sex work in Kenya; and jungle fishing in Bangladesh, despite the risks posed by tigers and pirates;
- women in all 10 countries have become more involved in paid work than in the past;
- migration has increased.

The types of food that people consume represent the single best indicator of their well-being. The research uncovered a familiar hierarchy of hardship whereby the poorest people eat too little and often miss vital nutrients. Even some better-off urban communities are struggling to afford basics, eating less diverse diets and substituting for foods they dislike. While this is not new, several food-coping trends worth noting include:

- people are relying more on kitchen gardens and on gathering and processing their own food;
- ‘hunger recipes’, including traditional famine foods, are commonly prepared to stretch meals;
- processed foods and sauces marketed by food multinationals are popular ways of making plain food a bit more palatable; some cooks are relying more on these cheap flavourings;
- worries about food safety are increasing as people feel compelled to buy cheaply regardless of quality: while pesticides in vegetables are a major concern, more affluent people also express fears about contaminated fish, poultry, and meat.

Despite being more involved in paid work, women are still responsible for looking after their families and face the additional pressure of shopping around or gathering food and innovating to make cheap food stretch further. Grandparents and older daughters are undertaking more care work. Family relations are under pressure in various communities owing to the perception by some men that they are failing in their masculine roles as providers. Young adults are depending more on their parents to provide childcare for their children and are worrying about their children’s poor nutrition, particularly as it undermines their school performance and future.

Societies, too, are changing in response to the food price crisis. Customary cooperative labour arrangements are being replaced with wage labour, although people are also developing new forms of collective action to tackle price rises. And the urgent need for cash is taking priority over collective social life and values. The high price of essentials is translating into a decline in public social life, with families becoming more inwardly focused and people less willing or able to socialize or help each other.

People expect their governments to protect them and while many understand that global markets influence local prices, they still believe that governments should curb local speculators and tackle regulatory failures that are widely believed to push prices up. People value social protection to help cope, but the usual complaints persist about
targeting, the generosity and quality of assistance, and overall responsiveness. Many prefer help from the State over informal social support because it is deemed less shameful, avoids personal obligations, and in any case, fewer people can help their friends and family in a time of price rises.

**What needs to be done**

Governments, aid agencies, and other development actors need to recognize the major shift that has occurred in the way people on low incomes relate to the food system. There is every reason to think that this shift is permanent and requires policy responses on a number of levels.

**What requires immediate action**

National social protection policies need to aim to provide routine protection for the poorest and most vulnerable communities, with the knowledge that it is too late to start developing schemes when a price spike strikes. They should design social assistance policies aimed at protecting against spikes in the form of temporary cash or food transfers, or by providing subsidies that are automatically triggered by price rises. They should adjust to real changes in needs by linking social protection to inflation.

Food security policies need to quantify the social costs of adjusting to FPV for a strong policy case in order to mitigate transmission of price spikes through appropriate management of food reserves; regulate anti-competitive behaviour in the grain trade; and allocate budgets to social protection against FPV.

Agriculture and food security policies need to address the challenge of future farmers, as volatility and low returns to small-scale farming is putting capable young people off agriculture as a way of life, and they need to invest in agricultural training, technology, and support services which can make the difference and ensure agriculture is sustainable and resilient.

Food security policy-making processes need to engage the public in discussions about FPV, its causes, and its consequences. Research institutes, think tanks, and civil society institutions should take on the job of public engagement around food policy in an era of globalized food markets and international price volatility.

All policy makers need to recognize, measure, and support unpaid care work more effectively by designing social protection that is care-sensitive, including in statistical data collection systems, and in terms of supporting the needs of substitute carers, particularly older people and older female children whose health and education may suffer.

**What requires better monitoring**

Prices that people are actually paying for food and other basic living costs need to be better monitored in order to correct often outdated ideas about what constitutes a reasonable basket of goods for people living in poverty.

Diversity on the plate also needs to be monitored more closely, particularly given that being able to substitute foods is crucial for nutrition. Food safety, diversity, and use of processed foods, including breast milk substitutes, also need to be examined.

Real wages and earnings require closer monitoring, particularly with regard to their increased precariousness, inequality, and women’s involvement in paid work and its implications for unpaid care work. Rapid inflation of food prices could mean that national poverty lines need to be updated more frequently, which in turn requires policy makers to have a better understanding of what nominal wage increases actually mean.
What needs to be better understood on a larger scale

In future rounds, this project is set to focus on larger-scale analyses related to the means and extent to which unpaid care provision is displaced by women entering the paid workforce, and on what is happening to wages, income, and consumption poverty. How FPV affects the willingness and the ability of people to engage in farming also needs to be better understood, as do how formal and informal social protection mechanisms interact, in order to ensure that they are reinforcing and complementary, taking into account the effects of rising costs of living.

Box 1: Life in a Time of Food Price Volatility

*Life in a Time of Food Price Volatility* is a four-year study using mixed methods and multi-level analysis to track how global price volatilities are playing out in everyday lives in 23 local communities in 10 countries, spanning low- and lower-middle-income countries and countries where more than 25 per cent (severe) and less than 25 per cent (moderate) of the population is undernourished.

<table>
<thead>
<tr>
<th>Severe undernourishment</th>
<th>Low-income</th>
<th>Lower-middle-income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burkina Faso, Ethiopia, and Kenya</td>
<td>Bangladesh</td>
<td>Bolivia, Indonesia, Pakistan, and Viet Nam</td>
</tr>
</tbody>
</table>

*Squeezed* focuses on how prices were changing in 2012 and on local evidence about how people and societies were responding. In future years, the study will include analysis of how people across the countries were experiencing price changes.


Explanatory note

The national currencies of the 10 countries under study were set at the following rates per one United States dollar (2012 average):

- 81.86 Bangladesh taka (BDT)
- 6.91 Bolivia boliviano (BOB)
- 510.53 Burkina Faso CFA (XOF)
- 17.70 Ethiopia birr (ETB)
- 7.83 Guatemala quetzal (GTQ)
- 9386.63 Indonesia rupiah (IDR)
- 84.53 Kenya shilling (KES)
- 93.40 Pakistan rupee (PKR)
- 20828 Viet Nam dong (VND) (Q1-Q3)
- 5147.25 Zambia kwacha (ZMW)

*Source:* IMF International Financial Statistics
1 SQUEEZED: THE BACKGROUND

*Squeezed* is an account of the cumulative pressures of food price rises on everyday life in developing countries, and how they are changing behaviour, relationships, and social organization in ways that matter for development. While the ‘food crisis’ is no longer headline news, it has not gone away – food prices continue to rise, and at times to spike; that this is causing hardship is not in question. For the foreseeable future, development policy and practice is set to continue to focus on how changes in food prices affect people living in poverty in developing countries. *Squeezed* aims to help policy makers think about how to respond to FPV by directing attention to the following:

- how people and societies are adapting to food price changes;
- what action could usefully be taken now;
- what aspects of adaptation need better monitoring;
- what needs to be better understood about these complex changes.

*Squeezed* summarises Year 1 findings from a four-year, mixed-method study, namely, *Life in a Time of Food Price Volatility*. This study aims to investigate the impacts of FPV on well-being, specifically, work, care work, family life, social relations, and support systems. *Squeezed* draws out the big themes from local-level qualitative research in 2012, in 23 locations in the 10 countries being studied. It sets these findings out against the background of what has been happening with global and national food security over the past five years. Separate reports of the research findings for each country in 2012 are available, in addition to a detailed account of the research methodology.

FOOD MATTERS

Global food prices have risen sharply, substantially, and unpredictably since 2007 (see Figure 2), and experts believe that prices will remain volatile in the foreseeable future. Worldwide, people living in poverty tend to eat at least as much as, if not more, than what they grow, spending a large proportion of their incomes and efforts on obtaining food. For example, three-quarters of all consumption expenditure among the poorest 20 per cent in Kenya, Pakistan, and Zambia is on food. This means that when prices rise, those on low incomes face increased food insecurity, compelling them to change what or how much they eat, or to seek to earn, produce, or procure more. This is particularly the case for the fast-growing proportion of poor people living in cities. Recent food price spikes were serious enough to provoke mass popular discontent across the world, and were even linked to the Arab Spring. The food price spike of 2011 alone increased the numbers of people living in poverty by an estimated 44 million.⁴
Figure 2: Global food prices since 2007

Despite the global economic downturn since 2008, which affected developed countries most noticeably, economic growth rates and incomes have been rising in some developing countries, making it difficult to get clear picture of the overall impacts of food price changes. One possibility is that the overall outcomes are not as bleak as first predicted. According to this view, while the food crisis stalled or reversed progress on poverty, it has not been severe enough (to date) to produce the worst-case-scenario of massive increases in hunger. The most recent estimates from the World Bank suggest poverty reduction has continued, although most data only extend to 2008.5

When considered more closely, the picture is less encouraging; hardship and hunger have increased more in some countries, regions, and communities, than for others. Broad statistics not only mask differences in hardship and deprivation, they also typically miss changes in people’s well-being. Securing and making food palatable often absorbs such a lot of human effort that sharp changes in the cost of food can change what people eat, grow, or buy, as well as how they live, work, and relate to each other. Over time, new patterns of economic, social, and family life are likely to further influence poverty, food security, and nutritional outcomes, making how people respond to major changes in food prices a core concern for development policy and practice.

LIFE IN A TIME OF FOOD PRICE VOLATILITY

Major shifts in food prices are significant events in people’s lives; in 2012 we started a four-year project to track the impacts of this volatility. This project, Life in a Time of Food Price Volatility, aims to monitor and record how FPV changes everyday life because so many of the social costs of managing change are invisible to policy makers. Nutritional or poverty measures may indicate that people living in poverty have coped well and appear to be ‘resilient’, but only because such measures often neglect the costs of this apparent resilience, including the increased time and effort required to feed and look after people; the non-monetary effects on family, social, or gender relations; mental health costs, such as stress; reductions in quality of life; and cultural issues, such as the pressure to eat ‘foreign’ fare, or food considered inferior. These issues tend to be neglected in nutrition and poverty impact studies, but they tend to matter a great deal to those affected.6
Life in a Time of Food Price Volatility spans the period 2012-2015, and focuses on experiences from 10 urban/peri-urban and 13 rural locations, across 10 low- to middle-income countries (see Figure 4). It comprises a collective of researchers tracking, documenting, and analysing how FPV affects the everyday lives of people on low or precarious incomes, and focuses on paid work, the work of care or looking after families and others, how relationships are being affected, and what is happening to the resources people have with which to cope. The project has three component activities, namely:

1. Food security indicator tracking aimed at generating a picture of what has been happening to food security and food prices.
2. Qualitative research, with short annual visits to groups and households. Eight of the sites have been visited annually since 2009, and so 2012 was the fourth visit; in the remaining 15 sites, research was initiated in 2012.
3. Integrated qualitative and quantitative (Q²) analyses of the impacts of food price changes on well-being, drawing on nationally representative poverty data for each country. To date, an initial round of quantitative analysis has been completed for Viet Nam, and Zambia is currently in progress. This is not reported in Squeezed but will be presented in future reports.

More details of methodology are available in Annex 1.

WHERE WE ARE WORKING

Ten countries were chosen, based on the following:

- they have significant problems of undernourishment;
- teams were already in situ, as in the case of Bangladesh, Indonesia, Kenya, and Zambia, where work with the Institute of Development Studies (IDS) on crisis monitoring research has been conducted since 2009;
- Oxfam offices in those countries asked to be involved to improve their understanding of FPV impacts.

The 10 countries under study have been categorized according to their per-capita income levels and the prevalence of undernourishment (see Figure 3).

Figure 3: Country groupings

<table>
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<td></td>
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</table>

| 'Moderate' undernourishment | Bangladesh | Bolivia, Indonesia, Pakistan, and Viet Nam |
Figure 4: Research locations in the 10 developing countries

Group 1: Low-income countries where the prevalence of undernourishment is greater than 25 per cent

Burkina Faso

Nessemenga in Boussouma municipality in Sanmatenga Province in the north-central region of the country is an agricultural community of more than 5,000 people. The population is predominantly female (55 per cent) and young (45 per cent are under 14), and men often migrate for work. The social and economic life of the village is organized through village groups. The village market (left in picture), which is held every three days, brings in traders from surrounding towns and villages.

Approximately 14km away and 100km north-east of the capital, Ouagadougou, is the town of Kaya, whose population of 55,000 are mainly involved in agriculture and livestock breeding, along with small businesses and crafts (right in picture). According to official estimates, the number of people living in poverty has increased substantially in the north-central region, from 34 to 43 per cent between 2003 and 2006.

Ethiopia

Kolfe, a sub-city in the western part of Addis Ababa in which the urban research took place, is a fairly typical, mixed urban neighbourhood, with white-collar professionals living alongside shopkeepers, grain dealers, and small traders and vendors. The local Wereda administration has been providing credit and training to support poor people working in various sectors, including carpentry, metalwork, construction, tailoring, agriculture, and food processing. Many people rely on remittances from abroad.
While some 95 per cent of people in the kebele (village) near Adami Tulu in the western Oromia Region are farmers, only 30 per cent have access to irrigation. Those who do have access grow vegetables and sell onions and tomatoes from roadside stalls, and are prospering and considered model farmers. The area, which is always dry, has suffered from drought in recent years. Given that there has been no new land distribution since the 1980s, younger people share land with their parents or inherit smaller pieces of agricultural land. There are no alternative jobs for young people, despite rising levels of education.

Kenya

Mukuru (left in picture) is the second biggest informal settlement in Nairobi, with around 360,000 residents. Many people are very poor and unemployed. Those in work have jobs in the nearby industrial area, as security guards or domestic workers, while others are artisans, blacksmiths, or mechanics. Some local residents are landlords, and petty trading is widespread. Slum conditions are particularly inadequate, with no formal connection to sewers or waste disposal.

Lango Baya (right in picture) is about 50km from the coastal town of Malindi in the east of Kenya. Its 16,000 residents depend mainly on subsistence, rain-fed farming. Consequently, the long drought in recent years has caused great hardship in the area. In the past few years, irrigation projects have helped to improve the livelihoods of those with land near the river, whose vegetable and maize crops have generated good incomes. Mukuru and Lango Baya have been part of the research since 2009.

Group 2: Lower-middle-income countries where the prevalence of undernourishment is greater than 25 per cent

Guatemala

Chugűexá Primero, in the rural and mountainous western region of Guatemala, is a settlement of just over 1,000 people. The community comprises a close-knit group of indigenous people who are all K’iche’ speakers (left in picture - one of the participants in the research). While people grow maize and beans for their own consumption, it is not enough to last the whole year. For the past 30 years, men have mainly worked as tailors. As well as their domestic work, women weave, take in laundry, and prepare food for sale on market days.

The municipality of Santo Tomás Chichicastenango (right in picture) is part of the tourist circuit across the Guatemalan highlands that include Lake Atitlán. Chichicastenango (as it is called) is 145km from Guatemala City, and most people are involved in the town’s market and tourism-related industries, or in unskilled agricultural wage labour. Both areas were affected by conflict.
Zambia

Kabwata (left in picture) is a residential area in the southeast of Lusaka. While some people in Kabwata rely on income from formal employment and trade, the majority of households are involved in informal employment ranging from trading (food and non-foodstuffs), welding, carpentry, crafts, and tourism. Almost half the households are headed by women.

Chikwanda in the Northern Province (right in picture) is the agricultural and gardening belt of the Mpika District, where most vegetables and maize are grown. The vast majority of the population in Chikwanda earn their livelihoods through agriculture and vegetable production, growing maize, groundnuts, sweet potatoes, cassava, beans, and soya beans. A few people are engaged in piecework, making handicrafts or collecting and processing minor forest products. Kabwata and Chikwanda have been part of the research since 2009.

Group 3: Low-income country where the prevalence of undernourishment is less than 25 per cent

Bangladesh

Kalyanpur Notun Bazaar (left in picture) is a slum area in Dhaka. Most of the residents in Kalyanpur (as it is known) are small traders, rickshaw drivers, waste recyclers, general daily-wage workers, or workers in garment factories. The slum is run and provided services through informal arrangements, including links with the ruling party. Most people in Kalyanpur are ‘from the broken river’, that is they are migrants from rural areas who have suffered from climate-related land erosion.

Dhamurhat, in Naogaon District, on the northwest border with West Bengal (India) is located in one of the poorest parts of the country. Agriculture is the main source of livelihood, with land ownership concentrated in a few hands. Some residents work in brick production, and cross-border smuggling occurs at various intervals, as does seasonal migration. Kalyanpur and Dhamurhat have been included in the research since 2009.

Koyra, in the southern district of Khulna, was hit by Cyclone Aila in 2009. Agricultural lands were flooded by the tidal wave and many labourers changed their livelihoods from agriculture to forest-based occupations, including fishing, where attacks from tigers and pirates present genuine threats. The area has not yet recovered its pre-disaster land and livelihood patterns, and shrimp cultivation is gaining increasing importance, as is out-migration.
Group 4: Lower-middle-income countries where the prevalence of undernourishment is less than 25 per cent

Bolivia

Pirhuas (right in picture), is 2,500m above sea level and is a typical rural community in the Cochabambino Valley, where a high proportion of the population lives in poverty. Reverse migration and new infrastructure have transformed the area in the past 15 years. Most people are farmers, who have some success in dairy farming, and sometimes work in the quarries during the dry season. Agrochemical industries have recently been set up; pollution and the lack of water remain major concerns.

Kami (left in picture) has a long history of development in the central Cochabamba Valley. Co-operative miners who had plots of land built rural collective properties and later erected homes in Kami. Approximately half of the population are miners, and many people emigrate, usually to Spain or Trópico de Chapare – a coca-producing zone. Kami is in an important industrial zone for the regional economy, with many food wholesale markets.

Indonesia

Indonesia is the second largest rubber producer in the world, and Banjar (right in picture) is one of the major rubber-producing areas in the province of South Kalimantan. Most of its population relies on rubber, as owners, landless rubber tappers, sap transporters, and middle-men. Mining and quarrying are gaining importance, with a new road that is set to open to provide access to the mine.

Bekasi, which is located 16km from Jakarta, is one of the biggest industrial areas in West Java. As such, its export-oriented economy tends to be greatly affected by global financial crises. The majority of residents are migrant workers, who reside there on a temporary basis while working in the local factories, mostly as contract workers. The poverty rate in Bekasi is low, at 5.9 per cent in 2011 – almost half the national average of 11.7 per cent. Bekasi and the Banjar community have been part of the research since 2009.

Located 120km from Jakarta and 65km from West Java’s provincial capital, Bandung, Cianjur is an important rice supplier to the cities. Some 73 per cent of the population of Cianjur earn their living from agriculture, mostly as farm labourers who do not have their own farmland. Many leave Cianjur to work in the Middle East, sending remittances back home – cash inflows have helped the village to develop, notably in terms of infrastructure.
**Pakistan**

Located at the tail end of canals on the right bank of the Indus River, villages in Dadu District in Sindh Province were greatly affected by the floods of 2010, when many people had to leave their homes. Today, many households have returned and benefit from cash transfers through the Benazir Income Support Programme (BISP) and from compensation for flood damage.

Gulshan-e-Iqbal is a low-income council in Karachi, Pakistan’s largest city. Most of the residents are internal migrants, self-employed, or working as daily-wage labourers. Strikes or trouble in the city, which particularly affect daily-wage workers, are the biggest source of shock to households.

**Viet Nam**

The Luong An Tra Commune in An Giang Province is located in the Mekong Delta and is the biggest rice producer in Viet Nam. Agriculture accounts for nearly 80 per cent of the economic structure of the commune. The decrease in the price of rice in recent years has meant that farmers often produce at a loss. Consequently, many households with less land and capital accumulate debt. The focus village, Giong Cat, is part of the Government’s new economic zone programme.

Nghi Van Commune in Nghe An Province (right in picture) is another significant rice-producing commune. Similarly to Luong An Tra, about 80 per cent of the population earn a living from agricultural production. Other occupations include handicrafts, construction, and small-scale business. Many young people migrate to the cities to seek work in factories, while others emigrate to the Republic of Korea, Laos, or Malaysia, under labour-export programmes.

In Hanoi, the research was conducted in Phu Dien Commune (a peri-urban area, located 10km from Hanoi) and Quynh Mai Ward (an urban area, left in picture). Most of the population of Quynh Mai – which has a higher poverty rate than other wards in Hanoi – work in textile and garment factories. In Phu Dien, despite agriculture being a major source of livelihood, land is gradually being withdrawn for construction sites. The processes of modernization and urbanization have led to negative impacts on agriculture (water pollution and breakdown of irrigation system), reducing the productivity of its renowned grapefruit fields.
PARTNERSHIPS AND PROCESS

Oxfam and IDS have come together to coordinate this four-year project with BRAC Development Institute in Bangladesh, Centro de Estudios de la Realidad Económica y Social (CERES) in Bolivia, Institut des Sciences des Sociétés (INSS) in Burkina Faso, researchers from the University of Addis Ababa in Ethiopia, researchers in Guatemala, Social Monitoring and Early Response Unit (SMERU) in Indonesia, Mpereerza Associates in Kenya, the Collective for Social Science Research in Pakistan, VietSurvey and the Institute of Policy and Strategy for Agriculture and Rural Development (IPSARD) in Viet Nam, researchers in Zambia, and a researcher from University College Cork in Ireland.

Within each research location, the project also works with local officials, non-government organizations (NGOs), and community-based groups. The project is funded by the Government of the United Kingdom, and, for the first three years, by Irish Aid. Oxfam provided funds in the first year, and BRAC Development Institute are supporting the project by paying costs in one research site.

This partnership grew out of earlier crisis-monitoring research by IDS with support from the British Government and Oxfam. It is in line with Oxfam’s GROW campaign on food justice. From 2013, more researchers are being commissioned to undertake integrated qualitative-quantitative analyses of the effects of FPV on well-being at the national level. The project benefits from an advisory group to guide the research, analysis, communications, and uptake process.
2 FOOD SECURITY IN A TIME OF HIGH GLOBAL PRICES

Progress on reducing chronic food insecurity has stalled since 2007, but the hunger situation seems to be less severe than first projected. New estimates suggest that one in eight of the world’s population suffer from undernourishment, which is defined as being subjected to chronic food deprivation that is inadequate to cover even the minimum needs for a sedentary lifestyle, and that nearly one in five face food inadequacy, that is they are at risk of not covering food requirements associated with normal physical activity (see Figure 5).9

This global aggregate masks divergent regional trends. Specifically, while improvements have continued in Latin America and the Caribbean, and in Asia and the Pacific, reductions in the prevalence of hunger in sub-Saharan Africa have slowed, and the absolute numbers of undernourished people in Africa and the Near East has continued to increase.

These are sobering statistics of the global stasis since 2007. Worse still is the fact that these annual average consumption indicators do not reflect the ill effects that episodes of acute price volatility have on people’s food security and well-being. Price volatilities become problematic when they are large and unpredictable, and create uncertainties and risks for producers, traders, consumers, and governments, which can lead to sub-optimal decision making.10

Figure 5: Stalled progress in reducing hunger
GLOBAL FOOD PRICES IN 2012

Global food prices remained high throughout 2012, at, or close to, record levels in nominal terms. As measured by the World Bank’s monthly food price index, average prices in 2012 were higher than in any other calendar year, reaching a record high in August of that year.\(^1\) The equivalent measure by the Food and Agricultural Organization (FAO) for 2012 did not exceed the high reached in February 2011, owing to the fact that the FAO measure includes more weighting for meat and dairy prices, which were relatively low throughout 2012, and comparatively less weight for fat and oil prices, which rose significantly in that year. While neither the World Bank grains index nor the FAO cereal index reached their highs of April 2008, both indices spiked dramatically in July 2012 and remained high until September 2012 (see Figure 6).

Figure 6: Dramatic rise of cereal price indices, mixed changes for overall food indices

![Figure 6: Dramatic rise of cereal price indices, mixed changes for overall food indices](image)


Despite very high global prices and the spike in July, prices were less volatile in 2012 than in recent years, according to the International Food Policy Research Institute’s (IFPRI) Excessive Food Price Variability Early Warning System (see annex figure 2).\(^1\) The spike in July 2012 was mainly in maize and soybean futures prices and was reflected in the spot prices of the major food staples, with the exception of rice; maize and soybean prices exceeded their historical peaks of 2011 and 2008, respectively (see annex figure 3).

The year-round high prices and July spike can be attributed to several severe weather events that constrained production in 2012, including the drought and extreme heat in the mid-west of the United States on a scale that has not been experienced since the 1950s and which affected maize and soybeans in particular.\(^1\) Drought and excessive heat also affected other grain-producing countries in the Black Sea region, namely, the Russian Federation and Kazakhstan for wheat, and Ukraine for maize. The wheat har-
vest of the European Union (EU) and Australia were also particularly affected, and Brazil was hit by rains during the sugar-cane harvest, which drove up the world price of sugar in July 2012.\textsuperscript{14}

As a result, production and export volumes for major grains (with the exception of rice) are forecast to be reduced for 2012-2013 harvests. Combined with continuing high demand, this has meant tighter stock levels for wheat and maize, and a poor harvest or supply shock in 2013 could trigger a renewed price crisis. Rice stocks remain healthy despite increased consumption. Soybean production and stock levels are forecast to improve despite the US drought, but will remain tight (see annex figure 4). Given the substitutability of cereals and soy, especially as feed crops, demand and volatile prices may be transmitted from one crop to another; wheat prices, for instance, have been affected by increasing substitution for maize as a feed crop.\textsuperscript{15} Prices remain susceptible to insufficiently regulated rapid movements of high volumes of speculative finance in and out of commodity markets.

Consequently, despite the precarious conditions in 2012-2013, there is no evidence to date of a global food price crisis along the lines of that in 2007 and 2008. There are differences between the two periods, including that the US dollar did not significantly depreciate against other trading currencies, oil prices were more modest (albeit still high), rice prices did not spike as in 2008, and there has been less panic buying given that cereal-exporting countries have generally avoided imposing export bans (see Table 1). However, the long-term drivers of prices, including increasing agriculture-energy and agriculture-finance linkages, climate change, and variability, mean that the threat of future episodes of price volatility continues to be real, and there is little chance of global prices returning to their pre-2007 levels (see annex figure 5).

\textbf{Table 1: The varying drivers of food price changes, 2007-2008 and 2012-2013}

<table>
<thead>
<tr>
<th></th>
<th>2007-2008</th>
<th>2012-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil prices</td>
<td>Significant spike</td>
<td>Modest spike at high levels</td>
</tr>
<tr>
<td>Cereal prices</td>
<td>Significant spike (all cereals)</td>
<td>Modest spike at high levels (except rice)</td>
</tr>
<tr>
<td>Panic purchases</td>
<td>Yes</td>
<td>Less than in 2008</td>
</tr>
<tr>
<td>Cereal conversion into</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>biofuels</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drought in major global</td>
<td>Yes (Australia and Canada in 2006)</td>
<td>Yes (United States and Black Sea region in 2012)</td>
</tr>
<tr>
<td>exporting countries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stock-to-use ratios:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maize</td>
<td>16%</td>
<td>14%</td>
</tr>
<tr>
<td>Wheat</td>
<td>19%</td>
<td>26%</td>
</tr>
<tr>
<td>Rice</td>
<td>18%</td>
<td>22%</td>
</tr>
<tr>
<td>Soybeans</td>
<td>22%</td>
<td>22%</td>
</tr>
<tr>
<td>US dollar exchange rate</td>
<td>Weak compared to main currencies</td>
<td>Strong compared to main currencies</td>
</tr>
<tr>
<td>Global economic trends</td>
<td>Strong global economic growth several years</td>
<td>Low global economic growth since 2009</td>
</tr>
</tbody>
</table>

Box 2: Global policy developments on world food security, 2011-2012

Biofuels

- Ahead of the meeting of the Group of 20 (G20) in June 2011, FAO, the International Fund for Agricultural Development (IFAD), the International Monetary Fund (IMF), the Organisation for Economic Co-operation and Development (OECD), the United Nations Conference on Trade and Development (UNCTAD), the World Food Programme (WFP), the World Bank, the World Trade Organization (WTO), IFPRI, and the UN High Level Task Force (HLTF) on the Global Food Security Crisis, recommended that ‘G20 governments remove provisions of current national policies that subsidize (or mandate) biofuels production or consumption’ to reduce price volatility.\(^\text{16}\)

- In October 2012, the European Commission proposed limiting the use of food-based biofuels to five per cent in order to meet the renewable energy target of 10 per cent, in line with the Renewable Energy Directive.\(^\text{17}\) This would not make much difference in practice, as food-based biofuels are currently below 5 per cent. Consequently, the proposal would not affect biofuel-driven demand for grain.

Speculation

- Regulation of food speculation on financial commodities markets (also picked up by the inter-agency report) is in progress in the US and EU as well as other global markets. In the US, the Commodity Futures Trading Commission (CFTC) is appealing a ruling made in September 2012 by the Federal District Court that prevents it from introducing position limits on the proportion of the market that can be held by any one institution. The EU wants to implement similar improvements in transparency and position limits in its review of the Markets in Financial Instruments Directive (MiFID).\(^\text{18}\)

Policy coordination

- At the G20 meeting in June 2011, the Agricultural Market Information System (AMIS) was established as part of the Action Plan on Food Price Volatility. This aims to improve global market transparency and includes a Rapid Response Forum (RRF) to ‘promote early discussion among decision-level officials about critical market conditions to encourage the coordination of policies and the development of common strategies’.\(^\text{19}\) AMIS has been operating since September 2012, and while it is still new, improved information-sharing and transparency may have helped in avoiding panicked unilateral trade policies in response to the soaring prices in July 2012. The RRF meeting, which was initially called to take place in October 2012, was called off by the new chair of AMIS, namely, the US, and the efficacy of this emergency mechanism has still to be tested fully.

- In October 2012, the reformed and reinvigorated Committee on World Food Security (CFS) endorsed the Global Strategic Framework for Food Security and Nutrition (GSF), which should become the main reference point for coordinating food and agricultural decision making, constitutes a step forward in promoting food and agricultural governance, and reaffirms State obligations on rights to food. The CFS also endorsed recommendations on social protection for food security and nutrition, including urging Member States to implement strong social protection systems for food security and nutrition; calling for social protection systems that embrace a ‘twin-track’ strategy to maximize impact on resilience, food security, and nutrition through essential assistance in the short-term, and protecting or building productive assets and infrastructure to support livelihoods and human development in the long-term; and calling for improved use of social protection measures to address vulnerability to chronic and acute food insecurity.\(^\text{20}\)
NATIONAL FOOD SECURITY

Levels of food security and chronic undernourishment vary significantly across and within the 10 countries under study, with Indonesia and Viet Nam both recording around nine per cent undernourishment compared to 47 per cent in Zambia (see Figure 7). The depth of the food deficit records how many calories would be needed to lift the undernourished population out of hunger, ceteris paribus. More food security indicators for each country are presented in Annex 4.

Figure 7: Wide variations in undernourishment and food deficits in the 10 countries under study, 2010-2012


NATIONAL FOOD PRICES IN 2012

The impact of global prices on domestic food prices is highly varied, and domestic prices within countries are also subject to local factors with little or no bearing on prices elsewhere. Ultimately, it is local, not global prices that matter most to consumers living in poverty, given that they buy their food in local markets.

The extent to which global price trends are transmitted to domestic markets depends on the following factors:

- exchange rates, which possess their own dynamics, and which impact on border prices and are linked to local market prices through a variety of factors and mechanisms;
- reliance on food imports, which is related to national production and stock levels;
- transportation costs, especially for interior countries;
- physical infrastructure;
- government subsidies and trade-policy interventions, including, for example, import duties, export taxes, and non-tariff barriers.21
The pass-through of the global price spike of July 2012 was uneven and incomplete by February 2013. Recent analysis of price transmissions from international to domestic cereal markets in developing countries suggests that, on average, approximately three-quarters of international price changes may be transmitted to domestic markets, and it takes six to seven months for half of an international price shock to be transmitted to domestic markets.\textsuperscript{22} Overall, domestic and global maize markets appear to have below-average prevalence of ‘cointegration’, and rice markets have above-average prevalence. However, while most countries are wheat and maize price-takers, the determination of international rice prices is different. Regionally, domestic prices in African and Asian markets are less likely to be cointegrated with international prices.\textsuperscript{23} In sub-Saharan Africa, Minot (2012) found no evidence that FPV had increased from 2007 to 2010, despite the increasing volatility for international grain prices. This suggests that the level of food prices in the region was more important than volatility, per se.

For the 10 countries in this research, the impacts of the global food price movements in 2012 have so far been relatively muted, either because it is too soon for the effects to be felt at country level, or because most of these countries have relatively low cereal import dependencies (see Figure 8).

Figure 8: Low cereal import dependency ratios (2007-2009) contribute to a muted impact of volatile global food prices

Data from WFP illustrate the quarterly impact of price changes on the cost of a staple food basket. As can be seen in Table 2, changes in domestic prices in 2012 were on average relatively benign, and in many countries the cost of the food basket fell in the third and fourth quarters (after the field research had taken place), at a time when global staple prices were escalating. Among the 70 developing countries that WFP monitors, only a handful experienced serious or high impacts of price changes on the cost of the basic food baskets in the last two quarters of 2012.24

Table 2: Quarterly changes to food basket costs (per cent)

<table>
<thead>
<tr>
<th></th>
<th>2012 Q1</th>
<th>2012 Q2</th>
<th>2012 Q3</th>
<th>2012 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>BFA</td>
<td>5</td>
<td>4</td>
<td>-2</td>
<td>-2</td>
</tr>
<tr>
<td>BGD</td>
<td>11</td>
<td>-7</td>
<td>-9</td>
<td>-3</td>
</tr>
<tr>
<td>BOL</td>
<td>4</td>
<td>-2</td>
<td>-3</td>
<td>1</td>
</tr>
<tr>
<td>ETH</td>
<td>4</td>
<td>0</td>
<td>-1</td>
<td>0</td>
</tr>
<tr>
<td>GTM</td>
<td>1</td>
<td>-11</td>
<td>-2</td>
<td>-1</td>
</tr>
<tr>
<td>IDN</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>KEN</td>
<td>-13</td>
<td>0</td>
<td>3</td>
<td>-1</td>
</tr>
<tr>
<td>PAK</td>
<td>5</td>
<td>2</td>
<td>-1</td>
<td>0</td>
</tr>
<tr>
<td>VNM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ZMB</td>
<td>-3</td>
<td>8</td>
<td>4</td>
<td>0</td>
</tr>
</tbody>
</table>


But the muted effects of the price rises of 2012 must be set in the context of dramatic food price inflation since 2007. The cumulative impact over this period shows a very different picture that is consistent with evidence of a squeeze on poor households (see Table 3). Of the countries with available data, only in Bolivia and Zambia has general inflation out-paced food price inflation since January 2006; in the remaining countries, food price inflation has been greater than, and had an upward influence on, general price inflation.

Table 3: Cumulative five-year average impacts on food basket costs (per cent)

<table>
<thead>
<tr>
<th></th>
<th>2012 Q1</th>
<th>2012 Q2</th>
<th>2012 Q3</th>
<th>2012 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>BFA</td>
<td>42</td>
<td>49</td>
<td>45</td>
<td>46</td>
</tr>
<tr>
<td>BGD</td>
<td>54</td>
<td>42</td>
<td>28</td>
<td>25</td>
</tr>
<tr>
<td>BOL</td>
<td>19</td>
<td>16</td>
<td>12</td>
<td>13</td>
</tr>
<tr>
<td>ETH</td>
<td>98</td>
<td>102</td>
<td>97</td>
<td>98</td>
</tr>
<tr>
<td>GTM</td>
<td>N/A</td>
<td>5</td>
<td>19</td>
<td>13</td>
</tr>
<tr>
<td>IDN</td>
<td>68</td>
<td>67</td>
<td>66</td>
<td>61</td>
</tr>
<tr>
<td>KEN</td>
<td>43</td>
<td>53</td>
<td>61</td>
<td>50</td>
</tr>
<tr>
<td>PAK</td>
<td>58</td>
<td>62</td>
<td>59</td>
<td>60</td>
</tr>
<tr>
<td>VNM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ZMB</td>
<td>12</td>
<td>19</td>
<td>26</td>
<td>27</td>
</tr>
</tbody>
</table>


The following is a summary of price movements in 2012 for each country covered by this research. Charts of domestic food price movements can be found in Annex 4.
Burkina Faso
Staple grain prices increased sharply in the first two quarters of 2012. Year-on-year millet prices in Ouagadougou were up 87 per cent in August (the lean season), owing largely to poor and erratic rainfall and a failed harvest in 2011. The terms-of-trade between livestock and cereals deteriorated. Wholesale cereal prices declined markedly in the second half of 2012 as a result of a good cereal harvest and favourable rains. The price of imported rice, consumed mainly by urban dwellers, remained fairly stable. By November of that year, the food security situation was improving with over 80 per cent of households able to meet their food needs; poor and very poor households were mainly consuming their own food stocks and reducing market purchases. However, data from the Famine Early Warning Systems Network (FEWS NET) shows that retail prices for staples remained high at the end of the year, with supplies not sufficiently large to counteract high prices. Millet prices ended 32 per cent up year-on-year.

Bangladesh
Favourable rainfall, government support with inputs, a record rice harvest, and release of public stocks, resulted in stable rice prices throughout 2012, significantly below the prices of the previous year. However, there were localized losses owing to dry weather in August and flash floods in the north and southwest regions. While wheat production increased by four per cent over 2011, it was not enough to prevent increases in wheat and flour prices in the second half of 2012, as import levels fell with rising international prices. The year-on-year retail wheat flour price in Dhaka in November was up by almost 20 per cent.

Bolivia
Prices throughout most of 2012 were relatively low and stable, with the exception of potato prices which rapidly reversed the first-quarter price fall. The increase in international maize prices drove seasonally-adjusted domestic maize prices up by seven per cent in the final quarter of 2012.

Ethiopia
By the end of 2012, the main cereal crop was being harvested and volumes were expected to be above average, resulting in a seasonal decline in most wholesale prices (with the exception of red sorghum) in most markets. Prices earlier in the year were mainly stable but high, owing partly to poor rains and harvests, with the exception of mixed teff (a grain mainly grown in Ethiopia and Eritrea, similar to millet and quinoa) wholesale prices, which rose dramatically during 2012. In August, fuel prices declined for the first time in four years, down 4.6 per cent compared to August 2011. While the cost of most staples remained at levels well above those at the start of 2011, the annualized food price inflation rate declined every month up to October, when it stood at 13 per cent. In the World Bank’s assessment, prices in Dire Dawa increased as the result of a partial pass-through of international price hikes in July.

Guatemala
Most staple prices were relatively stable, or underwent modest declines through 2012, with the exception of black bean prices which spiked dramatically in the third quarter before falling back to lower levels by year end. Prices of maize (white and yellow) were generally at low levels compared with the elevated prices of 2011. However, a slight increase in yellow maize (and black bean) prices in August drove the year-on-year cost of the food basket up by nearly seven per cent, even though the cumulative impact of prices in the third quarter drove the basket price down by two per cent. As expected, domestic maize prices were not significantly affected by international maize prices in 2012.

Indonesia
In February, increased food and fuel prices were putting additional pressure on workers’ already weakened wages. By August, real wages of farm workers were at their lowest level since May 2008. While rice prices reduced slightly later in the year, the national average price of rice increased steadily again in the second half of the year,
owing partly to seasonal factors. According to WFP, the July to September staple food commodity price changes had a moderate effect on the cost of the basic food basket. As a result, year-on-year food inflation reached 5.7 per cent in December, above the general inflation rate of 4.3 per cent. Nonetheless, FAO assessed the general food security situation in Indonesia as stable and satisfactory, and the overall 2012 rice paddy harvests were estimated to be at record levels, owing to both an expansion of the area planted and to generally favourable weather. The maize crop in 2012 experienced an increase on the levels of the previous year for similar reasons.

**Kenya**

Prices of maize began to decline during the third quarter following a seasonal peak in June and July and the start of the harvest. However, by the start of the fourth quarter, prices were still between five and 20 per cent higher than a year earlier, owing to strong demand and expectations of below-average seasonal production. Indeed, poor and uneven rains in the fourth quarter may have worsened the food security situation, with much of the country – especially those areas dependent on rain-fed agriculture – estimated to be stressed in this quarter. National maize production in Kenya was therefore below average in 2012 and this, combined with high maize prices from neighbouring exporters (especially Tanzania), kept prices elevated. However, maize prices declined in the fourth quarter in the coastal port of Mombasa. The World Food Programme assessed the effect of the July to September staple food commodity price changes on the cost of the basic food basket in Kenya as moderate.

**Pakistan**

Wheat and flour prices increased in line with global price movements and as a result of strong export demand and price support, reached record levels in most markets by November 2012. Rice prices also remained high, with some increases throughout the year. In November 2012, Irri rice prices were almost 10 per cent higher than a year before, and by December, the national consumer price index was up almost eight per cent year-on-year, with food prices up 4.7 per cent and purchasing power of poor households deteriorating. The Food and Agricultural Organization considered the overall food supply situation in Pakistan to be satisfactory (unlike the overall food security situation) as a result of consecutive years of good harvests. The paddy harvest in 2012 was officially estimated to have reached a record level. However, the significant flooding over the previous three years had an impact, affecting 4.8 million people, and in Sindh Province, poor weather and reduced availability of fertilizers and of irrigation water led to a slight decline in wheat production in 2012.

**Viet Nam**

Rice prices throughout 2012 were considerably lower than in 2011, albeit still at high levels in the context of the previous few years. While prices rose steadily from July, they returned to more modest levels in November and December following lower global prices and an estimated record paddy harvest by the end of the year. Consumer price inflation was still relatively high at year end, up 9.2 per cent year-on-year in December.

**Zambia**

Good maize production and limited formal exports enabled prices to remain stable for much of 2012. However, some rises were experienced during the third and fourth quarters, especially in border markets, as a result of pressures from foreign traders. According to WFP, the July to September staple food commodity price changes had a moderate effect on the cost of the basic food basket. By October, informal maize meal exports had increased by 140 per cent compared with the same period in the previous year, owing to food deficits in neighbouring countries. Prices rose steadily in the fourth quarter following the seasonal trend, with the maize price up 20 per cent on the previous quarter. However, market supplies in most districts were still able to meet effective demand. Maize production in 2012 was expected to be almost double the domestic requirement of 1.5 million tonnes.
3 LOCAL ECONOMIES

How and to what extent FPV affects people’s well-being depends directly on conditions in the local economy. This chapter summarizes findings on the following:

• recent changes in local food, fuel, and other costs of living;
• work and wages;
• the environment and development situation, particularly natural resources and infrastructure.

WHAT PEOPLE WERE PAYING IN 2012

As the title of this report suggests, people were feeling ‘squeezed’ by price changes, reflecting that:

• most costs of living and of productive assets and inputs have risen significantly and, in some cases, rapidly in the past five years, including in the last year;
• for most research participants, rising costs had not been matched by increased real earnings, despite higher incomes;
• prices had been rising and volatile for at least five years, so the experience was less of a shock and more like constant pressure.

Picture 1: Menu from the Karibuni Hilton cafe in Lango Baya, Kenya
In all 23 research locations in the 10 countries under study, people reported that the cost of living was high, singling out food and fuel in particular. Rural people always expressed the rising cost of agricultural inputs as a major concern, and everyone also noted that other everyday costs, particularly clothes, rent, and education, had become more costly. Given space constraints, this paper focuses on food and makes reference to other costs of living. In many instances, the cost of living was mentioned before the research teams had raised the issue. While high prices were clearly a major concern for almost all research participants, prices had been rising for long enough for it to become a familiar worry; this was not a new problem, and most participants had adjusted, albeit not without costs.

**Price changes in the past year**

While the past five years were universally seen as periods of significant and often sharp price rises, experiences of the past year have been more varied. Three distinct patterns were identified, with both or all three communities generally reporting similar patterns within each country. As **Figure 9** shows, the patterns were as follows:

- Most food prices reportedly increased in the past 12 months. This was the case for the communities in Bolivia, Burkina Faso, Ethiopia (urban site and both sites for teff and wheat), Guatemala, Indonesia, Pakistan, and Zambia.
- While staple prices declined, they remained high, and most other food items increased. This was the case for all three sites in Bangladesh, both sites in Kenya, and the rural site in Ethiopia, which reported a drop in maize prices compared to 2011.
- No clear pattern in the past year, prices were high but fluctuating, and some staple and high-value items dropped in price, while others rose. This was the case for the communities in Viet Nam.

**Figure 9: Reported price changes in the past year: mainly increases but some staple declines**

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The most common pattern was that prices of all foods that people regularly bought had risen compared to the previous year (compare with Table 2), with the exception of vegetables whose prices were more variable and seasonal. Therefore, both staples — representing the lion’s share of spending on food for people on low incomes — and foods with high nutritional values were more expensive. In turn this means it is more difficult for people to make quality-quantity trade-offs in their choices of what to buy; the only realistic option for managing food spending on the same budget was to cut both.59

Price changes in most places were said to be smaller than during the spikes of 2008 and 2010. Exceptions were the communities in Ethiopia, where prices of staples had risen sharply, not least owing to various domestic factors. In the sub-city of Kolfe in Adis Ababa, a grain dealer estimated that maize prices had doubled or trebled, and teff and wheat had increased by 70 to 85 per cent and 40 to 60 per cent, respectively.60

Table 4 illustrates differences in the experience of FPV across the sites through three comparable examples of urban women in paid work, all of whom discuss the changing price of rice in the past year. Mrs V in Kami, urban Bolivia, found that all prices had risen sharply, adding pressure on household management.

Q: ‘Financially, do you believe families are the same, better, or worse than last year?’

Mrs V: ‘Families are in the same condition they were in last year. Enough to eat but forget about saving! … Money is scarce; everything is more expensive, i.e. gasoline, and that affects parents, because they feel bad for not being able to earn a living. They turn to alcohol to forget their pain and the family suffers because of that’.

Mrs V worried in particular that higher prices were making it impossible to save money.

Table 4: Different experiences of rice price changes between 2011 and 2012

<table>
<thead>
<tr>
<th>All prices up</th>
<th>All prices except staples up</th>
<th>Prices variable and erratic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kami, Cochabamba</td>
<td>Kalyanpur, Dhaka</td>
<td>Quynh Mai, Hanoi</td>
</tr>
<tr>
<td>Mrs V, 42-year-old cleaner, laundrywoman, and paid carer</td>
<td>Mrs B, 30-year-old nursery school assistant&lt;sup&gt;2&lt;/sup&gt;</td>
<td>Mrs A, 39-year-old restaurant worker</td>
</tr>
<tr>
<td><strong>The price of rice Mrs V buys</strong> increased from BOB 140-150 ($20.26-$21.71) to BOB 240 ($34.73) over the previous year.</td>
<td>Compared to the previous year, the price of rice that Mrs B buys dropped from BDT 37 to BDT 32 per kg ($0.46 to $0.40) in the local ‘small market’, or BDT 30 per kg ($0.38) in the ‘big market’ further from the area.</td>
<td>Q: ‘How much does 1kg of rice cost?’</td>
</tr>
<tr>
<td>Mrs V: ‘I think the increase in food prices and the gas problem made everything worse. Before 100 pesos [pre-1987 currency] were enough to buy groceries, and you could even enjoy a meal in the market. Now that is no longer possible. We have to save as much as we can’</td>
<td>While rice prices have come down slightly compared to the previous year, the overall cost of food is so high that Mrs B’s family have switched from pari rice, at BDT 34 per kg ($0.43) to coarser, reddish guti rice, at BDT 30 per kg ($0.38) since last year.</td>
<td>Mrs A: ‘Now, its price is VND 14,000 to 15,000 per kg [$0.67-$0.72]. It is coming down.’</td>
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Q: ‘Compared to last year, is it higher or lower?’

Mrs A: ‘The price of rice last year was VND 11,000 to 12,000 per kg [$0.53-$0.58], it is higher than last year. But sometime in this year, it was increased to VND 16,000 to 17,000 per kg [$0.77-$0.81]. Now, it’s just come down.’

Notes:  
1 While responding to a question about price changes in the past year, Mrs V also referred to price changes ‘since the fuel price rise’, which dates the time-frame of her response to early 2011.

2 Mrs B was interviewed in February 2011 in an earlier round of this research, and so these figures are not based on recall but on actual current spending then and in July 2012.
In Dhaka, Bangladesh, the patterns of food price changes were also affecting how Mrs B managed her fast-growing family. By comparing her food basket earlier in 2011 to what she was buying in July 2012, it was clear that Mrs B was buying larger quantities and new items because her children were growing bigger and becoming more demanding.61 Using price lists gathered from the market, and accounting for inflation, her food spending increased by 13 per cent. However, the more diverse and better quality foods her family could afford in 2011 had increased in price, while the price of rice had dropped. Overall, in 2012 prices, her 2011 food basket would have cost her BDT 344 ($4.32), or 46 per cent more.62

Mrs H, in Quynh Mai, Hanoi, also found food prices in general to be high, but many items had dropped slightly or stayed more or less the same in price over the past year, including rice, pork, and spices. Other items cost more, including beef, fish, eggs, and tofu, which had cost VND 1,200 ($0.06) the previous year and was now VND 1,500 ($0.07) ‘for an extremely thin slab’. In common with many other Vietnamese respondents, Mrs H found prices to be unpredictable and high enough to be difficult to manage. Her particular concern was to care for her sick mother, who was a veteran soldier still carrying a bullet inside her, and her two ailing children.

Mrs H: ‘I try to have nutritional meals for my family and also keep saving my money’.

Q: ‘In your family, I saw that your mother got sick and two of your kids are small, do you have any special meals for them?’

Mrs H: ‘Yes, of course. She is so sick that she cannot eat a lot. I buy and cook kinds of foods that she likes. For example, I usually cook soup for her because her teeth are now very weak. And my children, when I have been paid my salary, I spend a fixed amount of money to buy fresh and high vitamin milk for them’.

A common theme was that oil and sugar prices had risen sharply or become more volatile over the past year. Vegetable prices seemed to vary seasonally and independently of wider price trends, including, for example, as a result of changes in production techniques. In the dry regions of Lango Baya, Kenya, and western Oromia, Ethiopia, both rural communities had received irrigation support and were growing vegetables and other food for sale with considerable success. It was commonly noted that the cost of imported vegetables was vulnerable to changes in fuel prices.

Other costs of living
The most important non-food items for which prices were said to have risen in the recent past were fuel and agricultural inputs, particularly fertilizers in rural areas, and rents in many urban areas. Fuel prices were widely seen as being at the heart of the problem; while food price rises were often linked to local harvest conditions, fuel prices were seen as the major factor that shaped the cost of all imported goods. The associated costs of education were also said to have risen in the past year, including tuition fees, uniforms, books, fares, and snacks. Urban communities in particular singled out housing and the ability to pay rent as a growing source of concern. A 48-year-old community health worker in Mukuru, Nairobi, reported:

‘When fuel prices increase, food prices also increase and transport fares also increases and by extension rent. This is a nation of increases in necessities while wages stand constant’.

Some participants claimed that water, sanitation, and waste disposal took a lower priority when prices were high, signaling future public health problems.
Price increases in agricultural inputs, particularly fertilizers, pesticides, irrigation (stemming from higher fuel prices), and seeds, were also major concerns in rural areas. Even some larger farmers found price volatilities to have undercut their profits, causing uncertainty and indebtedness. The cost of agricultural inputs and their relation to incomes from food production will need to be looked at more closely in the course of this four-year research. One possibility that will need to be considered is whether FPV is increasing income inequality in agricultural occupations.

**Price volatility and planning for the future**

In all locations, FPV was making it difficult for people to save money. When people spoke about what well-being meant to them, increasing savings was often mentioned, as it is the basis for planning for their and their children’s future. Formal-sector employment with a regular income was widely preferred over farming or other self-employment given that a regular salary made it possible to budget and plan for the future. The connections between household budgeting, savings, and planning were outlined by a 28-year-old mother involved in handicrafts for the tourism sector in Kabwata, Zambia:

Q: ’What are you doing to cope with change?’
Mrs R: ’Things are just the same. The problem is that the prices fluctuate; they go up and down. These fluctuations have been going on for a long time’.

Q: ’What are the first things you do to cope with change? What do you think is a good way of managing change?’
Mrs R: ’Definitely the budget is ruined so we adjust the budget. But there are certain things we prioritize. Education comes first, then food, then shelter and clothing’.

The idea that ‘the budget is ruined’ by food price rises resonated widely. In Bekasi, outside Jakarta, a 40-year-old lady, married to a contract factory worker, calculated that the rice they ate had doubled in price in the past year, as had cooking oil, dried fish, and their favourite soup seasoning:

Mrs R: ’I’m fed up with prices rising, I’m confused as to how to control my money!’

FPV was linked to savings and future planning in several ways:

- Saving money had become difficult where incomes were dropping while living costs were rising; this was most noticeable among the rubber tappers in Banjar, in rural Indonesia, who faced the commodity price slump even while food prices rose.
- Those able to save were doing so to protect against anticipated future price hikes and/or medical costs, rather than to invest. Mrs B, a 45-year-old vegetable seller and mother of six in Kolfe sub-city in Addis Ababa, said she worked hard to save for the future, and that her best strategy was to save when food prices were low. However, given that prices of most other items, including non-food, were so high, this was rarely possible. Similarly, a 50-year-old house husband married to a vegetable seller in Phu Dien, Hanoi, noted that the best plan was to save in anticipation of higher prices: ‘I do not spend more; I save to back-up [for] when prices go up’.
- Saving and planning are only possible for people who are not on the very edge of survival. Young women working in the informal sector in Kolfe, Addis Ababa, explained that for those who depend on daily work for their survival, changes in food prices risked pushing them over the edge: ‘It is like facing death day-to-day’. In the rural site of Nessemtenga, Burkina Faso, the food crisis was serious enough that the discussion was more about the need to sell livestock than about saving money.
The expectation for the medium term – that is, beyond the next season – was that prices would continue to rise. Several responses to questions on food price inflation were ironic, highlighting how ingrained worries about inflation had become, as well as how humour was being used to describe the change in their lives. A vegetable seller from Kolfe who was struggling to save, said that ‘money lost its value when children began to have it’, by which she meant that, when she was young, it was difficult to obtain money but things were cheap; now, however, the youth have money, even though it buys very little. In Gulshan-e-Iqbal, Karachi, a 45-year-old lady with six children and married to a daily labourer similarly noted that:

‘Earlier there was barkat in money but now there is not barkat [literally: ‘blessings’; in this context, it means that money could stretch further in the past]. When we came here [seven or eight years ago], our wages were PKR 150 and now our wages are PKR 500 [$5.35] and yet we cannot meet our household expenses. We used to be able to lead a good life with honour [on] PKR 150. We used to get more work because, in money and everything else too, there was so much barkat. Inflation used to be very low ... Inflation is so high now, how can one be happy when a thing which used to cost just PKR 1 now costs PKR 5?’

The sarcastic answers of Mr N, a 51-year-old part-time welder from Phu Dien, Hanoi, highlighted a similar sense of the slipperiness of money in a time of FPV:

Q: ‘Does the increase in food price cause great impact to your family?’

Mr N: ‘I would be glad to see the changes’

Q: ‘Why?’

Mr N: ‘I also love inflation, too, because the currency will be depreciated when inflation increases and people who have much money will lose their assets. Keeping it is very dangerous’.

The perception that inflation makes it difficult to save, budget, or plan for the future spilled over into people’s accounts of work and wages, where the most common complaint was that, while wages had increased, material well-being had not.

WORK AND WAGES

Most of the people in the 23 locations selected for the research are managing on low and precarious incomes, obtained through a wide variety of economic activities. Of these 23 locations, 10 are urban or peri-urban, with a mix of workers in formal and informal sectors, and 13 are rural, with a mix in agricultural food, commodity production, and non-agricultural sectors. Some of those living in the city are also urban farmers or depend on farms for food or family support, while the livelihoods of their rural counterparts typically comprise a combination of seasonal work or migration. The line between rural and urban is neither hard-and-fast nor permanent. The main findings on how work and wages are changing in a time of FPV include:

• while nominal wages increased for some, even in the agricultural and informal sectors, they have not kept pace with price rises for most people;
• earnings from agriculture were uneven, unpredictable, and often low, particularly for small and subsistence farmers and those without assets such as land or farm machinery;
• the costs associated with work have risen, including, for example, agricultural inputs, transport, clothing, and education;
• some occupations have become more precarious and less dependable or sustainable;
• more women are involved in paid work, which means that other people are being drawn into unpaid care work.

Wages and earnings
Most of the respondents worked in the informal sector as wage labourers, domestic and care workers, self-employed vendors, stall or shopkeepers or other small business owners, in transport and waste recycling, and, in rural areas, as subsistence or small farmers, or agricultural commodity producers. Some were employed in the sectors of export-oriented garments (Bangladesh and Indonesia), automotive parts (Indonesia), retail, and the public sector. Some of the information on wages and earnings was provided by from key informants, including local officials or representatives, teachers, medical professionals, NGO representatives, and traders and business people. Wage changes over the past year are summarized in Annex Table 1. The key points are as follows:

• most occupation groups reported nominal increases in wages or earnings, in many cases very large, in the past couple of years;
• in the formal sector, workers in the export sector all recorded increased wages. However, working conditions had changed, not usually for the better from the workers’ perspectives;
• civil servants and public-sector employees experienced wage increases that kept pay close to official inflation rates, with the apparent exception of Ethiopia and Bolivia, where earnings of the professional classes were said to have stagnated in the past couple of years;
• in the informal sector, daily-wage labourers mainly reported pay increases in the construction, transport, domestic, and agricultural sectors. In the rural kebele in Ethiopia, the agricultural wage rate had reportedly trebled in six years. By contrast, brick-breakers (mostly women and children) employed on building sites in Kalyanpur, Dhaka, saw wages decline as machines took over their work, and in Chikwanda in rural Zambia, while workers said that agricultural wages had remained largely unchanged, employers claimed that they were paying up to 30 per cent more in wages in 2012 compared to 2011.

By contrast with daily-wage workers, the self-employed did not generally report increased incomes. This group included people involved in vending and small trading, waste collecting/recycling, food stallholders and shopkeepers, tailoring (in Chichicastenango, urban Guatemala), and other small businesses. The urban self-employed commonly complained of over-crowding in the sector, costlier inputs, lack of support or active hostility from officials, and declining purchasing power.
Given that earnings from agriculture and self-employment are more difficult to calculate and more likely to be understated than daily-wage rates, reports of lower earnings from farming should be treated with caution. However, it is clear that some groups, including rice farmers in Viet Nam and rubber producers in Indonesia, experienced sharp income declines in the past year, owing to drops in rice and rubber prices on the global markets (see Figure 10).

Figure 10: World rubber and some rice prices fell in 2012 resulting in income declines for producers.

A 44-year-old Vietnamese rice farmer and government official summarized the experiences of rice farmers:

Q: ‘In your opinion, at which prices can you sell rice that can earn a profit?’

Mr T: ‘From VND 5,000 to 5,500 per kg [$0.24-0.26] ... The current price is VND 5,100 to 5400 per kg [$0.25-0.26] which can ensure profit. But on main crops [winter-spring crop], there is no such price therefore, the income for farmers is low this year...’

Q: ‘In case of sharp rice decrease, do farmers get any support?’

Mr T: ‘Farmers, especially those who have to rent land, are producing at a big loss’.

Q: ‘When did rice prices begin to fluctuate?’

Mr T: ‘This year has witnessed [the] biggest fluctuation as all agricultural inputs increase considerably while rice price drops sharply. This year, rice price is the lowest, which sometimes reach VND 4,000 [$0.19]’.

In Pirhuas, Bolivia, a 52-year-old dairy farmer was prospering; Mr M’s cows were earning him BOB 2,000 ($289) a fortnight. While milk prices have increased from BOB 1.2 to 3.2 ($0.17 to $0.46) over the past five years, local dairy farmers are doing well because they organized themselves to invest in a tank for wholesale distribution and benefit from regular inputs from a dairy association. Collective action – or its failure – also explained the problems being faced by rice farmers in Cianjur in Java, Indonesia. A failure to coordinate planting times between them, as done traditionally, meant that pests migrated across crops growing at different times.

In Burkina Faso, Ethiopia, and Kenya, drought was the major factor in low agricultural returns in the past year. In Lango Baya, Kenya, an Action Aid project supported by the local government introduced irrigation pumps aimed at promoting maize and vegetable farming near the river. However, in the midst of drought, unusually heavy short rains in 2012 flooded those irrigated farms, and destroyed the maize crops.

All farmers mentioned high input costs, particularly fertilizers and irrigation. While rising costs were linked to fuel price rises, this was widely seen as being exacerbated by government failures in terms of subsidizing or distributing those agricultural inputs.

Future reports of this four-year research will consider in more detail why small-scale producers are not necessarily benefiting from higher retail prices on food.

Timing was an additional concern for small-scale and subsistence farmers; specifically, they were often compelled to sell crops immediately in order to repay debts or cover such seasonal expenses as, for example, school fees, or owing to a lack of storage facilities, forcing them to settle for a lower price than to postpone till after the harvest. Farmers who had to lease land, or who lacked farm machinery or irrigation access were most likely to post a low return or a loss.

Wages often increased and earnings from self-employment and agriculture have risen, albeit unevenly and unpredictably. Despite these increases, few people in the sample felt they were actually better off in real terms; wage gains were commonly said to have been offset by price rises. Mrs T, a 72-year-old retired textile worker in Quynh Mai, Ha-noi, explained it with her own version of the gold standard:

Mrs T: ‘The increase of the prices is more than the increase of the wages. For example, my wage is higher than it was in the past. When it was low, I could buy half of 3.75g of gold with my one month’s salary, but now, when it is higher, I can’t buy 3.75g of gold with a few months’ salaries, I have to save my whole year’s salaries to buy only 18.75g of gold’.
Mrs T: ‘Yes, its value is lower. But to me, my pension is for my whole life and the only thing I can count on at this time. Maybe my pension is low but it’s temporarily enough for my life’.

The sentiment was shared by a 65-year-old health worker in Dadu, in rural Pakistan:

‘As a Lady Health Worker I first used to get PKR 1,500 then PKR 2,000 [$15.29 then $20.39]. I get more money now [she earns PKR 7,000 ($71.36)] but there is inflation now. Also in the past there were fewer people in my family and now there are more. I have grandsons now. More money comes now but I don’t manage to save any money as all gets spent on children’s education and their expenditure’.

Box 1: Future farmers? Young people’s aspirations in a time of FPV

With food prices so high over several years, some may believe that earnings from farming should increase. But how have the last five years of FPV affected people’s view of agriculture as a livelihood option? Are young people moving to farms in large numbers?

Each year, Life in a Time of Food Price Volatility will include a focus on a special theme, relevant to understanding how FPV affects well-being. This year, as part of our effort to understand how FPV was affecting different groups, respondents were asked whether agriculture was an attractive option for young people. The findings, which will form the basis of a full-length IDS working paper in spring 2013, show the following:

• if small-scale farmers and agricultural wage workers had gained from food prices rising, it was not yet apparent in their aspirations for their own children;
• if anything, FPV had increased the perception of farming as unreliable, back-breaking, and unrewarding work;
• the few exceptions were in sub-sectors where new investment and technology had succeeded in introducing new crops or raising yields (for example, irrigation in Ethiopia and Kenya), or where prices had been consistently high (for example, for vegetables in Bangladesh);
• even those who considered a future in farming were put off by the costs of land and inputs.

The findings confirm that most young people saw farming as a last resort for those who had failed to achieve better employment and their parents did not particularly wish their children to continue in the family line. A better life for most people meant a life out of farming. Some of the responses are summarized as follows:

• Farming suffers from a bad image, of it being dirty, hot, and for the uneducated: ‘Why would they not consider [farming] as an unrespectable and low job? In our country, no educated person works in the field, rather people who work in the field are called chasha [a derogatory term for farmworker]’ – A local community leader in rural Bangladesh.
• Other livelihoods offer better prospects of cash incomes and cash is increasingly important:
  ‘It is better becoming a factory worker; I don’t have to work under the heat, it is not dirty. The wage can be used to buy a cell-phone, clothes, cosmetics, bags, or other things needed by a teenager. It can be saved for parents, too’ – A teenage girl in Bekasi, Indonesia.
‘Show me a person who became rich because they depended on farming. There is no one here, those who are well-off are those involved in trading’ – A young man in northern Zambia.

- Farming offers low and unreliable returns:

Climate change and food and commodity price fluctuations were named as having increased the unpredictability of harvests in recent years.

*She does not aspire [to] agriculture as a means of livelihood for her children. This is due to the fact that agriculture is so risky business on its production as well as on its market price reward ... Due to these problems she aspires for her children to reside and work in the urban areas.* Interview with a rural woman in Ethiopia.

The few exceptions to this general picture of non-farm aspirations for the future were from people who had received some agricultural teaching or training (surprisingly few young people appeared to have had this option), had been exposed to promising technological advances (such as hydroponics), or saw possibilities of leasing land and accessing inputs at affordable costs, often with government support.

### Changing occupations

While wage increases were not felt to compensate for price rises, occupations have also become more precarious and unreliable in recent years. Daily and seasonal wage labour has become less regular; as was commonly expressed: ‘you never know how many days you will get’. Some rationing of work days was deliberate, as in the case of the youth employment scheme in Mukuru, Nairobi, namely, *Kazi kwa vijana*. In the absence of time-series it is difficult to know whether wage labour has in fact become less regular. However, people clearly felt that this had been a recent change; and the perception that daily wage work is more unreliable can be attributed to high food prices creating a more pressing need for regular income to pay for essentials.

In peri-urban Bekasi, Indonesia, there was a related trend towards more short-term contracts, temporary work arrangements, and piece rates, particularly with regard to agricultural wage labour and, in previous years, to export sector workers. In Dhaka, Bangladesh, women and girls from poor families preferred industrial jobs in the garments sector, which has the effect of pushing up wages for domestic staff. Within this context, domestic workers were increasingly paid fixed cash amounts for fixed hours, rather than the older live-in arrangements with low to no pay, and only with the benefits of patronage protection and ‘extras’.

In the aftermath of Cyclone Aila, which struck Koyra in Khulna, Bangladesh, in 2009, agricultural livelihoods became markedly more precarious, with flooded rice fields turned into enclosures for shrimp cultivation. In addition to risks to the environment and future food production, this has meant less wage labour given that lands next to shrimp farms become saline. This has increased local conflict and meant that forest-based livelihoods, including fishing, have increased. As well as potentially damaging to the fragile Sunderbans eco-system, forest workers are now vulnerable to attacks by tigers and pirates.

In Quillacollo, Bolivia, high food prices pushed Mr C, a 58-year-old retired miner, to return to work in the mines:

‘Well, for me the most important is the rise in fuel prices. It continues to affect all the foodstuffs. With the rise in food prices they have started to rise too. There have been times in which we have decided only to eat once a day ... In this time we lived like this because everything rose 30 per cent. So all of us in the house put ourselves to work, I too restarted. I returned to the mine for a while, my daughter came back from college and at night cooked noodles to leave and sell in the market, she took it early for the sellers. I
remember that at times there were days in which she didn’t sell and she threw herself down crying. My other daughter went from point to point selling fruit.

Increasing food prices was also said to have encouraged other types of risky work, including sex work in Kenya and Zambia. In Nairobi, several respondents believed young boys and men were also increasingly involved in the sex trade, as a result of the pressure of high food prices.

High food prices were also linked by respondents in Ethiopia to an increase in the numbers of women migrating to the Middle East for work. In Burkina Faso, people mentioned fears about the dangers of young people going to work in the gold trade, sometimes linking the gold rush to low rainfall and high food prices. Young people were said to be particularly drawn to gold mining.

Other recent changes in occupation appeared to mark longer-term adaptation to environmental conditions. Over the past two to three years, irrigation-fed cultivation had produced good vegetable and maize crops in the dry Lango Baya site in Kenya, and vegetables in the Oromia Region in Ethiopia. In the Ethiopian site, farmers were buying assets and providing a model for other farmers, as well as becoming employers of agricultural wage labour.

A particularly important development for gender equality and social well-being is the notable increase in women in paid work across these sites. Some of the findings on the issue of care are described in the section below. Given that this represents an important development for policy, this theme will be explored further in a separate policy note.

Climate change and livelihoods

In several communities people’s livelihoods and well-being, as well as food prices and capacities to cope with FPV, had been visibly affected by climate events and natural disasters. In the words of Mrs P, a 55-year-old woman and head of household in Lango Baya, Kenya:

‘We have so many changes that affect our well-being but the most critical of all is the drought. We have never experienced this kind of drought. I think this drought was sent to come and kill us’.

In Gulshan-e-Iqbal town in Karachi, Mr G, 53, expressed a similar feeling more prosaically:

‘First, the rain, then flood, and now again rain’.

In the aftermath of Cyclone Aila in Bangladesh in 2009, people in Khulna saw their fields flooded with seawater from the tidal wave; no rice or other crops can be grown on this land, which both shut down the main occupation and raised local food prices. In Pakistan, the 2010 floods forced people out of their homes. Climate migrants are now among the most marginalized people as they are unable to afford to rent new homes. Destitution has forced some Pakistani women displaced by the floods to do ‘dirty work’ as sweepers, scavengers, or rubbish recyclers.

In Burkina Faso, Ethiopia, and Kenya, given that small-scale farmers are mainly dependent on rain-fed farming, droughts and changing rainfall patterns have led to severe crop failures. In Ethiopia and Kenya, farmers complained about rain being ‘too little, too late’ and sometimes ‘too heavy’, making rain-fed farming riskier than ever. Mr S, a 60-year-old farmer in western Oromia, Ethiopia, reported:
'Rain-fed farming is not a sustainable way of life. You can get good harvest during the year of good rain. But you may lose everything during drought and shortage of rain. So, we cannot trust this kind of farming though most of the people are dependent on this kind of farming'.

Farmers in Bolivia refer to both drought and frost when explaining that ‘farming is not what it used to be’. Mrs C, a 52-year-old schoolteacher from Pirhuas recalled:

‘Before, the rains were soft, calm, they made the ground wet and produced well. Now strong storms fall that destroy production and wash the nutrients from the ground’.

A participant to the focus group discussion (FGD) in the Dhaka site said:

‘Agriculture is like gambling: you can face loss one year and you can even get a bumper production and get good price of your production in the very next year if you are fortunate enough’;
4 HOW HOUSEHOLDS WERE MANAGING

In order to understand the means and extent to which FPV is affecting well-being, there is a need to track food prices and quantify the resources (personal and institutional) that people have at their disposal in order to cope. Food-related findings were as follows:

• People were substituting, cutting down on diversity and quality, sourcing foods outside markets, and growing their own food. In the most severe cases they were cutting down on quantities, frequency of meals, and going hungry. People in the research samples were worst affected in the countries with the poorest nutritional indicators, regardless of whether the income status of their countries were categorized as low or lower-middle. In Bangladesh and Pakistan, people affected by cyclones or floods were eating too little and substandard meals. However, people who had not been affected by such crises were finding ways to spend less without extreme reductions, which was equally the case of the communities in Bolivia, Indonesia, and Viet Nam.

• The implications of food-related coping strategies included worries about the nutritional and health impacts of poor quality and unvaried meals, particularly for children, and there were many complaints about food safety, especially given that some were resorting to cheaper but potentially more hazardous foods. Cheap convenience and processed foods, which were often the products of large multinationals, were also popular for helping to prepare dishes, making them both affordable and palatable.

• Care work and home-life patterns were said to have changed in recent years (however, not necessarily in the past year). Specifically, women were more involved in paid work than in the recent past, which was predominantly attributed to the sharp rise in the cost of living. In cases where adult women were comparatively more absent from the household in order to pursue their work, their traditional roles were typically adopted by other family members, especially their parents, but also their daughters, sons, and other male relatives. The importance of older people at this time of coping with FPV was particularly striking with respect to child-care and feeding children while parents were out working.

• There were also pressures on marriage and family relationships as a result of higher costs of living, including impacts on male identities as providers, tension, marital violence and breakdown, and stress linked to parents’ abilities to invest in the futures of their children.

WHAT PEOPLE WERE EATING IN 2012

How did people’s eating habits and diets change in the past year? All the communities in this project reported that they had been compelled to ‘tighten their belts’, albeit to different degrees. This section, which investigates how people in the 10 countries under study coped with food price changes, organizes the findings into four groups on the basis of national income levels, as established in chapter 1.
Group 1: Low-income countries where the prevalence of undernourishment is greater than 25 per cent – Burkina Faso, Ethiopia, and Kenya

Communities in this group reported the most – and most severe – coping strategies; people were substituting, preparing and processing, gathering, begging, purchasing in smaller quantities, cutting down on quantities, and cutting out entire meals. Specific examples include:

- mixing cheaper grains in with preferred foods to make them go further and give them the taste of enjera, a local flatbread in Ethiopia;
- replacing meat with fresh or dried fish or vegetables, or with shiro sauce that comprises chickpeas or broad beans in Ethiopia;
- women preparing their own maize flour to save money;
- avoiding buying food by gathering edible leaves or wild foods more usually used as animal feed, or by begging and sending hungry children around to neighbours;
- buying in smaller quantities on a day-to-day basis and buying in bulk when the cash is to hand to secure food supplies, or shopping around for better prices, such as at consumers’ associations;
- cooking once a day to save on fuel or buying cheap street food;
- cutting down on the frequency and quantities of meals. In all three countries, the number of meals for most household members had been cut to two, and in some cases one, per day.

Box 2: Recipes for a time of high food prices

When money is tight and food expensive, people cook more economically. Some options are seasonal, such as maungu caterpillars in Lango Baya, Kenya, which can only be prepared when they appear after the rains, which was the case in 2012 after several years of drought. Children gather the maungu which are washed and the inner parts are removed before being dry-fried for a high-protein snack.

In Burkina Faso, when meat is unaffordable, relish is prepared with dried fish, vegetables, or edible leaves, combined with Maggi cubes, the popular brand of instant flavouring additive owned by Nestlé. Another dish is bean leaves mixed with millet flour or maize in a porridge called baabenda (or ‘dog’s pants’, suggesting it may not be popular) or wesla (couscous).

In Koyra, Bangladesh, some people eat pantabhat, a watery fermented rice dish that is the customary famine food of people living in poverty. The rice is left to ferment overnight in water, producing a starchy, lightly alcoholic liquid. It is sometimes eaten with chillies and salt.

In Nairobi, a commonly eaten street food is githeri – boiled maize and beans – which is cooked in huge vats and sold by the cup, with the price depending on the quality of the beans used. This is the staple of young men who find it cheaper and more convenient to eat on the street than cook for themselves, and families often buy githeri to postpone having to make larger outlays on fuel or maize flour.
The total daily food expenditure of the N household came to KES 248 ($2.84). A 1kg pack of maize flour covers two-to-three meals. The vegetable, onions, and tomatoes are normally enough for two meals. The paraffin is for one meal while the cooking fat is enough for two meals. They buy the half-litre sachet of milk and divide it into two portions – one for the child to drink and the other for breakfast. They do not always buy milk - in the previous month they cut it out when the price was high. They do not use any spices such as Royco’s Mchuzi mix because ‘we do not have the money for such luxury’ (see Box 3).Sometimes they do not buy bread but use leftover ugli (a dish of maize flour) for breakfast, then skip lunch and use any leftover vegetables from the previous day for dinner, leaving it on top of the table to prevent it from being eaten by rats.

**Group 2: Lower-middle-income countries where the prevalence of undernourishment is greater than 25 per cent – Guatemala and Zambia**

Coping tactics in the communities in Guatemala and Zambia resembled those in the first group, although people in better-off urban households were cutting back from a higher level. Most households, including in the middle class, had cut down or maintained strict limits on food spending. Rural people were relying on their own maize or corn to the extent that they could, but found it difficult to buy other food items. According to the father of a family that was receiving institutional aid in Chugüexá Primero, rural Guatemala:

‘Beans are planted along with the corn and when it comes to fruition, it yields 100 pounds per cuerda [local unit amounting to 36.4m²]. It is just for household consumption. Sometimes, when it abounds, it yields ten 100-pound sacks per cuerda. Last year it did not come out well because the wind affected it, and we harvested ten 100-pound sacks over the two cuerdas. Sometimes I sell a bit of it, and sometimes there isn’t enough, it depends. If there is no wind, well, we manage to get a bit more. About three years ago we had to buy corn because the wind knocked the plants down; we barely got two bags for each cuerda’.
Typically, higher food prices are met with the response of having to ‘eat simply’. In rural Chikwanda, Zambia, a simple cornmeal called *nshima* is prepared with vegetables, and in rural Chugüexá Primero, Guatemala, they prepare corn (porridge, tamales, or tortilla) with vegetables. People had a variety of ways of making the food go further. One mother in Guatemala said: ‘I prepare two eggs with corn dough and I split it into six portions. I tell my children that when they grow up they will earn money and they will eat whatever they want’.

While urban communities generally had more diverse diets, people shopped in small quantities and on a day-to-day basis, similar to those in the first group of countries. Additionally, some were also cutting down on quantities, as the mother of a young family in urban Chichicastanenga, Guatemala explained:

‘What we do is eat meals twice a day, or at breakfast we only drink oatmeal porridge with bread and then eat a meal at lunchtime and then supper; I talk with my children and tell them that we do this so that they can get ahead because we don’t have money and we can’t let them not go to school’.

In the Lusaka site in Zambia, most families were said to be managing to have two meals a day; some traders and business people were doing well in the past year and could afford three meals. The food basket of 23-year-old Mr A, a chicken-seller in Lusaka, was more varied than that of his similarly aged counterpart in Nairobi, described previously, allowing him to provide more for his wife, three-year-old daughter, and adult brother (see Table 5). Mr A calculated that while he was currently earning around ZMW 300,000 ($58.28) per week, business was down and more uneven compared to the previous year.

Table 5: Monthly spending in Mr A’s household in Kabwata, Lusaka, 2012

<table>
<thead>
<tr>
<th>Food</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mealie meal (breakfast) 25kg</td>
<td>ZMW 96,000 ($18.65)</td>
</tr>
<tr>
<td>Relish (Kapenta, dry fish, meat, chicken)</td>
<td>ZMW 300,000 ($58.28)</td>
</tr>
<tr>
<td>Vegetables (including tomatoes and onions)</td>
<td>ZMW 60,000 ($11.66)</td>
</tr>
<tr>
<td>Sugar</td>
<td>ZMW 30,000 ($5.83)</td>
</tr>
<tr>
<td>Cooking oil</td>
<td>ZMW 35,000 ($6.80)</td>
</tr>
<tr>
<td>Bread, tea bags, milk, and margarine</td>
<td>ZMW 150,000 ($29.14)</td>
</tr>
<tr>
<td><strong>Total food</strong></td>
<td><strong>ZMW 671,000 ($130.36)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non food</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Washing soap</td>
<td>ZMW 30,000 ($5.83)</td>
</tr>
<tr>
<td>Bathing soap</td>
<td>ZMW 20,000 ($3.89)</td>
</tr>
<tr>
<td>Lotion and Vaseline</td>
<td>ZMW 50,000 ($9.71)</td>
</tr>
<tr>
<td>Tissue</td>
<td>ZMW 30,000 ($5.83)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>ZMW 130,000 ($25.26)</strong></td>
</tr>
</tbody>
</table>

At a current monthly spend of around ZMK 671,000 ($130.36) on food items, Mr A’s household is above the official poverty line. Despite this, the family struggled with basics:
Mr A: ‘I usually give my wife the money to buy things for the house. Per month she spends about ZMW 800,000 [$155] but when the month has been tough I give her about ZMW 600,000 [$117]. This means she reduces on the quantity of things bought and at times we do away with bread, milk, and margarine... Food prices are high compared to a year ago. The money I make from my business has not yet increased. We used to spend about ZMW 600,000 but now we spend about ZMW 800,000 on things for the house but my income is the same... [we are worse off] because rentals have gone up, since last year. I now pay ZMW 800,000 but I used to pay ZMW 600,000 last year’. 

Q: ‘What are you doing to cope with change?’

Mr A: ‘We are reducing on spending. Sometimes we buy less items for example instead of buying meat for ZMW 50,000 [$10] we instead buy dry fish for ZMW 30,000 [$6]. And at times instead of spending ZMW 200,000 [$117] on electricity we buy less electricity units and buy charcoal for cooking and only use the little electricity for watching TV and having light at night’.

Q: ‘What are the effects of those changes?’

Mr A: ‘There has been no bad effects, except that sometimes I feel frustrated that I can’t have certain things I want. When, for example, we do away with bread, we are forced to eat porridge; porridge is meant for babies but when things are tough, you eat the porridge’.

<table>
<thead>
<tr>
<th>Box 3: Processed foods and sauces that stretch the food budget</th>
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</thead>
<tbody>
<tr>
<td>Many people reported that processed foods and flavourings helped to provide taste and keep costs down. Instant noodles were very popular in Indonesia as they are cheap, easy to store, quick to prepare, universally available, require little fuel and cooking water, and are tasty (they come with ‘instant spice’ packets). These were a big favourite with children and helped the household budget stretch, saving money, time, and effort for the family cook. Some women mixed rice with noodles to make expensive rice go further. When onions, chillies, and vegetables were unaffordable, instant noodles were used to provide some flavour.</td>
</tr>
<tr>
<td>In rural Burkina Faso during tough times, as was the case in 2012, the most common food was tô, a stiff white porridge made of millet, mixed with flavourings, dried fish (where available), edible leaves, and Maggi cubes. A 51-year-old blacksmith, husband of four wives and father of 19 children, reported his daily food spending included XOF 2,000 ($3.92) on fish, XOF 350 ($0.69) on salt, and some XOF 1,250 ($2.45) on Maggi cubes.</td>
</tr>
<tr>
<td>In the Kenyan sites, Royco’s Mchuzi mix, an additive that flavours and thickens stews or sauces, was a popular brand. In Viet Nam, one woman complained that in order to cut costs she had switched to the cheaper Nam Ngu brand of fish sauce, which, according to her, was ‘the cheapest available with no flavour at all’. Nam Ngu is manufactured by Masan Consumer, one of Viet Nam’s largest consumer product companies, with 76 per cent of the Viet Nam fish sauce market share in 2011. Masan Consumer introduced a value version of Nam Ngu in 2009, ‘targeting consumers looking for an affordable and safe alternative to unbranded produce’.</td>
</tr>
<tr>
<td>Processed foods for babies and children often represented a significant cost. In Bangladesh, the sharp rise in the price of baby food was a concern for some, and one young mother who had stopped breastfeeding when her milk dried up struggled to afford formula. In Viet Nam, one parent worried about whether he could afford ‘high quality American milk’ as he had in the past.</td>
</tr>
</tbody>
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**Group 3: Low-income country where the prevalence of undernourishment is less than 25 per cent – Bangladesh**

Only Bangladesh fell into the category of countries where less than 25 per cent of people were undernourished, despite being a low-income country. In Dhaka and Dhamurhat in Naogaon, people were cutting down on favoured foods and substituting cheaper varieties, and in the rural area they were eating gathered foods more usually used as animal feed, including, for example, ‘rice fan’, taro, grasspea, and non-iodised salt meant for cattle. Lentils and sometimes small fish were the main protein source. However, in Koyra, people were going hungry, eating two instead or three meals a day, and some went hungry three days every a week. In a focus group with women, one said:

‘Actually we need 500g of rice in each meal a day but now we are having only 375g of rice in each meal. We have become used to eating less.’

To gain a sense of change in patterns of eating, Mrs B’s food baskets for 2011 (Picture 4) and 2012 (Picture 5) have been compared. In February 2011, this household spent BDT 184.50 ($2.34) on two days’ food, but a combination of growing children, seasonal differences, and changing prices meant she spent BDT 290 ($3.54) on one day’s shopping in July 2012. However, at 2011 prices, the lower quality products she was buying in 2012 would have cost her only BDT 208 ($2.64). The higher quality produce she was buying in 2011 would cost BDT 344 ($4.20) at current prices. The fish she was sold as ‘pomfret’ was in fact illegal piranha fish. Mrs B had also replaced mustard oil, traditionally used in Bengali food, with cheaper soyabean oil.

**Picture 4: Mrs B’s food basket in February 2011 in Kalyanpur, Dhaka**

- Salt 500g, BDT 10 ($0.13)
- Coriander leaves, handful BDT 1 ($0.01)
- Tomatoes 1kg, BDT 12 ($0.15)
- Potatoes 1kg, BDT 7 ($0.09)
- Chillies 250g, BDT 10 ($0.13)
- Mustard oil for cooking 125g BDT 17.50 ($0.51)
- Mrigel fish 500g, BDT 40 ($0.51)
- Rice 2kg, BDT 74 ($0.94)

Total spending for two days: BDT 184.50 ($2.34).
Group 4: Lower-middle-income countries where the prevalence of undernourishment is less than 25 per cent – Bolivia, Indonesia, Pakistan, and Viet Nam

How people were eating in the communities in Bolivia, Indonesia, Pakistan, and Viet Nam highlighted the wide range of food and nutrition insecurity between countries with similar aggregate indicators, as well as the diversity within countries. In Bolivia, Indonesia, and Pakistan, people reported that all food prices had risen in the past year; in Viet Nam, no clear pattern with food prices could be seen. High food prices were causing most food insecurity in the communities in Pakistan. People who had been displaced by the floods of 2010 adopted the most severe food-coping strategies, similar to those adopted by the communities of the previous three groups, including substituting for cheaper or lower quality food; cutting down on amounts; making things go further by watering down the lassi (yoghurt drink), gravy, and rice, among others; eating their own grown food; sending children to family or neighbours for meals; eating fewer meals; and going hungry. Interviews from Pakistan revealed a yearning for good food and for the past when such food could (occasionally) be had. In the words of Mrs T, a 25-year-old mother of four and married to a rickshaw driver in Karachi:

‘If things are expensive then I get angry, if one wants Lux soap, one gets Lifebuoy. We get lesser quality things. We buy less ghee and rations. If we usually get half a kilo of vegetables, we get a quarter kilo instead. If we get half a litre of milk generally, we get a quarter instead. We just make do. As you can see how much water I have put in the gravy’.

Other respondents in Pakistan were particularly distressed by their situations. Mrs M, a 32-year-old mother of eight children (aged 18 months to 18 years), had been abandoned by her husband who was a drug addict and had remarried. Mrs M, who was from the Magsi caste and worked as a cleaner and laundrywoman, expressed her misery:

‘We are still starving and do not have any food. Who is poorer than us? We have been starving for four or five days. We starve for months in a year. We only get rations in the month of Ramzan. All of my seven children have been starving since last night. My elder son is crying because we do not have any food; if we had any, I would give it to him. My heart is broken but what I can do, I don’t have PKR 10 to buy flour.’
Box 4: Growing, gathering and processing: tactics for saving on the costs of food

High food prices were encouraging many people to grow, glean, and process more of their own food. Most food farmers kept at least some of their produce for home use. While this helped to cushion against staple price rises, it meant that when prices dropped – as they did in 2012 in Viet Nam for rice – other food items became less affordable.

In all the rural and many urban areas, people grew at least some vegetables. One reason was that cheaper vegetables were low quality and full of pesticides. Mrs S, a 22-year-old mother in Dhaka, did not want to buy ‘poisonous’ vegetables from the market, and had grown Malabar potatoes on a patch of slum land.

In rural Bolivia, people were growing more beets, onions, carrots, and alfalfa for poultry and livestock feed. In Indonesia, cassava leaf, coconut, and jackfruit were grown for home consumption.

Some people in Indonesia and Viet Nam were relying more on their chickens for eggs or for small assets that could be sold when needed. In Bolivia, cows were kept for milk in some homes and a few people bred rabbits (at one time, the school feeding programme had required local women to provide rabbit for meals). Other protein- and micronutrient-rich items, including peanuts and sesame (Viet Nam) and broad beans (Bolivia), were grown to eat at home.

Gleaning rice from harvested fields was another way of getting free food there. Gathering wild foods was particularly important in Burkina Faso, where a range of edible leaves were reportedly being eaten during peak food price times, including bean, lelengo, and boulvaka leaves and baobab leaf powder. In Zambia, women were processing their maize into mealie, rather than buying flour or paying for it to be processed. In Viet Nam, a woman was drying fish at home, to preserve it. People in cities in Bangladesh, Indonesia, Pakistan, and Viet Nam said bringing food from their village homes helped keep food costs down. A relatively well-off key informant in Mukuru kept food costs down by growing maize and vegetables in central Nairobi. Last year he had harvested 120kg of maize from a field next to a major police station, which was enough to feed his family of 11 for four months.

In Bolivia, Indonesia, and Viet Nam, food strategies involved tightening belts – that is, replacing more preferred foods with less preferred foods, cutting down on quality and luxury items, and making do with less. The deprivation was felt most severely in the Banjar community in Indonesia where the drop in commodity prices had pushed rubber producers into great hardship at a time when food prices were particularly high. In Viet Nam, Bolivia, and the other sites in Indonesia, there was discomfort rather than distress. In the words of Mr N, a 50-year-old war veteran and house husband to a 54-year-old vegetable seller in Phu Dien, Hanoi:

‘Yes, I will buy in the range of money I have, buy a [small] quantity. Sometimes, I have only VND 20,000 ($0.96), it’s enough to buy some grams of meat, but I must prepare food for whole meals for me and three sons in a day. How I can do that! When I was a soldier, I had nothing to eat, sometimes I had meat cut into very thin slices, and I could even blow it out of the dish. That time was the most poor and miserable time I had experienced. So now, I am acquainted with this style, I’m trying to bring/assist the best thing I have to my sons, I can tighten my belt for them’.

In Viet Nam, the wide range and availability of different foods and the more varied price movements seemed to have helped people to substitute in a cost-saving way. In rural Bolivia, an important tactic was to buy in bulk in order to obtain discounts. However,
even in the relatively food-secure countries (Bolivia, Indonesia, and Viet Nam), some
families cut down on meals when prices were particularly high. In this group of coun-
tries, some people reported that they had not changed their eating habits (or not nota-
biy for the worse) – mainly dairy and rice farmers who were benefiting from higher
prices. This was not reported in any of the other countries.

**Picture 6: Mrs H's shopping in Bekasi, near Jakarta, 2012**

The relatively moderate nature of the changes being faced by most people in this group
of countries could be seen by the shopping of Mrs H (Picture 6), a widowed 45-year-
old food and vegetable seller in Bekasi, near Jakarta in Indonesia. Mrs H lived with her
unemployed 26-year-old son, 21-year-old daughter who was a contract factory worker,
and seven-year-old son who attended primary school. In 2012 Mrs H spent around IDR
30,000 ($3.10) on two modest main meals per day. In 2011, she estimated that she
had spent between IDR 20,000 and IDR 25,000 ($2.06 and $2.58) on similar items.
She could afford the increased spending because her own livelihood had diversified
and she was doing well. While her son had been out of a job for several weeks, her
daughter had started working. In 2009, when she was first interviewed, Mrs H had been
finding it tough to make ends meet.

**Risks: under-nutrition and ‘dangerous’ foods**
Many of the food strategies noted above are unlikely to lead to lasting harm, even if
people do not like what they must eat. However, many people were aware when their
nutrition and health were being jeopardized. In the words of Mrs M, a community health
worker in Mukuru, Nairobi:

‘Other people have suffered from diseases and infections brought about by lack of
nutrients in their bodies. This is brought by the low quality meals that they have. There
are diseases that people suffer from here that are caused by lacking some nutrients in
the food that they eat. You even find children with kwashiorkor [a form of malnutrition that
occurs from a lack of protein] because of lacking nutrients. I have told you that I
sometimes work in the community as a community health worker. I find malnourished
children in some homes, and on asking why they are like that, they say that it is due to
lack of some nutrients because they have the same meals every day’.
A pregnant mother in Chugüexá Primero, rural Guatemala, reported:

‘It has affected all of us, but my children the most, because sometimes I cook greens and they eat tamales with salt. My children are underweight. I realize that from my older son who works elsewhere – he is fine, but the little ones do not have enough food.’

Mrs M, mother of eight, including an 18-month-old, in Gulshan-e-Iqbal, Karachi, was similarly concerned about the effects on her children:

‘The children quarrel over food; one says that he will eat and the other one says that she will eat, and so there is no food for me. Whether I can eat or the children can; yes I realize that they come hungry from school. The children ask for breakfast because they are so hungry. One of my daughters often faints; the children go hungry even without tea. Doctors say that I should eat fruits and drink milk because these are nutritious. My baby does not even get a quarter kg of milk because I cannot breastfeed him anymore. I give him water with some sugar in it. His teeth have grown now. When we do not have sugar, he drinks only water’.

Mrs S, a 22-year-old former maid and garments worker, mother of an eight-month-old baby in Kalyanpur, Dhaka, said:

‘[N]ot able to eat properly, my husband don’t face difficulty but I do face severe problems. As I am not able to eat regularly my breast milk is drying up, for this my boy is not getting milk from my breast … As a mother I am not able to breastfeed my son with Allah’s great blessings mother’s milk, I feel very bad. Now I feed my boy with Lactogen 1 [a brand of baby formula produced by Nestlé, formerly a target of the Baby Milk Action campaign]71 … first six/seven months I used to buy per 400g milk with BDT 350 [$4.28] but for few months now I have to give BDT 500 [$6.11] for that, which is quite impossible for us to buy. Now I am feeding my son with fresh milk powder (children don’t want to drink this, normally adults drink this with tea) for two/three months as I have stopped Lactogen 1’.

Several parents noted that while the cost of living had increased, their children had grown and needed more and better food. Parents and teachers worried about children’s physical and cognitive development. A teacher in Chugüexá Primero, rural Guatemala, said:

‘Children are affected by food prices because they don’t perform well in school when they are not well-fed. They can’t remember what they learned in class, or they are tired, they are restless, or they are anxious for snack time; when they see the snacks they get really restless’.

Many people were concerned that cutting costs meant eating unsafe food. The liberal use of pesticides, particularly on vegetables, was a concern in many places, particularly in Bolivia and Viet Nam. In Bangladesh and Pakistan, there were concerns about contaminated food. Equally in Bangladesh, many urban people were eating food that was not always, in their view, fresh enough for human consumption. Given that this has emerged as an issue of great importance to participants, future rounds of the research will take up the subject of food safety in more detail.
CARE WORK AND HOME-LIFE PATTERNS

In between growing or earning to pay for food and its transformation into nutrition is the largely unpaid work of care that procures and prepares the food and feeds people. What care people provide and receive depends on what they can afford, what is valued and practised within their individual cultures and societies, available opportunities, how households are organized including whether they are multi-generational, and the scope for innovation and support for care work.

Coping strategies and care

Some of the different strategies people were using to manage food prices involved additional time and effort, usually for women. Some cost-saving work is very laborious, including, for example, grinding maize into maize flour or processing paddy, and this is only done when the pressures on women's time are outweighed by pressures on their budgets. In Bangladesh, women had started doing the shopping, which is traditionally a male activity there, owing to the fact that men were often too embarrassed to bargain or buy in very modest amounts.

Two prominent aspects of care emerged in 2012. First, women were undertaking more paid and cost-saving work, which meant that others were doing more care, particularly grandparents and older daughters. Second, family relationships were strained as a result of pressures on care. Given that levels of income and development are relevant to the paid work women can do, the findings on this issue are categorized within the country groups established in chapter 1.

Group 1: Burkina Faso, Ethiopia, and Kenya

In Burkina Faso, where many households are polygamous, women were said to be involved more in trading or working as domestic helpers, than in the recent past. In Kolfe sub-city in Addis Ababa, women traders noted that there was more interest among women to organize in groups aimed at obtaining micro-credit for small businesses from the local government. However, the work that women were able to find was typically poorly paid. An FGD with seven women in Kolfe, aged 23-30 years (daily labourers, vegetable sellers, embroiderers, and a housewife), yielded the following notes:

The women who used to be housewives are now forced to help their husbands by being engaged in petty trade or doing daily labour (assisting in constructions, selling enjera, or washing clothes); whereas, the women who were engaged only in petty trade (selling of food items only on market day – Saturday) are engaged in other additional sources of income. There are also women who work as part-time housemaids to earn money. When the mothers engage in income-generating activities, the young girls at home are responsible to take care of the children and handle the household chores. So the change has created more stress on women and young girls than for men and young boys.

In Nairobi, more women were looking for laundry and similar work than in previous years, while more women (and men) were said to go to the bars to look for sex work when prices were high. In Lango Baya, more women were taking up wage labour and burning charcoal for sale.
Group 2: Guatemala and Zambia and Group 3: Bangladesh

In Kabwata, Lusaka, women employed as teachers and nurses were moonlighting as traders to help manage rising household costs. In Guatemala, women had recently taken on work for additional incomes, specifically to feed their children. When women left the home to wash clothes or sell goods at the market, their young children were cared for by grandmothers or older sisters. Boys also learnt to do housework, and young women there said that work was based on age rather than on gender. In Koyra, rural Bangladesh, a series of livelihood shocks had increased women’s participation in paid work. Mr I, a 40-year-old jungle worker, explained how the need for women’s incomes was changing older dynamics between the generations, and drawing on care from grandparents:

‘My wife works as casual labour. When she works outside, my mother [who is 60 years old] takes care of our two children. She often cooks for the family. In the past when my wife was not engaged in income-generating work and stayed home all the time, my mother did not have to do any household chores’.

In Dhamurhat, another part of rural Bangladesh, Muslim women were said to be reluctant to work in the fields or on building sites, but more were running small shops, processing paddy and growing their own vegetables, or rearing poultry or goats.

Group 4: Bolivia, Indonesia, Pakistan, and Viet Nam

In Viet Nam, the rising cost of living meant, more so than before, that only those women who considered themselves too elderly or ill and those with very small babies were not involved in paid work. In many cases, grandmothers were cooking and caring for their daughters’ and their own families. In Bolivia, urban women felt the pressure to earn more money, and urban women traders concluded they had less time for their children, who were leaving their studies and not eating properly because there was nobody to cook for them. One embroiderer said she sometimes worked through the night to pay for food when her migrant husband had not sent her money on time. Other women looked for work as housecleaners or carers of elderly people.

In Pakistan, despite limited availability of work and social restrictions on women’s mobility, there were signs of demand for paid work among women. Poor urban women worked as maids and others sewed quilts for extremely low pay – typically PKR 200-300 ($2.14-$3.21) for a quilt stitched over a month. A key informant noted that since the floods, women from the Baloch and Sindhi communities had become street sweepers and waste recyclers. Rural respondents commented approvingly that educated young women were working in NGOs and private firms, earning good incomes. This recent and ubiquitous trend of increased participation of women in paid work as a result of price rises has had a clear impact on care work. Some women were working longer hours or combining activities. Several reported being ‘exhausted’ by the effort of reconciling work with domestic responsibilities, which was equally the case of several men who were working longer hours in order to provide for their families.

For many people, two groups were taking on more care responsibilities. The first and most widely mentioned were grandparents, or the older parents of adult children. Where families were extended or lived in comparatively close proximity, grandparents had become a more important source of child-care and provided other kinds of assistance, including cooking and housework. Grandparents appeared to be particularly important sources of child-care in Viet Nam, where older people also extended such child-care services to members outside their families as a source of income. Even when households separated formally, a great deal of mutual support remained between adult children and their parents. However, this was not always a satisfactory arrangement for the grandparents; Mrs P, a 60-year-old woman who looks after her retired 72-year-old husband and their grandchildren, would ideally prefer to return to her former work as a housemaid:
Mrs P: ‘It was hard work back then. The whole housemaid thing wasn’t really developed and people didn’t really pay much attention to it. Therefore, some households paid me only VND 7,000 per day, some even VND 5,000. I still had to accept that and continue working. I had work like that before retiring, since my husband retired earlier and did not work anymore. My daughter was also studying at the time. I had to take care of our family’s daily life necessities by myself. Right now working a housemaid you get paid even VND 3 million ($144), unlike before. Right now I would like to go and work, but I have to take care of two of our grandchildren’

Q: ‘If the circumstances are right and you could work, would you consider doing so?’

Mrs P: ‘Yes I would, if I have time. Also if my husband’s health was better. He’s a bit too weak to pick up our grandchildren’

In the urban communities in Dhaka and Nairobi, low-cost child-care, including crèches and nurseries, provided an important service for working families, as well as jobs for women.

The second group who were taking on care work were older daughters and, in a small number of cases, older sons, who were helping out at home more than in the past. In rural Ethiopia, one woman explained that in her efforts to feed her family she worked on the farm with her husband, however, this meant that her oldest daughter at home had to take over the housework, which was affecting her schoolwork.

Picture 7: A focus group discussion in An Giang, rural Viet Nam

Relationships and patterns of home life
Domestic harmony was being affected by FPV, owing partly to the fact that the usual providers of care had less time to cook, clean, and look after people, and partly, as a consequence, of the increasingly strained relationships between couples and between parents and children.

Stronger pressures on men to provide for their families were noticed in all the research sites. Men on low incomes were typically working harder and longer hours, and sometimes in more hazardous occupations. The continuing pressure to increase earnings to meet rising living costs was often a source of stress, and the inability to meet their family’s needs seemed to strike at the sense of identity and masculinity of some men.
In some cases, men were reported to have turned to drinking alcohol, chewing chat in Ethiopia, or smoking bhang in Kenya. Concerns about alcohol and drugs being used to cope with unmanageable costs of living were heard most often in Bolivia, Ethiopia, Kenya (where bar opening hours were recently restricted), Viet Nam, and Zambia (where tu jilijili, a strong alcohol sold in sachets, was recently banned). Mr M, a 49-year-old casual labourer in the industrial area near Mukuru, Nairobi, described drinking alcohol as his top coping strategy:

’We as men have to drink in order to forget the problems that we have. You see, I am now very happy because the problems sound like they do not affect me. Let me forget them for now then remember them when I get sober. That would be tomorrow. That would therefore be trouble for another day, tomorrow’.

While Mr M worked a long day, from 7.00am to 6.00pm, whenever work was available, his wife’s timetable suggested she was shouldering more of the burden – she started her day at 5.00am with a trip to the market to stock up on beans and maize for the dish, githeri, after which she alternated between additional casual work, cooking and selling the githeri, housework, child-care, and helping with homework. Her day typically ended at 11.00pm.

In Chikwanda, rural Zambia, brewing alcohol had become a more important sideline for some people, possibly reflecting the demand for cheap drink. Mr Y from Mukuru, Nairobi, explained that even the cost of drinking had increased:

’Even where we drink, the prices have gone up and in some places they have reduced the quantity they sell and the strength of the drinks. They sell us lighter drinks because they want us to drink more so as to give them more money. They think we don’t know’.

While alcohol was an important means of coping for some men and women in Mukuru, others, particularly in Ethiopia and Zambia, were cutting down on alcohol to cope with high food prices.

Even where alcohol or drugs were not a factor, conflict between wives and husbands over food shortages were quite widely reported. The trigger for conflict, which in several reports degenerated into violence, appeared to stem from a growing inability of men to meet their family’s needs. Additionally, several women pointed out that their husbands were not around much of the day because they were usually out working and, consequently, usually had an unrealistic idea about what the family was eating. A woman expressed that sentiment during a FGD in Kaya, urban Burkina Faso:

’Husbands think food is ending fast because women sell or distribute supplies to their families; this causes conflicts’.

In the words of Dr P, aged 55 in Gulshan-e-Iqbal, Karachi:

’The rising prices impact women the most. We had a certain case where a Pathan woman came to get her blood pressure checked. When we enquired about her history, she told us that her husband had beaten her and so she felt pain in the right side of her body. She further told us that she was beaten by her husband because she demanded him to fulfil their domestic expenses. This story is two-to-three years old. Obviously women remain the most vulnerable because they demand their husbands to meet domestic expenses. When I asked the woman whether her husband was a drug-addict, she told me it was nothing like that; he just did not offer prayers or fulfil domestic needs and they had five or seven children. We observe numerous quarrels because of food shortages ... Policemen can further tell you better about such cases.’
In Kenya and in Burkina Faso, the adverse food situation was said to have led some men to abandon their families, or women to leave their husbands. A traditional chief in Kaya, urban Burkina Faso, reported:

‘They [the men] fled their homes because there is no food to give to the family, since there is famine. They cannot buy a sack of millet, although they have many children. So, they go in search of money, women too, and also gold mines began to grow almost everywhere in the villages here, all the women go to the gold mines in order to meet their needs’.

It is no surprise that sudden rises in the cost of living can cause hardship and lead to tension and violence in homes; these findings are important reminders that managing family life in a time of FPV can take its toll. Food prices formed only part of the context of deprivation for many respondents; most have always been on low and precarious incomes, and intra-household stresses have also featured in the past. However, a direct link was drawn by several participants between food price rises and the everyday stresses of providing meals on the table. From these interviews it is apparent that high food prices pose a significant challenge for the sense of identity for many men, particularly where masculinity is closely associated with providing for the family, as is the case in most locations.

Tensions arise around parenting, including, for example, parental anxieties over their children’s education and future aspirations. As described above, a common concern among parents, particularly mothers, was that their children were less well-nourished than they should be, or than older siblings who were born when food prices had been more manageable. Health problems were mentioned to result from unvaried or inadequate meals, and a widespread concern emerged from the interviews and FGDs about adequate intakes of vitamins, protein, ‘healthy food’, and balanced meals. This finding indicates that the food concerns of poor and vulnerable people in low- and lower-middle-income countries are not only those of physiological hunger. Instead, they worry about nutrition, particularly how cognitive and physical development of babies and children are affected by what their parents can afford to feed them.

In addition to the material goods and feelings of safety that the diverse communities expressed as priorities for well-being, there was a markedly strong and widespread association between education and living well. Aspirations to educate children were common in all 10 countries under study, and only those households that were on the very edge of survival failed to get at least some of their children through basic education. Education was primarily seen as being about a better standard of living, and the sense that ‘we don’t want them to live like us’ was both strong and clearly expressed.

In this setting, tension between and around parents and children seemed to emerge around the difficulties of feeding children appetizing and nutritious meals and the challenge of saving money for education at a time of high and rising costs. The poorest households often found it difficult to manage satisfying breakfasts for children, which caused some parents to worry that their children would be unable to learn or reluctant to go to school. Among the better-off families, and possibly influenced by the availability of processed ‘fast’ foods and snacks, children tended to make demands that their parents often struggled to fulfil, or spent much of their limited incomes on. For example, children’s snack money constituted a significant amount of education spending in Indonesia, and in Bolivia, adults complained that many children rejected the bananas that came with their school lunches. Some mothers admitted that they found it particularly stressful to ensure that their children ate sufficiently well. These findings affirm the value of school-feeding schemes at a time of FPV.
5 SOCIAL RELATIONS

Are high and volatile food prices having any effects on local social relations? How, and how much, do communities help their members in uncertain and belt-tightening times? Three specific aspects of social relations are investigated, namely:

- solidarity, particularly within occupation groups: there is evidence in some locations that older forms of co-operative labour are being replaced with more cash-transaction relationships. While this change predates 2007, volatility and high prices seem to have accelerated the process. However, new forms of solidarity were equally found among some occupation groups, specifically in response to food price changes;
- social life: looking at how and how much people are celebrating, mourning, worshipping, and participating in collective public life. Within that context, there is an observable decline in public social life, particularly given that cash for everyday needs takes priority over cash for gifts, subscriptions, entertainment, and personal grooming, among others;
- community support, including the local norms about helping each other and what happens in practice: according to some, community assistance has declined as a result of price rises that have affected everyone, putting pressure on social support systems as a whole. While many people still rely on family and neighbours for help in the first instance, most prefer assistance from the State given that such assistance comes without the stigma and need for reciprocity of relying on community help.

Not all the changes recorded in this section stemmed exclusively from food price changes. Specifically, infrastructure, education, new communications, and social policy are as likely to drive change in societies. However, this paper focuses on those changes that people explicitly connected to rising or volatile food prices. While some people believed that economic inequalities were growing within communities, there was no empirical evidence that FPV was contributing to major inter-group hostility or conflicts based on ethnicity or religion, among others. Within most communities, people seemed to value the idea of working together and assisting each other, and continued to help others and to expect reciprocation. Even slums were not entirely individualistic places.

However, there were signs that people who had lost the most from FPV, including poorer people without assets, older people, and women household heads, were finding it progressively harder to make claims on those who could afford to help. Cash appeared to be more of a priority than before in these societies and this 'monetization' of relationships and values was noted by several respondents. It is not clear whether or not these are permanent shifts.

SOLIDARITY AND CO-OPERATION

In several places, food prices were linked to how solidarity and co-operation around labour were changing. In Pirhuas, rural Bolivia, dairy farmers noted that ‘no one knows ayri [a traditional system of mutual help] any more’; people worked as individuals on their own farms, paying for labourers when needed, with some help from family members, particularly siblings. While traditional reciprocal arrangements around agricultural labour have declined in developing countries over decades, rising food prices have exacerbated the process, especially in Ethiopia, where the debo (‘labour share’) system was said to have been replaced with wage labour. Under the debo system, a farmer would call on community members to help with a particular, often time-sensitive, task.
Rather than returning the favour in time with more labour or cash, there would be a meal and drinks, often quite lavish. Several accounts suggest the debo practice is almost extinct, including the following notes from a FGD with farmers, men and women aged 30-50 years, in western Oromia, rural Ethiopia:

Helping each other via debo is now disappearing from the community since it is too costly. Today debo is considered as costly and inefficient both from the one who provides his labour and the one who calls for assistance. Both parties now prefer wage work. This is because for the one who requests for debo, he is expected to prepare too much eating and drinking. This is highly costly. There is no room for the one who calls debo to complain about the quality of the work as a culture and norm of the community. However if it is via wage work, he or she has the right to control and comment on the quality of work. Nowadays most people prefer to accomplish their works via wage. From the labour provider perspective, it is better for him or her to engage in wage work. This will bring them more income than spending the whole day eating and drinking without money. Today only very few rich farmers are calling for debo since they can afford to prepare the eating.

The logic for abandoning debo works on both sides. On one hand, the expectation of a feast makes calling on debo expensive and not necessarily compensated for or justified by the quality of the work. On the other, workers need more control of their labour time, and can earn more for a wage. Given that only the wealthiest farmers are calling for debo indicates that it has become an inefficient and uncertain way of arranging agricultural labour. At the margins people cannot afford to trade the certainty of a wage for a meal, perhaps because prices change so fast the terms of the exchange are unclear.

While these are signs that the growing importance of cash incomes for people’s food security had weakened older practices of co-operative labour, solidarities and collective working arrangements have not disappeared. Various examples were found of people coming together to manage the effects of FPV, including as follows:

- In Dhamurhat, rural Bangladesh, agricultural wage workers banded together to improve their bargaining power. Rather than opting for individual daily-wage arrangements, small groups of ‘agro-workers’ demanded group contracts, with fixed areas to plant or harvest for set fees plus meals. These arrangements, which amounted to more than the individual daily wage, were successfully negotiated given the high seasonal labour demand. The squeeze on the supply of wage labour seemed to reflect higher rice prices (even though the farmers insisted it was the middlemen rather than the farmers themselves who benefited from high prices) increased demand for labour in the fast-growing local brickfield industry, and a growing willingness of wage labourers to migrate for work to meet higher costs of living.

- In Kabwata, Lusaka, urban small traders described a number of ways in which they co-operated to protect and promote their small businesses. This happened even though they were in direct competition with each other on a day-to-day basis.

- In Cianjur, rural Indonesia, environmental degradation and pollution had dried up irrigation channels. Local farmers re-established the old system of group labour on public infrastructure, known as gotong royong, setting timetables for participation in clearing rubbish from irrigation channels.

- In Pirhuas, rural Bolivia, the dairy farmers’ group established a co-operative store through which they bought a milk tank and were able to access national distribution networks.
Solidarity with people and communities at the national level was also important in the livelihoods of several groups across the various locations. For example, the ready-made garments workers in Dhaka, Bangladesh, fought a ferocious campaign for wage increases (basic wages almost doubled in early 2012), on the grounds of sharp rises in the cost of living. In the urban site in Bolivia, former miners reported having been involved in the mass national pensioners’ movement in order to raise pensions in line with inflation. Additionally, people in Mukuru, Nairobi, supported their local Member of Parliament who had led a week of rallies and demonstrations under the banner of the Unga Revolution in 2011, demanding the implementation of new constitutional provisions for rights to food. All of these examples suggest that rather than disappearing, labour arrangements based on solidarities can adapt or emerge in response to the changing economic challenges of the times.

SOCIAL PARTICIPATION

Many people felt that FPV had affected their lives because they had to cut down spending on weddings, funerals, festivals, and other important social events. Many of these accounts of being unable to participate in social activities underscore the embarrassment and humiliation – the psychological aspects – arising from recent economic hardships. This sense of embarrassment even extended to issues of personal grooming standards, as this following account of Mrs S, a 22-year-old woman from Kalyanpur, Dhaka, illustrates:

Mrs S bought a set of clothes for her daughter one year ago. ‘After then I could not buy anything more for her’. She now puts very little oil in her hair as the prices have doubled recently. Currently, the price of soap has gone beyond her reach; she cannot even wash her clothes properly as there is no soap. Mrs S cannot even join any social programmes, such as a wedding, as she cannot buy a gift for the ceremony. So being ashamed she does not join such ceremonies. ‘We cannot arrange any social programme as we are poor. How can we do so when we cannot even eat properly?’ She said that ‘the rich arrange birthdays, marriage days but we can’t. We are busy only to win our bread in order to live’.

Picture 8: A wedding in Pirhuas, rural Bolivia
People having to host major social events found them difficult to afford, as Mrs and Mr N, 61-year-old vehicle caretakers from Quynh Mai, Hanoi, explained:

Q: ‘During the period of time from 2007 until now, 2012, do you remember anything that has happened which has had a great effect on your family?’

A: ‘Yes. Such as my mother’s death [last year] and my son’s serious sickness which cost a lot of money ... My family also had three weddings for my three sons during two years [the first was in 2009 and the parents borrowed VND 10 million ($480) to pay for one wedding] ... After my mother’s death, we have to invite our relatives and neighbours and we have to spend money for some meals to the guests’.

In places where dowries were paid to the families of grooms, wedding costs were even more onerous, as in the case of Mrs K, a 60-year-old matriarch in a household of 17 in Gulshan-e-Iqbal, Karachi:

‘I pray that my family members would live a good life; they should have good houses, good food, and good upbringing. We face many problems, when we build a house or if there is a wedding we run out of money. How can we earn more money? We also think about businesses which can be run by the uneducated. In our family, there is a tradition of giving large dowries. If there is no money then the girls cannot get married’.

In Burkina Faso, where weddings and funerals represent major costs, events were being postponed until such time as people had the money to pay for them. These were regular means of managing in times of scarcity, as two blacksmiths in Nessemtenga, rural Burkina Faso, explained in an FGD:

‘[W]hen someone in the family dies and we do not have the means to commemorate the funeral, we wait for the year of abundance to commemorate and sometimes we can commemorate many funerals because it depends on the capacities [of the family].

‘Now we do not celebrate receiving any more [on] the 7th wedding day, to avoid spending’

In Viet Nam, membership fees for women’s and older people’s associations and other contributions to community works and activities were sometimes difficult for people to pay when times were tough. More routine social practices were at times also a burden. People in Banjar, Indonesia, found the weekly Koran reading and arisan savings circles unaffordable, as the following extract from an interview with a widowed 55-year-old cleaner, Mrs S, revealed: 76

Mrs S used to attend women’s weekly gatherings in her village, providing a personal donation of IDR 10,000 ($1.07) for each meeting. But in her current economic condition, she feels that she can no longer pay for the routine donation and has been unable to attend such social gatherings for the past two years. Another social activity that she finds a financial burden are the wedding receptions in the village, which can occur every week – on any given weekend, at least one family celebrates a wedding. Typically, each invitation requires a donation of at least IDR 10,000. Mrs S complains: ‘You can only imagine if I receive two or three wedding invitations within a week. How can I provide for donation? I only allocated IDR 10,000 [$1.07], yet I need IDR 30,000 [$3.20] for all those invitations. This often confuses me’.

In order to deal with this situation, Mrs S usually attends only one wedding a week and sometimes turns down all invitations when she has no money for the wedding donation. On average, Mrs S would need to spend IDR 40,000 [$4.26] on social obligations every month. In addition, she also has to save IDR 10,000 every month to give as a funerary donation in the event of a death in the village.

Elsewhere, celebrations have become more modest in nature, typically involving only the nuclear family.
Former street boys in Mukuru set up a youth group to provide mutual support and some income-generating opportunities. They have a band and some gym equipment but find it difficult to raise funds.

COMMUNITY HELP AND INFORMAL SOCIAL PROTECTION

Informal sources, namely, family, neighbours, other community members, local institutions, and religious organizations, appeared to be the most important sources of help that people could get given that they were:

• easier to access and available when needed;
• most likely to offer the most favourable terms in terms of, for example, debt repayment;
• most likely to help in ways that mattered, such as lending cash when school fees needed to be paid, or providing rice when the cupboard was empty.

However, people also said that informal sources of support:

• had become less reliable than in the past owing partly to changing societies that were becoming more individualistic or family-focused and concentrating on cash incomes rather than building good relations, and partly to high prices that were affecting everyone;
• were selective and exclusive, particularly with regard to local charities or benefactors, that extended help to members of their particular groups;
• could be a matter of shame and embarrassment to have to ask family and friends for help;
• could damage special relationships, such as between members of a family or kin, if people were unable or unwilling to help;
• were expected to be reciprocated, unlike assistance from the State or NGOs.

This section summarizes how informal social protection systems operated for the communities under study. Family members were the first port of call when people needed to borrow cash or food, or when they faced a crisis. While this generally meant the immediate family – parents, grown children, and siblings – other family members could be called on, including grandparents, grandchildren, aunts and uncles, and in-laws. According to an NGO staff member in Nessemtenga, rural Burkina Faso:

‘Often in the village, it is the chief who is the mayor, the high commissioner, and everything at the same time. When there is a problem, people go to see the chief. Or when there is a problem, they rely on parents, or on parents-in-law. If you are married when there is a problem, the wife goes to her brother or son-in-law to seek help, or to a friend. It is thanks to these people that we get to fight against hunger ... among the Mossi [largest tribe in Burkina], for example when I’m in trouble I call my son or my brother. From time to time, we will see the family-in-law. Or your wife will go and beg her parents for help ... it’s like that with us’.

In Burkina Faso, obtaining help from the chief or family comes with the sanction of Mossi tradition. However, there is always a degree of discretion in informal help, as some family members feel a stronger obligation to help than others, which can represent a source of problems within families. Within that context, young families in particular seemed to face more pressures to withhold assistance and save their money for their own children, while older people often helped their children’s families. In Mukuru, Nairobi, young adults relied on their parents, as the following account by a woman during a FGD reveals:

‘One’s family, especially your parents, can really help especially when you have hustled for food and it seems elusive. Your parents especially if elderly do receive some amount of food almost every week; they can opt to have your children eat supper in their house while you look for more. Mine have been very helpful’.

In Indonesia and Viet Nam, there were complaints that adult children helped too little or even that they burdened elderly parents. Tensions between parents and adult children came through strongly in some interview transcripts, no doubt reflecting generational differences in attitudes to family help, as well as the difficulties of managing household spending in a time of inflation.

While some families could be depended upon for help, it was by no means an ideal situation for many people. Mr R, a former garments worker and rickshaw puller in Kalyanpur, Dhaka, explained:

‘There is a popular saying – non-relatives are better than close relatives and the jungle is better than non-relatives. My brother betrayed me. When I was employed I used to provide him a lot of money of money almost regularly but he refused to help me when I was in distress. He informed me that he wouldn’t give me any money as I suffered a huge loss for doing farming’.
Another resident of Kalyanpur, Mrs H, a 33-year-old worker in a child-care centre, said:

‘I cannot afford my siblings. A couple of days ago, due to my sister’s appendicitis operation, she needed BDT 1,000 [$12.22]. But I did not support her and at last I had taken loans from my neighbours. We live such a life that, whenever we need money we take loans from others’.

Such complaints of not being able to support or rely on family for help, as was expected, were reasonably common. In several countries, people said that they found it difficult to help when they were all facing tough times. However, traditional risk-pooling mechanisms were mentioned, as illustrated by the following notes from an FGD with farmers, men and women aged 30-50 years, in western Oromia, rural Ethiopia:

The other coping strategy is for the local community to help its members during hard times. Searching for help from relatives and neighbours to cope is at times applied by some community members. For example, they cited the case where if a farmer loses an ox, iddir members [a funeral group] will contribute money and buy him or her another ox. For those who do not have anything during hard times, their relatives help them. However, such help by relatives and neighbours is on the decline since no one is better off during hard times. The farmers said that although they are guided by religious principles and through radio broadcasts about the virtue of helping each other, no one helps in practice during hard times.

Religious organizations, particularly churches and mosques, were important sources of help in terms of providing charitable payments – or zakat in Muslim communities – to people living in poverty. However, in Kaya, urban Burkina Faso, many respondents complained that churches needed to be more inclusive, while in Mukuru, Nairobi, Christians expressed the same criticism of a local mosque that distributed food only to Muslims.

Co-operatives and local groups and associations were vital sources of affordable credit. However, these were of greater benefit to the able-bodied and to those who could earn a living, further marginalizing the very poorest segment of society. While private informal charity was mentioned in many locations, there was also a significant amount of hostility towards rich people in several communities. This translated into a sense of abandonment, as a worker in the informal sector in Kalyanpur, Dhaka, reported:

‘All of us fall into the category of middle-class or lower-middle-class [by the class structure of the slum]. We cannot transform ourselves into rich-class people [the first category] if we want to even in thousands of years. Because if we want to go to the first group, we need to take rebirth in those houses with golden spoons in mouth which is absolutely impossible unless someone provides us the lamp of Aladdin with the magic of which we can exceed the richness of the rich people in a minute. Besides their houses in the slums, the rich people also have arranged ways of living outside of the slums. If, with help from some miracle, we somehow manage to stand hand-to-hand with the rich, till that time they will go to some further limit of richness which we would not be able to touch… oil and water never get mixed; we cannot be mixed into the class of rich people’.

In terms of the willingness of rich people to help their poorer neighbours in a time of economic stress, people had a lot to say about socio-economic differences in their communities. A future report in this series will analyse the distribution of wealth in these communities and the implications for inequality.
This chapter investigates how people viewed the politics of and policy responses to FPV. Popular political perspectives on FPV were that:

- local, national, and global factors were cited as causes, including fuel price rises, dependence on food trade rather than on self-reliance, climate change, taxation, failures to invest in agriculture, population changes, and, most notably, speculation and failures to regulate food markets;

- while public assistance programmes are criticized, they are generally valued. People prefer to request assistance from the State than from family or others who are also facing hard times, and social protection can crowd-in good social relations;

- people only know when governments fail to protect them from FPV; there is wide awareness of how local prices are influenced by global markets, but also widespread suspicion of market intermediaries and speculation;

- policies aimed at protecting against spikes need to be widely accessible rather than narrowly targeted in order to keep the vulnerable and those just above the poverty line from sinking. For the poorest segment of society, such policies need to be in addition to other forms of pre-existing support. Short-term cash or food schemes can be highly effective means of protecting against spikes.

POPULAR POLITICAL PERSPECTIVES ON THE CAUSES OF FPV

We found some consensual understandings of why food prices have been volatile since 2007, underpinning evaluations of how governments have responded. While perceptions of the causes ranged from global to local, national conditions and policies were prominent.

Higher fuel prices were widely mentioned as having influenced food prices in 2012. In Bangladesh, Bolivia, and Indonesia, higher prices were creating fiscal pressure on those governments that pay for large fuel subsidies. Fuel price pressures were understood to be international in origin, but linked to the need for food imports and, therefore, to national agriculture policy. Not everyone believed official explanations that high fuel prices were driving food price inflation. In the words of Mrs C, a 55-year-old widow in Lango Baya, rural Kenya:

‘Some five years back food was cheap; a packet of maize flour for instance sold at KES 50 [$0.59], but today is sold at KES 130 [$1.54]. Prices of food items are increasing every day; there is no protection from the President and government. We are told the prices are increased by petrol problems but what do we have to do with petrol? We do not have cars’. 
Explanations of how fuel prices were transmitted to food prices varied according to locations, as follows:

- in Bangladesh, farmers cut production owing to high fuel and fertilizer costs (irrigation uses diesel pumps and the fertilizer price is linked to the oil price);
- in Bolivia, traders were said to have increased prices in anticipation of fuel price rises; others thought that blockades in protest against fuel price rises would push prices up;
- in Ethiopia, people thought that for imported goods, fuel price rises would increase the costs of transport;
- in Indonesia, people thought that food prices were pushed up in anticipation of a threatened cut in the Government’s fuel subsidy, referred to as BBM, which had not materialised by the end of 2012;
- in Burkina Faso, Pakistan, and Viet Nam, people said that when fuel prices increased, other prices followed suit.

Drought was a key explanation of price hikes in Ethiopia and Kenya. In Burkina Faso, the drought of 2011 was said to have pushed prices up and rainfall remained a worry for farmers. In several sites, people linked disasters to climate change, which suggested that this was being discussed locally. According to Mr R, a 25-year-old casual labourer in Mukuru, Nairobi:

‘The other contributing factor is global warming and the rising prices of agricultural inputs. Global warming has caused changes in the seasons such that the seasons that were usually for receiving rains have now changed and they are much shorter than previously. As a result drought sets in and all the crops that were planted now will dry up. There has also been a steady increase in the agricultural inputs like fertilizers and seed. Farmers then transfer this cost to us, the consumers, through their products like maize and greens. We pay heavily for it’.

This was echoed by Mr A, a 60-year-old farmer in western Oromia, rural Ethiopia:

‘The weather change is the main factor for this. The rain does not come in time. It starts very late. It becomes very heavy when it starts. It stops early. We are not happy with the weather condition. It comes after the farming time is passed. For example, this year it started in June. It should have started in April and May. As you see, the crops are very young and we do not hope that we will get a good crop this year. The shortage of rain and its variability is the main factor creating food shortages in the community. You know the soil is fertile but the rain is a major problem. Shortage of rain leads to shortage of food crops. Shortage of food crops in turn leads to increase in the price of food crops’.

Other environmental conditions that were said to be affecting prices included the increased risk of crop failures. In Chugüexá Primero, Guatemala, the recent shift from mixed cultivation to maize mono-cropping was seen to increase the risk of crop failures. In Cianjur, rural Indonesia, rice harvests were less predictable, owing partly to the fact that pest control was not practised collectively as in the past. In Koyra, rural Bangladesh, rice fields had not recovered from the flooding of saline water in the aftermath of Cyclone Aila in 2009, and those areas were now being used for shrimp cultivation. Most people could point to seasonal changes that regularly affected food prices, but there seemed to be little confusion between such seasonal effects and other, more recent changes caused by climate change and population growth.

In Ethiopia, higher food prices were linked to increasing demand from a growing population. In Kolfe, Addis Ababa, and in the rural and urban sites of Viet Nam and Indone-
sia, people reported that cultivated land had recently been turned to land for housing in order to cater for the growing populations.

Speculation, hoarding, and profiteering by grain traders and brokers were popular explanations for price rises, as revealed by the following conversation between a 28-year-old labourer, a 35-year-old hotel manager, and a 23-year-old shopkeeper in Gulshan-e-Iqbal, Karachi:

Mr F: ‘All of this has happened because of the present Government. The tenure of the previous government was good for us. Previously, there was no such price hikes. The price of sugar was not as high as it is now. Previously wheat flour used to cost PKR 13 per kg but now it costs PKR 30 per kg ($0.32).’

Mr D: ‘The dealers have spoiled the conditions along with the traders. They cheat and have become wealthy in the tenure of this Government. They hoard food commodities. If they stop hoarding, there will be prosperity’.

Mr F: ‘This is done by the minister sitting at the highest rank’.

Mr D: ‘The hoarding of food commodities is done by the investors sitting above’.

Mr C: ‘The dealers find out when the rates will go high and they hoard accordingly. This is why poverty and unemployment is sky-high. As a result of this, inflation rises and people get worried’.

Several women in Kami, urban Bolivia, expressed similar concerns:

‘I think food prices go up and go down. This is due mostly because traders are unscrupulous. They could not care less about the condition of others; all they think of is making a profit’.

‘Because traders increase the price without thinking about others. While maybe their taxes went up and this is why they are charging more for the food’.

Young participants at an FGD in western Oromia, rural Ethiopia, were of the opinion that the price increase owed mainly to the failure of the Government to control the price of various items. According to the notes of that discussion:

The Government does not control the merchants when they intentionally increase the price. Sometimes, the Government formulates price regulations but the merchants are not abiding by the regulations. The merchants intentionally slow down the price of food crops during harvest, a time when farmers sell grains to pay land tax, to pay back loans, to buy clothes for their children, etc. At the same time, they intentionally increase the price of non-food items. The merchants know that the farmers sell the farm production and buy non-food items. So they understand fully that the demand for non-food items increases during the harvest time. The merchants store the food items they purchased from the farmers at lower prices and they increase the sales price during the summer when both the urban and rural people are buyers. The demand for food is very high during this season. The merchants negotiate when they buy food crops from the farmers. But they are not volunteering for negotiations when they sell it. They have fixed prices when they sell it. So, all speak the same language when they want to increase the price of an item. Once they agreed to sell one item at some fixed price, buyers have no power to influence it.
A schoolteacher in Dhamurhat, rural Bangladesh, reported:

‘Increasing price of soyabean [cooking] oil is due to lack of any control of Government and different syndicates are active in different places. And the leaders of these syndicates are the political leaders of the ruling party. Consequently, [the] Government can’t control this. Also, there are some businessmen who are dealers, they stock soyabean oil. They create [the] artificial crisis in the market and sell the product with increased price’.

The extracts above provide a good summary of the perceptions of the role of commerce and trade in pushing prices up. They hint at a sense of conspiracy or cartel-type of behaviour; a detachment of traders and those who benefit from food price rises from the rest of the community; the need for a regulatory role by the State; and a dishonest political connection between food traders and politicians, which acts to keep regulation off the political agenda. While these views cannot be verified, they do reveal a great deal about the popular political view of FPV.

Similarly, while the specific role played by each country with regard to FPV could not be ascertained, people believed that the following government actions and inactions were directly linked to food price rises:

• currency devaluation, cited in Bangladesh, Ethiopia, Pakistan, and Viet Nam;
• increased taxes in Bolivia, Burkina Faso, and Kenya;\(^78\)
• failure to regulate price rises and the behaviour of traders;
• exporting local food, and/or a reliance on imported food, both of which were sometimes provided as explanations in the same argument.

The actions that people expected from their governments varied by context and location. Most rural and some urban respondents tended to emphasize support for agriculture, with a strong emphasis on affordable and stable input prices, price protection for outputs, support for improved yields, and training and agricultural extension investment in general. The cost of fertilizer was a widespread concern and the fact that high input prices were not often matched by the prices earned for outputs was frequently repeated. Additionally, agricultural credit was mentioned, as was the need for access to public land or land redistribution for landless farmers.

The following section considers how people experienced the social-protection mechanisms that were in place during this time of FPV.

PROTECTING SOCIETY AGAINST FPV

Evaluating social protection against FPV

A limitation in qualitative and participatory research is that it tends to generate criticisms of social protection, rather than evaluations of its contribution and effects. This is despite the fact that public action is important for helping people to cope with FPV. When asked their views on the support they get, people were naturally inclined to notice its shortcomings rather than describe what they valued about it. In this research, while most of the 1,500 or so people interviewed valued the support they had received, they thought state action against FPV was inadequate. It was not only social protection programmes that protected people against declines in their well-being; free health and education and agricultural support programmes were also valued, where available. Common views of the different kinds of social protection schemes were (in descending order of importance) that they:
• did not reach all of those who needed them the most;
• sometimes reached those who did not need them the most, but who had good connections;
• gave too little support;
• required too much from the recipient in terms of time, cash, or effort;
• were inadequate; in the case of food programmes for example, smelly or half-rotten rice were provided;
• were badly timed, launched in the wrong season, or ignored seasonal needs or differences;
• came with too many administrative demands, including for example, paperwork, bribery, and visits to departments, among others.

Rather than focusing on criticisms of targeting failures, unaccountable and unresponsive programming, and poor design, all of which are neither new nor specific to these 10 countries, this section aims to draw some early lessons from how people report their experiences of public action against FPV specifically. These experiences suggest a need to rethink some of the principles of social protection, particularly social safety nets, in the light of the wider and more recurrent risks being faced. These lessons take in the needs for better public engagement with policy processes, in addition to conventional discussions about how and whom to ‘target’ and with what.

While people criticized government policies and programmes, they preferred state assistance when prices were high or volatile. In the words of a 46-year-old grain trader and mother of three grown children in Kolfe, Addis Ababa:

‘While there are people who help each other informally, that is not enough and has no continuation. Only people who have wealthy relatives get some sort of support but most of the poor people get no informal support. The formal support is better than the informal support which is based on the personal relationship because the informal supports are done with some expectation and it becomes difficult to maintain the relationship if those expectations fail’

As described previously under community help and informal social protection, state support was often more popular and deemed less shameful than relying on families or communities. In many respects, the relative anonymity of formal social protection schemes made them better than personal hand-outs.

This partly reflects the nature of the risk posed by high and volatile prices – large-scale, cumulative erosion of real incomes, which few governments in developing countries can prevent. This suggests that the role of state social protection at a time of FPV could be useful to ‘crowd-in’ good social relations, which is the reverse of the concern that formal social protection programmes may ‘crowd-out’ informal provision, and reflects the approach adopted by this research, namely, to study impacts on people embedded within their social relations, rather than on atomized household units. The FPV context means that when large numbers of people face risks of this cumulative kind, social assistance schemes need to protect not only individuals, but whole societies; if they do so, they can help to support the resilience of the informal safety net. There can be few societies with safety nets strong enough to protect people against an accumulation of sometimes severe economic and food price shocks, such as those experienced since 2007.
Preventing FPV

Food price volatility has become a ‘known unknown’; while it has increased people’s sense of insecurity, people are also used to the idea that prices will rise unpredictably. However, this is not accepted as inevitable; people on low and precarious incomes in this research thought that the state was responsible for protecting them against FPV. They knew when it had failed to do so, but not always when actions had been taken that had proved successful.

The previous section highlighted the suspicions, shared across the various locations, that FPV was caused by unfair speculation and profiteering by agro and food business interests. The objections seemed more to do with profits being made from hardship than with the structure of trade itself. Several older people nostalgically recalled when their food was all locally grown, but others were pragmatic in discussing the challenges of market participation, as the following account by a schoolteacher in Chikwanda, rural Zambia, describes:

‘There is no market for farming in Mpika district. Every person living in the community is a farmer therefore it is hard to sell crops that are being sold by everybody else. The markets for farm products are on the Copperbelt and Lusaka where you don’t find farmers. But to transport these products to these places would be costly for the majority of the people’.

Highly educated people do not have a monopoly on understandings of global food markets; the international market was mentioned as a driving factor by men and women, rural and urban. In some countries, finance ministers had tried to explain why food prices had risen, and so the important role of the international market had had a fair amount of airtime. However, many people seemed unconvinced by the idea that their country’s government could actually have relatively little power over the prices of their food. This suggests an unmet need for more public debate about the macro-economics of food at this time of FPV, and of public education and popular engagement in food policy making. This research suggests that the average citizen, including those on low incomes and from less educated backgrounds, is likely to be able and willing to engage in such debates because the issues are core to people’s lives.

However, understanding that domestic food prices are subject to global market forces is unlikely to satisfy people facing sharp increases in real living costs. Many people, both producers and consumers, appeared to expect their governments to control prices through building domestic food reserves, intervening in markets to ease supply, and regulating retail prices and practices. This tension between what most people want in terms of protection from FPV and what policies are possible within globally integrated food markets, helps to explain why people on the whole feel that their governments’ efforts to prevent FPV have been inadequate.

The most visible forms of mitigating against FPV are ‘fair price’ shops or open-market sales, both of which ensure a steady supply of relatively affordable goods and help to keep prices down. Consumer associations play this role and were particularly popular in Burkina Faso and Ethiopia. However, similar, subsidized food sales by governments in Bangladesh, Bolivia, and Indonesia were less successful and popular, as people complained of poor quality foods, time and travel costs, and having to buy in small quantities or in bulk at particular intervals when they might not have the cash. Notes from a household case study in Banjar, rural Indonesia, describe that:

Mr T and Mrs T could not afford getting or buying rice for the poor [under the State-sponsored RASKIN programme], they did not get any information regarding the rice since they did not attend any meetings. Besides that, they did not have money to buy the rice. They were once offered a gas stove by the Government, but they turned it down since they were afraid of using it.
These complaints partly reflect the fact that these schemes were targeted at the very poorest segment of society, whose need to secure the most basic foods often overrode other needs. They highlighted how such schemes as RASKIN in Indonesia, Open Market Sale (OMS) in Bangladesh, and Empresa de Apoyo a la Producción de Alimentos (EMAPA) in Bolivia, were inadequate for busy working people on low incomes in these countries.

**Picture 10: Unsold RASKIN rice in Banjar, rural Indonesia**

The rice dealer explained that she had sold very little rice this month and it was lying in her shop, unsold. RASKIN is delivered regularly to a central location and local dealers are supposed to sell it on to eligible people. In practice, many non-poor people are believed to have access to it. However, poor people in Kalimantan said this was because they often did not have the cash in hand to buy the big sacks they were entitled to.
More supply-side policies were also argued for to prevent prices from rising. In the discussions about the agricultural prospects for young people, more and wider investments in agriculture were the starting point for considering agricultural careers. At the local level, food price rises were often linked to local shortfalls in production related to changing land use, declining yields, and an inability to invest in agricultural inputs. In some places, such as Chikwanda, rural Zambia, subsidies and supports were said to go to bigger and better organized farmers. In others, such as in the dry rural regions in Ethiopia and Kenya, public action to promote irrigation was making a significant positive difference to local food security. Much of the discussion around how support to local agriculture could help to reduce or protect against local FPV also contains a seam of self-reliance. It appears that despite the uncertainties of agriculture, greater local control over farming is seen to be an important answer to the questions of local food security. One of the issues that FPV raises is the connections between agriculture support, food security, and social protection policies and programmes. It is clear that these can interact with positive effects and that social protection in a time of FPV could usefully incorporate agricultural support within a stronger food security focus, to protect people in ways that do not deepen dependence on food markets and which improve local supply.

**Protecting against spikes**

Policies aimed at protecting against spikes are most successful when they help to safeguard the basic consumption of all by being broad-based and instant. While the poorest and most vulnerable go hungry during food price spikes, the many that hover at or near the poverty line also see sharp dips in their real incomes when prices rise. It takes time for people to bargain up their wages to compensate and some will need to look for new jobs. The period in between is often very tough, both for the poorest people and for those who live near the poverty line and spend a high proportion of their incomes on food.
While the poorest people are most at risk, the time to develop programmes or policies for them is not during a spike or other food crisis; they should already be benefiting from more routine social protection provision before times of crisis, including, as appropriate, through regular cash or food transfers. A time lag between when prices start to rise and when people get help with this can be enough for negative coping strategies to take place, some of which, such as withdrawal from school, early marriage, or asset sales, are irreversible. Furthermore, if people are going to be able to plan and feel secure, they need the assurance that action will be taken immediately and automatically to protect or assist their basic consumption.

Policies aimed at protecting against spikes must be broad-based given that most people are affected adversely – programmes that work for the poorest and enjoy political support are likely to be ones that also benefit the less poor; and that, unlike narrowly-targeted programmes, broad-based support can help protect or rebuild the informal social safety net and ‘crowd-in’ care.

Evidence from the research sites suggests that effective action against price hikes involves a mix of action to ensure local food availability at affordable prices, and sufficient cash/food to help bridge deficits in household budgets. The most effective programmes included subsidized food schemes and direct support through temporary food or cash transfers. Direct transfers can be stand-alone or added to existing schemes, such as school-feeding programmes, infant or maternity allowances, and pensions or allowances for older people. Some of the cash could be provided through public works schemes, including, for example, the Kazi kwa vijana programme in Kenya, or the 40-days employment scheme in Bangladesh. Food schemes and cash transfers can be more cost-effective if they are sensitive to the vital work of looking after families, particularly infants and older people, to avoid adding to the work burden. Support needs to be provided in ways that enable people to continue to make their own choices about how to manage their resources.

It should be emphasized that to reduce the insecurities and increase the protection of such interventions, people need to know how long and under what conditions such support will be available. This information is necessary to help plan transitions to different income and spending patterns.
7 IMPLICATIONS FOR POLICY AND PRACTICE

What have we learned about how people were living with FPV in 2012 that policy makers and practitioners need to know? Given that Squeezed presents Year 1 food security tracking and qualitative results only, the policy and practice relevant insights are so far limited, and will be built over four years and through more integrated qualitative-quantitative analyses at country level. From this synthesis of findings for 2012, five key observations are that:

- nominal wages have risen, albeit not by enough to compensate for increases in the cost of living;
- in response to price rises in the previous year, and despite remarkably resourceful coping mechanisms, the poorest are eating too little and missing vital nutrients, and their better-off counterparts are also eating poorly;
- women are undertaking more paid work; the pressure to earn is matched by a pressure to ‘stretch’ the household budget and grandparents and older daughters are helping more with unpaid care;
- the urgent need for cash is taking priority over collective social life and values; the high price of essentials is contributing to growing individualism and family nucleation;
- people expect governments to protect them against FPV, and while many understand that global markets influence local prices, they believe that speculation and regulatory failures push prices up.

The implications for policy and practice of these findings are organized in the next section into what needs immediate action, better monitoring, and to be understood better.

WHAT NEEDS IMMEDIATE ACTION

With the expectation of continued FPV in the coming years, policy makers need to implement systems aimed at protecting against price spikes and to index social protection to inflation. To ensure this protection, policy makers must:

First ensure that the poorest and most vulnerable people are already benefiting from long-term social protection, including regular social assistance schemes. A price spike is not the time to start developing support schemes for the poorest. In most countries, the most vulnerable will include people who earn little or whose earnings are not responsive to price changes. Orphans, women with infants, and older, disabled, chronically ill, and displaced people, should be prioritized at this time. In these circumstances, action should include unconditional cash or food transfer schemes, such as old-age or disability pensions, child or maternity benefits, school-feeding programmes, and other regular programmes of this kind.

Second, policies aimed at protecting against spikes in the form of temporary cash or food transfers, or subsidies (depending on local market and administrative conditions), should be designed where they are not already available. These policies need to be cast wide rather than be narrowly-targeted programmes. Given that people tend to have strong preferences about food quality linked to status and income levels, these can be self-targeting schemes and should take into account local preferences and quality issues. They should be regular and predictable, automatically triggered when
prices go above a set (regularly revised and broadcast) level, so that people can plan their response and not have to suddenly shift into crisis mode. Options include combinations of fair price shops through agents, direct open-market sales of subsidized food, and temporary cash transfers.

Third, social protection and assistance programmes should be indexed to inflation such that programmes adjust to real changes in needs. Workers in the informal sector and the self-employed typically lack formal-sector insurance, income protection, or health coverage, and their earnings do not rise in line with inflation. This means they are often hardest hit by inflation. Inflation-indexing social protection should highlight the hardship among people in more ‘flexible’ forms of employment in times of price volatility. In many countries, inflation-indexing will mean developing a cost of basic needs methodology that is properly sensitive to the consumption of low-income people rather than a basket based on average levels of consumptions, which will underestimate the proportion spent on food.

**Managing food price volatility**

With respect to managing FPV, global and national policy makers need to do more to assess and quantify the social costs of adjustments to FPV. To date, there has been a tendency to assume people would cope and that their supposed ‘resilience’ would prevent any lasting harms for development. As this report has illustrated, the cumulative effects of FPV are showing up in some social harms that will have lasting individual and cumulative developmental effects, even if they cannot (yet) be measured.

The social costs of adjusting to FPV should inform necessary effort by national policy makers to prevent or mitigate transmission of price spikes to local markets through appropriate management of food reserves (supporting scaled-up reserves to improve national and regional resilience); regulate – and be seen to regulate – anti-competitive activities in the grain trade; and allocate sufficient budgets and resources to implement or strengthen comprehensive universal social protection, including automatic policies and other social assistance mechanisms aimed at protecting against FPV.

Global and national food security policies need to take the challenge of the future of farming seriously; volatility and low returns, particularly to small-scale farmers, are putting capable young people off agriculture as a way of life. There is no evidence that high food prices are making farming an attractive lucrative lifestyle, at least not for smaller farmers. Where investment in agricultural training and technology has been showing returns, well-educated young people show some interest. Consequently, it is essential to kick-start investment in small farms and sustainable and resilient agriculture, which can both increase food production sustainably and provide the opportunity for people to lift themselves out of poverty. Allied to this, given the extreme sensitivity of production to unpredictable weather, is the need to deliver finance for adaptation and mitigation, especially by prioritizing adaptation measures for small producers to improve their preparedness and resilience to climate-induced shocks.

Finally, the management of FPV requires the food-security policy making process to be considerably more open and the engagement of the public in wide discussions about FPV, its causes, and its consequences. People have a human right to participate in the development of social protection policies, which is rarely respected. Research institutes, think tanks, and civil society institutions should take on the job of public engagement around food policy in an era of globalized food markets and international price volatility.
Recognizing, measuring, and supporting unpaid care work

A final issue that merits immediate action is the need for policy makers to recognise, measure, and support unpaid care work more effectively. Social protection programmes need to be designed to be care-sensitive, ensuring that women should not have to work even harder for subsidized food or cash transfers and considering where and how distribution is being done. Any schemes must be tested for their impacts on recognizing, reducing, or redistributing care, and whether they increase or decrease drudgery and unpaid effort by women.

Time-use modules need to be included in standard household surveys; these established tools can be used to assess how important unpaid activities are to households. As this research has shown, care becomes particularly important during periods of uncertainty around food prices, and a better understanding of how much additional work is being done could inform more gender-sensitive policies on food and social protection.

Finally, policy makers need to identify and support the needs of substitute carers; older people and older daughters are particularly likely to be shouldering the unpaid care burden as adult women take on more paid work. This is likely to result in the education of older girls suffering, and older people’s health could deteriorate from the drudgery of additional household work. There were several cases of low-cost child-care provision being established in these communities, most of them relatively new. Investing in child-care provision has a wide range of positive potential effects for early childhood development, gender equality, and employment for women, among others.

WHAT NEEDS BETTER MONITORING

The prices that people are actually paying need to be monitored better – food baskets and other basic living costs, rather than just staple prices, need to be observed. Policy makers can consider initiating comparatively simple food basket exercises, such as those used by the Jesuit Centre for Theological Reflection (JCTR) in Lusaka, Zambia, or those used in this report. With a robust methodology working with representative samples of high-risk groups around the country, these can be valuable and efficient ways of obtaining a realistic picture of how inflation is affecting people, based on what they are actually buying and paying. This can provide a useful corrective to often outdated or unrealistic ideas about what constitutes a reasonable basket of goods for poor people, and should supplement price trend data. Non government organizations are well-placed to undertake this kind of regular qualitative monitoring. For such a system to be credible, it should be linked up to official food-security monitoring activities.

Diversity on the plate also needs to be monitored. Being able to substitute foods when prices are high has been an important means of coping – a source of resilience (even if people do not necessarily like what they have to eat). Consequently, it is important to monitor whether prices of all types of food rise sharply at the same time, and whether people are buying more processed and branded foods given that they provide easy and cheap ways of storing or preparing appetizing food. These coping strategies have implications for health and for changes in what people are eating; there were several examples of local specialities, including items with high nutritional values, which were being driven out by mass-produced food products.

Real wages and earnings require improved monitoring; while wages and earnings do seem to be rising in many locations, there is a need to keep an eye on increased precariousness to evaluate whether people are earning more but by taking on greater
risk, or by accepting less stable incomes. Rising inequality must also be monitored, to ensure that the gap does not widen between the working, moderate, and ‘nearly’ poor, and those who are unable to earn, including, for example, those who are elderly, disabled, or experiencing certain life-cycle factors which may make working difficult, such as maternity and infancy. Women’s involvement in paid work requires observation, particularly the implications for unpaid care work. In a context of rapid food price inflation, national poverty lines may need to be updated more regularly, so that policy makers have a better understanding of what nominal wage increases actually mean.

WHAT NEEDS TO BE UNDERSTOOD BETTER OR ON A LARGER SCALE

For the next stages of *Life in a Time of Food Price Volatility*, the research needs to better understand:

- how, and to what extent global and national food price changes are transmitted through to local areas;
- how, and to what extent unpaid care provision is displaced by women entering the paid workforce; whether, and the extent to which FPV has influenced those decisions; and any changes in the care being provided by grandparents, older children, and adult men in households. In order to do this, there is a need to improve the collective understanding of what care work means and why it is important, and to refine and strengthen the approach by researchers with regard to collecting time-use data;
- what is happening to wages (particularly in the informal and agricultural sector), income, and consumption poverty.

Agricultural policy makers will need to improve their understanding of how FPV is affecting both the willingness and the ability of people to engage in farming. While agricultural wage labour rates have increased in most of the communities in the 10 countries under study, higher food prices have not necessarily meant the sector has become more attractive to potential small-scale farmers. Without relatively large land assets, capital, and capacities to store produce and hedge their cultivation decisions, contemporary farming in these 10 developing countries will remain very tough for low-income groups. Young and educated people seem unlikely to want to invest their training and careers in agriculture, except where investments have been made to upgrade it, modernise training and extension activities, and provide suitable support packages. Agricultural policy makers will want to understand better whether FPV is driving smaller farmers into ever more precarious subsistence conditions, leading to a more unequal sector.

Social protection policy makers and practitioners will need to revisit questions about the targeting of social assistance programmes. At a time when many moderately or ‘nearly poor’ people, who do not fall into or near official categories of the extreme poor, face the prospect of sharp declines in real incomes, it is a strategic error to design social assistance interventions that tightly target the poorest while providing no protection to the many people who cluster around the poverty line. In these circumstances, narrow targeting is administratively too difficult as well as often too unpopular to justify using it in response to events with wider impacts, such as price spikes. Excluding the moderate poor or those above the poverty line who are vulnerable to descent into impoverishment risks reversing the poverty reduction gains made in recent years. It may also expose public policies to the destabilizing effects of popular discontent and potential civil unrest, particularly given that food price spikes are unpopular with the moderate and
nearly poor, especially in urban areas. Both of these are sufficiently realistic concerns to prompt a rethinking of broad-versus-narrow targeting for social assistance programmes in a time of FPV.

Social protection policy makers and practitioners must also start to pay attention to how informal and formal social protection mechanisms interact in order to ensure that they are designed to be reinforcing and complementary, and that they take into account the effects of rising costs of living. Social protection schemes have a great deal of potential to reduce the drudgery associated with caring for infants, people with illnesses, and older people; this is particularly important at a time when producing, procuring, and preparing food has become much more difficult. And, while formal social protection provision can crowd-in community risk-pooling and co-operative activity, it often does the opposite. Simple design and evaluation principles should be able to incorporate such thinking.
This is a summary of the methodology of *Life in a Time of Food Price Volatility* as it has been developed to date. Some research components (e.g. component 3, the qualitative-quantitative integrated analyses using nationally representative data) are still being developed. A detailed account of the evolving methodological choices and premises is available in an accompanying paper (forthcoming). Annex 1 summarizes the research aims and overall approach, explaining some of the methodological choices.

The research aims to contribute to improving the food security prospects of poor and vulnerable people in developing countries who are exposed to FPV by improving knowledge of how people’s lives are affected by FPV. The key research question it will address is:

*How do high and unpredictable food prices affect overall well-being and development in poor or vulnerable communities?*

And more specifically:

*How does FPV affect the essential day-to-day work of keeping families fed and cared for?*

*How well do the support systems on which people routinely rely – whether formal or informal – help people cope with sharp changes in food prices?*

After four years of investigation the aim is to arrive at a clear and strong understanding of the mechanisms through which people’s well-being is affected by FPV. This strong understanding is intended to apply across clearly defined developing country contexts. To make this possible, the core of the research design is a relatively large and diverse data collection exercise, combining qualitative and quantitative, longitudinal, in-depth topical, and multi-site data collection activities. This plural approach to data collection is necessary given the need for a confident and robust explanation that is capable of applying to a range of contexts and variables, rather than merely describing the locations where the research has been undertaken.

**Annex box 1: Definitions and meanings**

**Food price volatility (FPV)** is a situation in which food prices have changed more and faster than usual, in unpredictable ways. For this study, FPV is not only defined by objective variance from price trends but also implies a perception that price changes are unusual, or that, at any given moment, food prices are, and/or are perceived to be:

- suddenly or unusually high, compared to a relevant comparable period in the past;
- suddenly or unusually low, compared to a relevant comparable period in the past;
- unpredictable because they are moving too erratically to track or assess.

**Well-being** is ‘a state of being with others, which arises when human needs are met, when one can act meaningfully to pursue one’s goals, and when one enjoys a satisfactory quality of life’. While well-being differs across contexts, this project follows the principles set out by the Well-being in Developing Countries (WeD) research, which incorporates economic security and material well-being, physical and mental health, education, relational aspects (including social and family relationships as well as those with power and authority), and values and subjective dimensions that determine how quality of life is perceived.

**Care or unpaid care work** refers to the housework and care of persons that occurs in homes and communities of all societies, on an unpaid basis. Unpaid care work is usually undertaken by women and girls, goes unmeasured in official statistics, is ignored by public policy, and contributes directly to food and nutrition security. Women’s ability to undertake paid work depends on their responsibilities for unpaid care. During economic and food crises, women often spend more time and effort on unpaid care work to cope.
By trying to understand 'impact', the aim is to provide a strong explanation of why and how FPV changes or contributes to changes in people’s well-being through a mechanism-based explanation of impact which draws on analytical sociology and middle-range theory to detail the ‘nuts and bolts’ of responses to food price changes. This provides a practical, rigorous approach to explaining the complex social matters. It means reaching below the global or macro movements of food prices to clarify in a careful, step-by-step way, how those movements change the micro conditions of people’s working, family, and social lives. People respond to changes, and so these responses in turn need to be understood, as do how these responses create further changes in the conditions of people’s work, family, and social lives. Finally, the sum of people’s actions and interactions in response to FPV need to be assessed for a meaningful understanding of the macro outcomes that FPV triggers or contributes towards. There are a number of conceptual and methodological challenges that need to be grappled with, and the choice of method and overall approach reflects attempts to do so. There are three main components to the approach.

**Component 1: National food security and FPV data collection**

For the qualitative findings from the 23 research locations to have relevance beyond the communities themselves, and in order to understand the wider context, the qualitative research is situated within the broader context of national food price volatilities and food security more generally. Consequently, data have been collated and synthesized pertaining to various elements of national food systems (see Annex 4).

A simple traffic-light classification provides an at-a-glance indication of how countries are faring. The schema (albeit not the classification) is adapted from FAO’s newly extended suite of indicators that were launched with *The State of Food Insecurity in the World 2012* report. This provides a broad food-systems approach that is important given that food security outcomes result from many complex interactions across and beyond the food system. Food security outcomes include availability of food for consumption, including amount, type, and quality; the ability to access the required type, quality, and quantity of food in terms of affordability, adequacy of allocation mechanisms, and meeting social and other preferences; and utilization, or the ability to benefit from consumed food, which is dependent on the nutritional content, the social value, and the safety of available and affordable food. These three elements are considered in terms of both determinants and outcomes (although not all here have an indicator on both sides).

The choice of indicators is primarily determined by the availability of relevant data comparable between countries. In each case data availability and frequency determine the extent to which meaningful insights and comparisons can be drawn. Given that stability over time is an important determinant of food security, measures of vulnerability to food insecurity are also included, as well as time-series data for food staples in domestic markets. The markets presented are those closest to the research communities that are included in the databases of either FAO’s Global Information and Early Warning System (GIEWS) or FEWS NET.

**Component 2: Community case studies**

This report summarizes the Year 1 findings from the 23 qualitative community case studies in the 10 countries under study. Detailed accounts of the methods used, including criteria and process for site and participant selection, research process, and tools and instruments, are provided in the country reports, and in the methodology paper (a forthcoming publication). In each country, one urban or peri-urban location was selected, as was at least one rural food-producing site. Eight sites have been part of ongoing crisis impact monitoring research since 2009, and in those, exposure to the global economy was also a selection factor. Research teams were encouraged to select sites in which they had prior research and/or programme experience in order to build on existing relationships. The sites contain a mix of well-off, low-income, and ex-
tremely poor people. Household case study respondents were mainly drawn from low- and very low-income households, and in all sites they encompass some of the very poorest, as well as people who are vulnerable for other reasons, including that they are elderly, disabled, orphaned, or woman-headed households.

Each community case study includes background and context data collection, where possible from documentary sources; ten or more household case studies in each site, which will be built up through interviews with different household members over the four years; FGDs with four or more occupation and/or relevant social groups in each community, including, for example, agricultural wage workers, petty or large traders, young people, and transport workers, to build a picture of economic change within the communities, how different occupation groups are experiencing FPV, and the different sources of support that are available; key informant interviews with local administrative officials, NGO staff, religious or community leaders, local business people, and politicians; and local price data collection by physically visiting markets.84

The community case studies were developed to fit the local contexts, capacities, and traditions of the researchers undertaking the research. While a set of guidelines was shared among all the teams, the researchers were encouraged to adapt them to their own situations and experiences as they saw fit. All, however, addressed the same research questions, and while the forms in which data were collected vary, a great deal of the data generated can be subjected to direct comparative analysis across the sites. A total of 407 household case studies and key informant interviews were undertaken, in addition to 99 FGDs and further local data collection activities. In 2012, some 1,500 people participated in the research.

The qualitative data are being transcribed or written up and translated in each country. This represents a major task, particularly given that the research was conducted in 15 languages across the 10 countries. Data management is being coordinated across the countries, with common metadata labels issued to all the teams and the lead country researchers responsible for ensuring data are transcribed, translated, and labelled correctly. For the synthesis, the translated qualitative data have been stored and coded in the data analysis software, NVivo 10, with which it will be possible to make comparative analyses over the four years and to classify respondents. Given the high costs of collecting, transcribing, translating, storing, and coding qualitative data, the emphasis has been on small amounts of high-quality data and on maximizing such alternative secondary sources that exist.

Component 3: Integrated qualitative-quantitative analysis

In order to further situate the qualitative research in each country, the specific context needs to be integrated and triangulated by analysing existing household income and expenditure and food security data from at least two points in time. The so-called ‘Q²’, or qualitative-quantitative analysis, allows the wealth of the qualitative data to be embedded within a complementary quantitative framework that is nationally representative and which can test the stress of the qualitative findings. The quantitative analysis provides a broad national picture of the impacts of volatility on food security over the research period, and provides a sense of the representativeness and scale of the qualitative research findings. This quantitative analysis relies on existing national survey data, such as Living Standard Measurement Surveys, among others, and is only possible in countries where suitable data are accessible for at least two points in time. While the exact nature of the Q² process varies between countries for the above reasons, the ambition in each case is that the process is an iterative one whereby the qualitative research informs lines of quantitative enquiry, whose findings in turn suggest issues to probe in future rounds of qualitative work. Whereas the qualitative fieldwork is being conducted annually throughout the project period, these complementary quantitative
analyses will be undertaken once, or at the most twice, throughout the project according to the frequency with which the national datasets on which they are reliant are published. To date, the first iteration of quantitative analysis has only been conducted in Viet Nam; Q2 is not covered in this Year 1 report. Annex figure 1 shows how the different research components are intended to feed into the analytical process.

Annex figure 1: The research components
ANNEX 2: SUPPLEMENTARY MARKET DATA

Annex figure 2: Food prices were less volatile in 2012 than in recent years

Staple FPVs 2006-2012, as measured by IFPRI’s Excessive Food Price Variability Early Warning System, which compares the daily log returns of closing futures prices for five food staples with their forecasted 95th percentile returns. This shows few periods of extreme positive returns (i.e. high volatility) in 2012 compared with previous years.

Annex figure 3: Maize and soybean prices reached record levels in July 2012, other staples also increased sharply in nominal terms.

Annex figure 4: Stock levels are expected to remain tight in 2012-2013, with the exception of rice.

World production and consumption volumes for major grains and soybeans, and stock levels for major exporters.

TOTAL GRAINS (excl. rice)

WHEAT

MAIZE

BARLEY

RICE

SOYBEANS

Annex figure 5: Agricultural commodity prices are expected to remain high over the next decade

Price trends and projections in nominal terms of agricultural commodities to 2021

## ANNEX 3: WAGES AND EARNINGS

Annex table 1: Whose wages and earnings have increased in the past year?

<table>
<thead>
<tr>
<th>Country</th>
<th>Sites</th>
<th>Formal sector</th>
<th>Informal sector and self-employed</th>
<th>Agriculture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>Kalyanpur, Dhaka</td>
<td>Helpers in garment factories: up from BDT 3,000 to BDT 5,000 per month ($)37.75 to $62.91</td>
<td>Casual labour and construction workers (m/f) from approx. BDT 200 ($)2.52 to BDT 300/250 ($)3.77/3.14; electricians from BDT 200 up to BDT 300-350 ($)3.77-4.40 daily rates; rickshaw pullers from approx. BDT 200 to BDT 250 ($)2.52 to $3.14</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Operators in garments factories: up from BDT 3,500 to BDT 7,000 to 8,000 ($)44 to $88.08-100.66; includes overtime</td>
<td>Domestic helpers’ earnings up from approx. BDT 2,000 to 3,000 per month ($)25.20 to $37.70 (multiple contracts)</td>
<td>Waste collectors earnings down</td>
</tr>
<tr>
<td></td>
<td>Dhamurhat, Naogaon</td>
<td></td>
<td>Daily wage labour rate increased from BDT 120-130 ($1.51-$1.63) in 2010 to BDT 150-200 ($1.89-$2.51) in 2011, rising to BDT 300 ($3.77) in the peak season of 2012</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Koyra, Khulna</td>
<td></td>
<td>Daily wage rate from BDT 100 ($1.26) to BDT 150-175 ($1.89-$2.20)</td>
<td>Rickshaw van and motorcycle drivers are</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Rates for 15 days’ stint on jungle boats from BDT 1,500 to BDT 2,000 ($18.90-$20.51) (2010-2012)</td>
<td></td>
</tr>
<tr>
<td>Country</td>
<td>Location</td>
<td>Changes in Wages and Earnings</td>
<td>Factors influencing changes</td>
<td></td>
</tr>
<tr>
<td>-------------</td>
<td>---------------------------</td>
<td>-------------------------------</td>
<td>-----------------------------</td>
<td></td>
</tr>
<tr>
<td>Bolivia</td>
<td>Kami, Quillacollo</td>
<td>Construction, factory and transport workers pay increased; disagreement over whether pensions increased; professionals stagnant</td>
<td>Traders are faring worse because of increased competition</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pirhuas, Cochabamba</td>
<td></td>
<td>Dairy farmers earning more</td>
<td></td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>Nessemtenga</td>
<td>Grain traders said to have increased earnings</td>
<td>Farmers who lack farm machinery have seen incomes drop because of drought</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Kaya</td>
<td>Civil service pay increased</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Pensions have not increased in line with inflation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethiopia</td>
<td>Kotfe Sub City, Addis Ababa</td>
<td>Government servants’ wages have not increased</td>
<td>Kulit sellers’ earnings have not increased Casual labour rates are around ETB 40-45 per day ($2.26-2.54)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Kebele, Adamitulu Woreda, Oromia Region</td>
<td>Civil service pay not increased</td>
<td>Wage labour rates increased to ETB 40 per day ($2.26)</td>
<td></td>
</tr>
<tr>
<td>Guatemala</td>
<td>Chugüexá Primero</td>
<td>Weavers’ pay down from GTQ 350 in 2011 to GTQ 250 in 2012 ($44.58 to $31.85)</td>
<td>Corn harvests down in the past few years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Urban Chichicastenango</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indonesia</td>
<td>Rural Banjar, South Kalimantan</td>
<td>Grocers’ income down because rubber tappers have lower real incomes</td>
<td>In 2011, monthly earnings from rubber tapping = IDR 2.25m ($232.68); by July 2012, two people were earning IDR 600,000 ($62.05)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rural Cianjur, West Java</td>
<td>Half-daily wage labour rates went up to IDR 25,000 (men, $2.66) and IDR 20,000 (women, $2.13) for morning-to-noon work, since the previous season when it was IDR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country</td>
<td>Area</td>
<td>Description</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------</td>
<td>-----------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indonesia</td>
<td>Urban Bekasi, West Java</td>
<td>Automotive industry contract worker basic monthly pay rose from IDR 1.4 million to IDR 1.8 million ($145 to $186) in 2012 with annual minimum wage rises set by district/provincial government. Grocers’ and food vendors’ earnings dropped in past year.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kenya</td>
<td>Lango Baya, Malindi</td>
<td>Charcoal producers. irrigation-fed maize and vegetable farmers earnings up (except for those affected by floods). Un-irrigated maize crops down.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kenya</td>
<td>Mukuru, Nairobi</td>
<td>Traders, Transport workers, Waste collectors, Sex workers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pakistan</td>
<td>Village in Dadu District, Sindh</td>
<td>Women health workers’ salaries increased two years ago to PKR 7,000 per month ($74.95). Daily wage labour rates increased from PKR 150 to 250 ($1.61-$2.68). Skilled workers e.g. masons can earn up to PKR 700 ($7.49) per day up from PKR 500-600 ($5.35-6.42) last year.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pakistan</td>
<td>Gulshan-e-Iqbal town, Karachi</td>
<td>Millworkers’ wages increased slightly to PKR 5,000-8,000 per month ($53.53-$85.65). Pharmacy workers (dispensers) earnings increased from PKR 2,500 to 6,000 ($26.77 to $64.24) per month. Daily wage labour rates increased by PKR100-150 ($1.07-$1.61) to PKR 400-500 ($4.28-$5.35) last year. Masons’ assistants get PKR 400 ($4.28) per day, up from PKR 250-300 last year ($2.68-$3.21).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Viet Nam</td>
<td>Giong Cat, An Giang</td>
<td>Agri wage labour rates up to VND 8,000-10,000 ($0.38 to $0.48). Rice farmers’ earnings down compared to previous year; some broke even, some made a loss.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Nghi Van, Nghe</td>
<td>Construction worker wages stagnant since</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country</td>
<td>Location</td>
<td>Information</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------</td>
<td>----------</td>
<td>-------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>An</td>
<td>last year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Phu Dien and Quynh Mai, Hanoi</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Zambia</strong></td>
<td>Chikwanda, Northern Province</td>
<td>Agricultural daily wage stagnant for three years at ZMW 5,000-15,000 ($0.93-$0.81); payment in food preferred</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Vegetable, bean and groundnut producers earned more last year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kabwata, Lusaka</td>
<td>Minimum wage legislation means low-paid workers (e.g. guards, domestic staff) earnings have increased</td>
<td>Business earnings up since 2011; women FGD estimated earnings up 30 per cent</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Source: Analysis of coded qualitative data sources.*

*Note: These data are a rapid sketch of how different social groups are perceived to be faring during FPV. The data are partly based on recall and reported changes are likely to reflect longer-term changes as well as changes in the past year.*
ANNEX 4: COUNTRY FACT SHEETS

Bangladesh

DETERMINANTS (INPUTS)

AVAILABILITY

<table>
<thead>
<tr>
<th>DETERMINANT</th>
<th>VALUE</th>
<th>YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Dietary Energy Supply Adequacy</td>
<td>107.0%</td>
<td>2010-12</td>
</tr>
<tr>
<td>Average Value of Food Production</td>
<td>$132 per capita (Int'l $)</td>
<td>2008-10</td>
</tr>
<tr>
<td>Agriculture expenditure</td>
<td>0.7% of GDP</td>
<td>2007</td>
</tr>
<tr>
<td></td>
<td>5.6% of total expenditure</td>
<td>2007</td>
</tr>
</tbody>
</table>

ECONOMIC ACCESS

<table>
<thead>
<tr>
<th>DETERMINANT</th>
<th>VALUE</th>
<th>YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty headcount ratio at $1.25 a day (PPP) (% of population)</td>
<td>43.3% of population</td>
<td>2010</td>
</tr>
<tr>
<td>Poverty headcount ratio at national poverty line (% of population)</td>
<td>31.5% of population</td>
<td>2010</td>
</tr>
<tr>
<td>GNI per capita, Atlas method</td>
<td>$780</td>
<td>2011</td>
</tr>
<tr>
<td>Human Development Index (HDI) value</td>
<td>0.50</td>
<td>2011</td>
</tr>
<tr>
<td>Social protection coverage for poorest quintile</td>
<td>19.2% of poorest quintile</td>
<td>2005</td>
</tr>
</tbody>
</table>

OUTCOMES

INADEQUATE ACCESS TO FOOD

<table>
<thead>
<tr>
<th>DETERMINANT</th>
<th>VALUE</th>
<th>YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prevalence of undernourishment</td>
<td>16.8%</td>
<td>2010-12</td>
</tr>
<tr>
<td>Share of food expenditure of the poor</td>
<td>65.3%</td>
<td>2005</td>
</tr>
<tr>
<td>Share of food expenditure in total income/expenditure</td>
<td>49.9% of total expenditure</td>
<td>2005</td>
</tr>
<tr>
<td>Depth of the food deficit</td>
<td>122 kcal/caput/day</td>
<td>2010-12</td>
</tr>
<tr>
<td>Global Food Security Index Ranking</td>
<td>33.90 Score (from 100)</td>
<td>2012</td>
</tr>
</tbody>
</table>

UTILIZATION

<table>
<thead>
<tr>
<th>DETERMINANT</th>
<th>VALUE</th>
<th>YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of children under 5 years of age who are stunted</td>
<td>43.2%</td>
<td>Children aged &lt;5 years stunted</td>
</tr>
<tr>
<td>Percentage of children under 5 years of age affected by wasting</td>
<td>17.5%</td>
<td>Children aged &lt;5 years wasted</td>
</tr>
<tr>
<td>Percentage of children under 5 years of age who are underweight</td>
<td>41.3%</td>
<td>Children aged &lt;5 years underweight</td>
</tr>
</tbody>
</table>

VULNERABILITY/STABILITY

<table>
<thead>
<tr>
<th>DETERMINANT</th>
<th>VALUE</th>
<th>YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic food price level index volatility (1)</td>
<td>18.4</td>
<td>2012</td>
</tr>
<tr>
<td>Own-price elasticity for food, beverages, &amp; tobacco (2)</td>
<td>-0.8%</td>
<td>2005</td>
</tr>
<tr>
<td>Cereal import dependency ratio</td>
<td>8.4%</td>
<td>2007-09</td>
</tr>
<tr>
<td>Inflation, average consumer prices: Estimated</td>
<td>8.5%</td>
<td>2012</td>
</tr>
<tr>
<td>Inflation, average consumer prices: Latest 12 month change</td>
<td>-6.0%</td>
<td>Year to (Oct. 12)</td>
</tr>
<tr>
<td>Inflation, food &amp; non-alcoholic beverages: Latest 12 month change</td>
<td>-5.6%</td>
<td>Year to (Aug. 12)</td>
</tr>
</tbody>
</table>

(1) Standard Deviation (SD) of the deviations from the trend over the previous five years
(2) Change in expenditure resulting from a 1 per cent increase in prices

Food prices: Dhaka

Source: FAO/GEF/MS
### Bolivia

#### DETERMINANTS (INPUTS)

<table>
<thead>
<tr>
<th><strong>AVAILABILITY</strong></th>
<th><strong>Year</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Dietary Energy Supply Adequacy</td>
<td>101.0%</td>
</tr>
<tr>
<td>Average Value of Food Production</td>
<td>$299 per capita (Int'l $)</td>
</tr>
<tr>
<td>Agriculture expenditure</td>
<td>0.3% of GDP</td>
</tr>
<tr>
<td></td>
<td>1.4% of total expenditure</td>
</tr>
</tbody>
</table>

#### ECONOMIC ACCESS

| **Year** |
| Poverty headcount ratio at $1.25 a day (PPP) (% of population) | 15.6% |
| Poverty headcount ratio at national poverty line (% of population) | 60.1% |
| GNI per capita, Atlas method | $2,020 | 2011 |
| Human Development Index (HDI) value | 0.66 | 2011 |
| Social protection coverage for poorest quintile | 9.8% | 2007 |

#### OUTCOMES

| **INADEQUATE ACCESS TO FOOD** | **Year** |
| Prevalence of undernourishment | 24.1% | 2010-12 |
| Share of food expenditure of the poor | 54.3% | 2003 |
| Share of food expenditure in total income/expenditure | 27.8% | 2005 |
| Depth of the food deficit | 161 kcal/caput/day | 2010-12 |
| Global Food Security Index Ranking | 44.40 Score (from 100) | 2012 |

| **UTILIZATION** | **Year** |
| Percentage of children under 5 years of age who are stunted | 27.2% Children aged <5 years stunted | 2008 |
| Percentage of children under 5 years of age affected by wasting | 1.4% Children aged <5 years wasted | 2008 |
| Percentage of children under 5 years of age who are underweight | 4.5% Children aged <5 years underweight | 2008 |

| **VULNERABILITY/STABILITY** | **Year** |
| Domestic food price level index volatility (1) | 70.2 | 2012 |
| Own-price elasticity for food, beverages, & tobacco (2) | -0.7% | 2005 |
| Cereal import dependency ratio | 24.2% | 2007-09 |
| Inflation, average consumer prices: Estimated | 4.8% | 2012 |
| Inflation, average consumer prices: Latest 12 month change | -6.1% | Year to (Aug. 12) |
| Inflation, food & non-alcoholic beverages: Latest 12 month change | -8.6% | Year to (Aug. 12) |


**Footnotes:**

1. Standard Deviation (SD) of the deviations from the trend over the previous five years
2. Change in expenditure resulting from a 1 per cent increase in prices

### Food prices: Cochabamba

![Graph showing food prices in Cochabamba from 2008 to 2013](source: FAO-OEWS)
### Burkina Faso

#### DETERMINANTS (INPUTS)

<table>
<thead>
<tr>
<th><strong>AVAILABILITY</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Dietary Energy Supply Adequacy</td>
<td>119.0%</td>
</tr>
<tr>
<td>Average Value of Food Production per capita (Int'l $)</td>
<td>$127</td>
</tr>
<tr>
<td>Agriculture expenditure of GDP</td>
<td>#N/A</td>
</tr>
<tr>
<td>Agriculture expenditure of total expenditure</td>
<td>#N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>ECONOMIC ACCESS</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty headcount ratio at $1.25 a day (PPP) (% of population)</td>
<td>44.6%</td>
</tr>
<tr>
<td>Poverty headcount ratio at national poverty line (% of population)</td>
<td>46.7%</td>
</tr>
<tr>
<td>GNI per capita, Atlas method</td>
<td>$570</td>
</tr>
<tr>
<td>Human Development Index (HDI) value</td>
<td>0.33</td>
</tr>
<tr>
<td>Social protection coverage for poorest quintile</td>
<td>#N/A</td>
</tr>
</tbody>
</table>

#### OUTCOMES

<table>
<thead>
<tr>
<th><strong>INADEQUATE ACCESS TO FOOD</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Prevalence of undernourishment</td>
<td>25.9%</td>
</tr>
<tr>
<td>Share of food expenditure of the poor</td>
<td>60.3%</td>
</tr>
<tr>
<td>Share of food expenditure in total income/expenditure</td>
<td>42.0%</td>
</tr>
<tr>
<td>Depth of the food deficit kcal/caput/day</td>
<td>185</td>
</tr>
<tr>
<td>Global Food Security Index Ranking</td>
<td>30.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>UTILIZATION</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of children under 5 years of age who are stunted</td>
<td>35.1%</td>
</tr>
<tr>
<td>Percentage of children under 5 years of age affected by wasting</td>
<td>11.3%</td>
</tr>
<tr>
<td>Percentage of children under 5 years of age who are underweight</td>
<td>26.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>VULNERABILITY/STABILITY</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic food price level index volatility (1)</td>
<td>59.0</td>
</tr>
<tr>
<td>Own-price elasticity for food, beverages, &amp; tobacco (2)</td>
<td>-0.8%</td>
</tr>
<tr>
<td>Cereal import dependency ratio</td>
<td>8.4%</td>
</tr>
<tr>
<td>Inflation, average consumer prices: Estimated</td>
<td>3.0%</td>
</tr>
<tr>
<td>Inflation, average consumer prices: Latest 12 month change Year to (Jan. 12)</td>
<td>1.6%</td>
</tr>
<tr>
<td>Inflation, food &amp; non-alcoholic beverages: Latest 12 month change Year to (Jan. 12)</td>
<td>-3.7%</td>
</tr>
</tbody>
</table>

(1) Standard Deviation (SD) of the deviations from the trend over the previous five years
(2) Change in expenditure resulting from a 1 per cent increase in prices

<table>
<thead>
<tr>
<th><strong>Food prices: Kongoussi</strong></th>
<th><strong>Food prices: Ouagadougou</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="#">Graph showing food prices: Kongoussi</a></td>
<td><a href="#">Graph showing food prices: Ouagadougou</a></td>
</tr>
</tbody>
</table>
Ethiopia

**DETERMINANTS (INPUTS)**

**AVAILABILITY**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Dietary Energy Supply Adequacy</td>
<td>98.0%</td>
<td>2010-12</td>
</tr>
<tr>
<td>Average Value of Food Production</td>
<td>$98 per capita (Int'l $)</td>
<td>2008-10</td>
</tr>
<tr>
<td>Agriculture expenditure</td>
<td>3.0% of GDP</td>
<td>2007</td>
</tr>
<tr>
<td>GNI per capita, Atlas method</td>
<td>$370</td>
<td>2011</td>
</tr>
<tr>
<td>Human Development Index (HDI) value</td>
<td>0.36</td>
<td>2011</td>
</tr>
<tr>
<td>Social protection coverage for poorest quintile</td>
<td>#N/A</td>
<td>#N/A</td>
</tr>
</tbody>
</table>

**ECONOMIC ACCESS**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty headcount ratio at $1.25 a day (PPP) (% of population)</td>
<td>39.0% of population</td>
<td>2005</td>
</tr>
<tr>
<td>Poverty headcount ratio at national poverty line (% of population)</td>
<td>38.9% of population</td>
<td>2005</td>
</tr>
<tr>
<td>GNI per capita, Atlas method</td>
<td>$370</td>
<td>2011</td>
</tr>
</tbody>
</table>

**OUTCOMES**

**INADEQUATE ACCESS TO FOOD**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prevalence of undernourishment</td>
<td>40.2%</td>
<td>2010-12</td>
</tr>
<tr>
<td>Share of food expenditure of the poor</td>
<td>56.9%</td>
<td>2004</td>
</tr>
<tr>
<td>Share of food expenditure in total income/expenditure</td>
<td>54.5% of total expenditure</td>
<td>2005</td>
</tr>
<tr>
<td>Depth of the food deficit</td>
<td>344 kca/caput/day</td>
<td>2010-12</td>
</tr>
<tr>
<td>Global Food Security Index Ranking</td>
<td>25.90 Score (from 100)</td>
<td>2012</td>
</tr>
</tbody>
</table>

**UTILIZATION**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of children under 5 years of age who are stunted</td>
<td>50.7% Children aged &lt;5 years stunted</td>
<td>2005</td>
</tr>
<tr>
<td>Percentage of children under 5 years of age affected by wasting</td>
<td>12.3% Children aged &lt;5 years wasted</td>
<td>2005</td>
</tr>
<tr>
<td>Percentage of children under 5 years of age who are underweight</td>
<td>34.6% Children aged &lt;5 years underweight</td>
<td>2005</td>
</tr>
</tbody>
</table>

**VULNERABILITY/STABILITY**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic food price level index volatility (1)</td>
<td>101.3</td>
<td>2012</td>
</tr>
<tr>
<td>Own-price elasticity for food, beverages, &amp; tobacco (2)</td>
<td>-0.8%</td>
<td>2005</td>
</tr>
<tr>
<td>Cereal import dependency ratio</td>
<td>10.1%</td>
<td>2007-09</td>
</tr>
<tr>
<td>Inflation, average consumer prices: Estimated</td>
<td>22.9%</td>
<td>2012</td>
</tr>
<tr>
<td>Inflation, average consumer prices: Latest 12 month change</td>
<td>0.4% Year to (Apr. 12)</td>
<td>2012</td>
</tr>
<tr>
<td>Inflation, food &amp; non-alcoholic beverages: Latest 12 month change</td>
<td>4.5% Year to (Apr. 12)</td>
<td>2012</td>
</tr>
</tbody>
</table>

(1) Standard Deviation (SD) of the deviations from the trend over the previous five years

(2) Change in expenditure resulting from a 1 per cent increase in prices

**Food prices: Addis Ababa**

<table>
<thead>
<tr>
<th>Food</th>
<th>Price (ETH)</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>White Maza (Retail)</td>
<td>100 kg</td>
<td>2012</td>
</tr>
<tr>
<td>White Sorghum (Retail)</td>
<td>100 kg</td>
<td>2012</td>
</tr>
<tr>
<td>Mixed Tuff (Retail)</td>
<td>100 kg</td>
<td>2012</td>
</tr>
<tr>
<td>White Nutri (Retail)</td>
<td>100 kg</td>
<td>2012</td>
</tr>
<tr>
<td>Mati (wholesale) 100 kg</td>
<td>2012</td>
<td></td>
</tr>
<tr>
<td>Red Sorghum (wholesale)</td>
<td>100 kg</td>
<td>2012</td>
</tr>
<tr>
<td>White UDEPEND (wholesale)</td>
<td>100 kg</td>
<td>2012</td>
</tr>
</tbody>
</table>

**Food prices: Sodo**

<table>
<thead>
<tr>
<th>Food</th>
<th>Price (ETH)</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>White Maza (Retail)</td>
<td>100 kg</td>
<td>2012</td>
</tr>
</tbody>
</table>

Source: FEWS NET / FAO GEWS

Source: FEWS NET
Guatemala

DETERMINANTS (INPUTS)

AVAILABILITY

Average Dietary Energy Supply Adequacy: 107.0% 2010-12
Average Value of Food Production: $262 per capita (Int'l $) 2008-10
Agriculture expenditure: 0.3% of GDP 2007

ECONOMIC ACCESS

Poverty headcount ratio at $1.25 a day (PPP) (% of population): 13.5% of population 2006
Poverty headcount ratio at national poverty line (% of population): 51.0% of population 2006
GNI per capita, Atlas method: $2,870 2011
Human Development Index (HDI) value: 0.57 2011
Social protection coverage for poorest quintile: 53.6% of poorest quintile 2006

OUTCOMES

INADEQUATE ACCESS TO FOOD

Prevalence of undernourishment: 30.4% 2010-12
Share of food expenditure of the poor: 52.6% 2006
Share of food expenditure in total income/expenditure: #DIV/0! of total expenditure 2005
Depth of the food deficit: 199 kcal/caput/day 2010-12
Global Food Security Index Ranking: 46.80 score (from 100) 2012

VULNERABILITY/STABILITY

Domestic food price level index volatility (1): 18.4 2012
Own-price elasticity for food, beverages, & tobacco (2): #N/A
Cereal import dependency ratio: 49.2% 2007-09
Inflation, average consumer prices: Estimated: 3.9% 2012
Inflation, average consumer prices: Latest 12 month change: -4.9% Year to (Aug. 12)
Inflation, food & non-alcoholic beverages: Latest 12 month change: -11.2% Year to (Aug. 12)

(1) Standard Deviation (SD) of the deviations from the trend over the previous five years
(2) Change in expenditure resulting from a 1 per cent increase in prices

Food prices: Guatemala City

Fuel prices: Guatemala City

Source: FEWS NET / FAO GEWS
Food prices: Huehuetenango
### Indonesia

#### DETERMINANTS (INPUTS)

**AVAILABILITY**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Dietary Energy Supply Adequacy</td>
<td>123.0%</td>
<td>2010-12</td>
</tr>
<tr>
<td>Average Value of Food Production (per capita (Int’l $))</td>
<td>$218</td>
<td>2008-10</td>
</tr>
<tr>
<td>Agriculture expenditure (of GDP)</td>
<td>0.5%</td>
<td>2007</td>
</tr>
<tr>
<td>Agriculture expenditure (of total expenditure)</td>
<td>3.0%</td>
<td>2007</td>
</tr>
</tbody>
</table>

**ECONOMIC ACCESS**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty headcount ratio at $1.25 a day (PPP) (% of population)</td>
<td>18.1%</td>
<td>2010</td>
</tr>
<tr>
<td>Poverty headcount ratio at national poverty line (% of population)</td>
<td>12.5%</td>
<td>2011</td>
</tr>
<tr>
<td>GNI per capita, Atlas method</td>
<td>$2,940</td>
<td>2011</td>
</tr>
<tr>
<td>Human Development Index (HDI) value</td>
<td>0.62</td>
<td>2011</td>
</tr>
<tr>
<td>Social protection coverage for poorest quintile</td>
<td>69.0%</td>
<td>2009</td>
</tr>
</tbody>
</table>

#### OUTCOMES

**INADEQUATE ACCESS TO FOOD**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prevalence of undernourishment</td>
<td>8.6%</td>
<td>2010-12</td>
</tr>
<tr>
<td>Share of food expenditure of the poor</td>
<td>21.7%</td>
<td>2008</td>
</tr>
<tr>
<td>Share of food expenditure in total income/expenditure</td>
<td>41.6%</td>
<td>2005</td>
</tr>
<tr>
<td>Depth of the food deficit</td>
<td>60 kcal/caput/day</td>
<td>2010-12</td>
</tr>
<tr>
<td>Global Food Security Index Ranking</td>
<td>45.80</td>
<td>2012</td>
</tr>
</tbody>
</table>

**UTILIZATION**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of children under 5 years of age who are stunted</td>
<td>35.6%</td>
<td>2010</td>
</tr>
<tr>
<td>Percentage of children under 5 years of age affected by wasting</td>
<td>14.8%</td>
<td>2007</td>
</tr>
<tr>
<td>Percentage of children under 5 years of age who are underweight</td>
<td>17.5%</td>
<td>2010</td>
</tr>
</tbody>
</table>

**VULNERABILITY/STABILITY**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic food price level index volatility (1)</td>
<td>29.3</td>
<td>2012</td>
</tr>
<tr>
<td>Own-price elasticity for food, beverages, &amp; tobacco (2)</td>
<td>-0.7%</td>
<td>2005</td>
</tr>
<tr>
<td>Cereal import dependency ratio</td>
<td>10.8%</td>
<td>2007-09</td>
</tr>
<tr>
<td>Inflation, average consumer prices: Estimated</td>
<td>4.4%</td>
<td>2012</td>
</tr>
<tr>
<td>Inflation, average consumer prices: Latest 12 month change</td>
<td>-0.2%</td>
<td>Year to (Aug. 12)</td>
</tr>
<tr>
<td>Inflation, food &amp; non-alcoholic beverages: Latest 12 month change</td>
<td>1.6%</td>
<td>Year to (Aug. 12)</td>
</tr>
</tbody>
</table>

(1) Standard Deviation (SD) of the deviations from the trend over the previous five years

(2) Change in expenditure resulting from a 1 per cent increase in prices

---

**Food prices: National Average**

![Graph showing food prices](source: FAO GIEWS)
Kenya

**DETERMINANTS (INPUTS)**

**AVAILABILITY**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Dietary Energy Supply Adequacy</td>
<td>97.0%</td>
<td>2010-12</td>
</tr>
<tr>
<td>Average Value of Food Production per capita (Int'l $)</td>
<td>$145</td>
<td>2008-10</td>
</tr>
<tr>
<td>Agriculture expenditure of GDP</td>
<td>0.8%</td>
<td>2007</td>
</tr>
<tr>
<td>Agriculture expenditure of total expenditure</td>
<td>3.4%</td>
<td>2007</td>
</tr>
</tbody>
</table>

**ECONOMIC ACCESS**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty headcount ratio at $1.25 a day (PPP) (% of population)</td>
<td>43.4% of population</td>
<td>2005</td>
</tr>
<tr>
<td>Poverty headcount ratio at national poverty line (% of population)</td>
<td>45.9% of population</td>
<td>2005</td>
</tr>
<tr>
<td>GNI per capita, Atlas method</td>
<td>$820</td>
<td>2011</td>
</tr>
<tr>
<td>Human Development Index (HDI) value</td>
<td>0.51</td>
<td>2011</td>
</tr>
<tr>
<td>Social protection coverage for poorest quintile</td>
<td>30.8% of poorest quintile</td>
<td>2005</td>
</tr>
</tbody>
</table>

**OUTCOMES**

**INADEQUATE ACCESS TO FOOD**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prevalence of undernourishment</td>
<td>30.4%</td>
<td>2010-12</td>
</tr>
<tr>
<td>Share of food expenditure of the poor</td>
<td>76.3%</td>
<td>2005</td>
</tr>
<tr>
<td>Share of food expenditure in total income/expenditure</td>
<td>35.0% of total expenditure</td>
<td>2005</td>
</tr>
<tr>
<td>Depth of the food deficit kcal/caput/day</td>
<td>201</td>
<td>2010-12</td>
</tr>
<tr>
<td>Global Food Security Index Ranking Score (from 100)</td>
<td>36.70</td>
<td>2012</td>
</tr>
</tbody>
</table>

**UTILIZATION**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of children under 5 years of age who are stunted</td>
<td>35.2%</td>
<td>2009</td>
</tr>
<tr>
<td>Percentage of children under 5 years of age affected by wasting</td>
<td>7.0%</td>
<td>2009</td>
</tr>
<tr>
<td>Percentage of children under 5 years of age who are underweight</td>
<td>16.4%</td>
<td>2009</td>
</tr>
</tbody>
</table>

**VULNERABILITY/STABILITY**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic food price level index volatility (1)</td>
<td>69.2</td>
<td>2012</td>
</tr>
<tr>
<td>Own-price elasticity for food, beverages, &amp; tobacco (2)</td>
<td>-0.8%</td>
<td>2005-2007</td>
</tr>
<tr>
<td>Cereal import dependency ratio</td>
<td>36.1%</td>
<td>2009</td>
</tr>
<tr>
<td>Inflation, average consumer prices: Estimated</td>
<td>10.0%</td>
<td>2012</td>
</tr>
<tr>
<td>Inflation, average consumer prices: Latest 12 month change Year to Year (Jul.) (Dec.)</td>
<td>-7.8%</td>
<td>2012 (Jul.)</td>
</tr>
<tr>
<td>Inflation, food &amp; non-alcoholic beverages: Latest 12 month change Year to Year</td>
<td>11.6%</td>
<td>2012 (Jul.)</td>
</tr>
</tbody>
</table>

(1) Standard Deviation (SD) of the deviations from the trend over the previous five years
(2) Change in expenditure resulting from a 1 per cent increase in prices

**Food prices: Nairobi**

**Food prices: Mombasa**

![Food prices: Nairobi](image1)

![Food prices: Mombasa](image2)
Pakistan

**DETERMINANTS (INPUTS)**

**AVAILABILITY**

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Dietary Energy Supply Adequacy</td>
<td>110.0%</td>
<td>2010-12</td>
</tr>
<tr>
<td>Average Value of Food Production</td>
<td>$191 per capita (Int'l $)</td>
<td>2008-10</td>
</tr>
<tr>
<td>Agriculture expenditure</td>
<td>0.8% of GDP</td>
<td>2007</td>
</tr>
<tr>
<td></td>
<td>4.1% of total expenditure</td>
<td>2007</td>
</tr>
</tbody>
</table>

**ECONOMIC ACCESS**

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty headcount ratio at $1.25 a day (PPP) (% of population)</td>
<td>21.0% of population</td>
<td>2008</td>
</tr>
<tr>
<td>Poverty headcount ratio at national poverty line (% of population)</td>
<td>22.3% of population</td>
<td>2006</td>
</tr>
<tr>
<td>GNI per capita, Atlas method</td>
<td>$1,120</td>
<td>2011</td>
</tr>
<tr>
<td>Human Development Index (HDI) value</td>
<td>0.50</td>
<td>2011</td>
</tr>
<tr>
<td>Social protection coverage for poorest quintile</td>
<td>5.9%</td>
<td>2008</td>
</tr>
</tbody>
</table>

**OUTCOMES**

**INADEQUATE ACCESS TO FOOD**

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prevalence of undernourishment</td>
<td>19.9%</td>
<td>2010-12</td>
</tr>
<tr>
<td>Share of food expenditure of the poor</td>
<td>75.2%</td>
<td>2005</td>
</tr>
<tr>
<td>Share of food expenditure in total income/expenditure</td>
<td>48.6%</td>
<td>2005</td>
</tr>
<tr>
<td>Depth of the food deficit</td>
<td>152 kcal/caput/day</td>
<td>2010-12</td>
</tr>
<tr>
<td>Global Food Security Index Ranking</td>
<td>37.60 Score (from 100)</td>
<td>2012</td>
</tr>
</tbody>
</table>

**VULNERABILITY/STABILITY**

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic food price level index volatility (1)</td>
<td>49.2%</td>
<td>2012</td>
</tr>
<tr>
<td>Own-price elasticity for food, beverages, &amp; tobacco (2)</td>
<td>-0.7%</td>
<td>2005</td>
</tr>
<tr>
<td>Cereal import dependency ratio</td>
<td>5.6%</td>
<td>2007-09</td>
</tr>
<tr>
<td>Inflation, average consumer prices: Estimated</td>
<td>11.0%</td>
<td>2012</td>
</tr>
<tr>
<td>Inflation, average consumer prices: Latest 12 month change</td>
<td>2.3%</td>
<td>Year to (Aug. 12)</td>
</tr>
<tr>
<td>Inflation, food &amp; non-alcoholic beverages: Latest 12 month change</td>
<td>-5.4%</td>
<td>Year to (Aug. 12)</td>
</tr>
</tbody>
</table>

(1) Standard Deviation (SD) of the deviations from the trend over the previous five years  
(2) Change in expenditure resulting from a 1 per cent increase in prices

**Food prices: Karachi**

**Fuel prices: Karachi**

![Food prices graph](image1)

![Fuel prices graph](image2)
### Viet Nam

#### DETERMINANTS (INPUTS)

<table>
<thead>
<tr>
<th><strong>Availability</strong></th>
<th><strong>Year</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Dietary Energy Supply Adequacy</td>
<td>123.0%</td>
</tr>
<tr>
<td>Average Value of Food Production per capita (Int'l $)</td>
<td>$273</td>
</tr>
<tr>
<td>Agriculture expenditure of GDP</td>
<td>#N/A</td>
</tr>
<tr>
<td>Social protection coverage for poorest quintile</td>
<td>45.6%</td>
</tr>
</tbody>
</table>

#### ECONOMIC ACCESS

| **Poverty headcount ratio at $1.25 a day (PPP) (% of population)** | **2008** |
| **Poverty headcount ratio at national poverty line (% of population)** | **2008** |
| **GNI per capita, Atlas method** | $1.270 | 2011 |
| **Human Development Index (HDI) value** | 0.59 | 2011 |

#### OUTCOMES

##### INADEQUATE ACCESS TO FOOD

| **Prevalence of undernourishment** | 9.0% | 2010-12 |
| **Share of food expenditure of the poor** | 65.4% | 2010 |
| **Share of food expenditure in total income/expenditure** | 31.3% | 2005 |
| **Depth of the food deficit kcal/caput/day** | 69 | 2010-12 |
| **Global Food Security Index Ranking** | 49.40 | 2012 |

##### UTILIZATION

| **Percentage of children under 5 years of age who are stunted** | 30.6% | 2008 |
| **Percentage of children under 5 years of age affected by wasting** | 9.7% | 2008 |
| **Percentage of children under 5 years of age who are underweight** | 20.2% | 2008 |

#### VULNERABILITY/STABILITY

| **Domestic food price level index volatility (1)** | 64.3 | 2012 |
| **Own-price elasticity for food, beverages, & tobacco (2)** | -0.7% | 2005 |
| **Cereal import dependency ratio** | 7.9% | 2007-09 |
| **Inflation, average consumer prices: Estimated** | 8.1% | 2012 |
| **Inflation, average consumer prices: Latest 12 month change Year to (Dec. 10)** | 4.4% | (Dec. 10) |
| **Inflation, food & non-alcoholic beverages: Latest 12 month change Year to (Dec. 10)** | 9.8% | (Dec. 10) |

(1) Standard Deviation (SD) of the deviations from the trend over the previous five years
(2) Change in expenditure resulting from a 1 per cent increase in prices

---

Food prices: Dong Thap
## Zambia

### Determinants (Inputs)

#### Availability

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Dietary Energy Supply Adequacy (%)</td>
<td>88.0%</td>
<td>2010-12</td>
</tr>
<tr>
<td>Average Value of Food Production (Int'l $ per capita)</td>
<td>$92</td>
<td>2008-10</td>
</tr>
<tr>
<td>Agriculture expenditure (%) of GDP</td>
<td>2.2%</td>
<td>2007</td>
</tr>
<tr>
<td>Agriculture expenditure (%) of total expenditure</td>
<td>8.3%</td>
<td>2007</td>
</tr>
</tbody>
</table>

#### Economic Access

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty headcount ratio at $1.25 a day (PPP) (% of population)</td>
<td>68.5%</td>
<td>2006</td>
</tr>
<tr>
<td>Poverty headcount ratio at national poverty line (% of population)</td>
<td>59.3%</td>
<td>2006</td>
</tr>
<tr>
<td>GNI per capita, Atlas method (Int'l $)</td>
<td>$1,160</td>
<td>2011</td>
</tr>
<tr>
<td>Social protection coverage for poorest quintile</td>
<td>#N/A</td>
<td>#N/A</td>
</tr>
</tbody>
</table>

#### Outcomes

#### Inadequate Access to Food

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prevalence of undernourishment</td>
<td>47.4%</td>
<td>2010-12</td>
</tr>
<tr>
<td>Share of food expenditure of the poor</td>
<td>76.9%</td>
<td>2002</td>
</tr>
<tr>
<td>Share of food expenditure in total income/expenditure</td>
<td>11.2%</td>
<td>2005</td>
</tr>
<tr>
<td>Depth of the food deficit (kcal/caput/day)</td>
<td>345</td>
<td>2010-12</td>
</tr>
<tr>
<td>Global Food Security Index Ranking</td>
<td>27.90</td>
<td>2012</td>
</tr>
</tbody>
</table>

#### Utilization

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of children under 5 years of age who are stunted</td>
<td>45.8%</td>
<td>2007</td>
</tr>
<tr>
<td>Percentage of children under 5 years of age affected by wasting</td>
<td>5.6%</td>
<td>2007</td>
</tr>
<tr>
<td>Percentage of children under 5 years of age who are underweight</td>
<td>14.9%</td>
<td>2007</td>
</tr>
</tbody>
</table>

#### Vulnerability/ Stability

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic food price level index volatility (1)</td>
<td>298.5</td>
<td>2012</td>
</tr>
<tr>
<td>Own-price elasticity for food, beverages, &amp; tobacco (2)</td>
<td>-0.8%</td>
<td>2005</td>
</tr>
<tr>
<td>Cereal import dependency ratio</td>
<td>4.9%</td>
<td>2007-09</td>
</tr>
<tr>
<td>Inflation, average consumer prices: Estimated</td>
<td>6.4%</td>
<td>2012</td>
</tr>
<tr>
<td>Inflation, average consumer prices: Latest 12 month change</td>
<td>-4.5%</td>
<td>Year to (Apr. 12)</td>
</tr>
<tr>
<td>Inflation, food &amp; non-alcoholic beverages: Latest 12 month change</td>
<td>-0.5%</td>
<td>Year to (Dec. 11)</td>
</tr>
</tbody>
</table>

(1) Standard Deviation (SD) of the deviations from the trend over the previous five years
(2) Change in expenditure resulting from a 1 per cent increase in prices

### Food Prices

**Food prices: Lusaka**

**Food prices: Kasama**

![Graph showing food prices in Lusaka](source)

![Graph showing food prices in Kasama](source)
Data Sources

DETERMINANTS (INPUTS)

AVAILABILITY

Average Dietary Energy Supply Adequacy

Average Value of Food Production

Agriculture expenditure

ECONOMIC ACCESS

Poverty headcount ratio at $1.25 a day (PPP) (% of population)

Poverty headcount ratio at national poverty line (% of population)

GNI per capita, Atlas method

Human Development Index (HDI) value

Social protection coverage for poorest quintile

OUTCOMES

INADEQUATE ACCESS TO FOOD

Prevalence of undernourishment

Share of food expenditure of the poor

Share of food expenditure in total income/expenditure

Depth of the food deficit

Global Food Security Index Ranking

UTILIZATION

Percentage of children under 5 years of age who are stunted

Percentage of children under 5 years of age affected by wasting

Percentage of children under 5 years of age who are underweight

VULNERABILITY/STABILITY

Domestic food price level index volatility (1)

Own-price elasticity for food, beverages, & tobacco (2)

Cereal import dependency ratio

Inflation, average consumer prices: Estimated
IMF: http://go.o.eauvd (accessed: 5 November 2012)

Inflation, average consumer prices: Latest 12 month change

Inflation, food & non-alcoholic beverages: Latest 12 month change
NOTES

1 Young people were a special focus in this round of research.

2 Within that context, such programmes as school feeding, maternity allowances, and old-age pensions are vital buffers for the most vulnerable groups.


4 The figure of 44 million is from Ivanic, Martin, and Zaman (2011). The share of food in consumption estimates are from FAO, 'Food Security Indicators', November 2012 version. The link between food riots and food prices were summarised in von Braun (2008). See also Patel and McMichael (2009); Brinkman and Hendrix (2011); and Berazneva and Lee (2011). Despite the flurry of research on the issue, it is surprisingly difficult to get a consistent picture of how poverty and food security have been affected by food price changes since 2007.

This is partly to do with the challenge of specifying the phenomenon; Naylor and Falcon (2010); Von Braun and Gebreyohanes (2012). Not all scholars agree that recent price volatilities have been particularly great, particularly in comparison with the 1970s (see Gilbert and Morgan, 2010). For some assessments of impacts see Ivanic, Martin, and Zaman (2011); Headey (2013); Horn (2011); Hossain et al. (2009); and Hossain and Green (2011). For a review of the evidence since 2008, see Compton, Wiggins, and Keats (2010) and von Braun and Tadesse (2012).


6 See Jessica, Harper, and Jones (2010); Elson (2010); and Heltberg et al. (2012).

7 Income classifications follow those employed by the World Bank; undernourishment prevalence thresholds are subjectively set at 25 per cent of the population (above which undernourishment is adjudged to be severe), and 5 per cent (above which undernourishment is labelled moderate). Data sources: the World Bank, 'GNI Per Capita, Atlas Method (Current US$)', http://data.worldbank.org/indicator/NY.GNP.PCAP.CD (last accessed 18 March 2013); and FAO, 'Food Security Indicators', http://www.fao.org/economic/ess/ess-fs/ess-fadata/en (last accessed 18 March 2013).

8 Badan Pusat Statistik (BPS), http://www.bps.go.id/ (last accessed March 2013).

9 FAO, 'Food Security Indicators', op. cit.

10 See FAO, IFAD, IMF, OECD, UNCTAD, WFP, the World Bank, WTO, IFPRI, and UN HLTF (2011).

11 The World Bank's monthly food price index is a weighted composite measure of the export prices of various food commodities.


13 See National Climatic Data Center (2013).


16 See FAO, IFAD, IMF, OECD, UNCTAD, WFP, the World Bank, WTO, IFPRI, and UN HLTF (2011).


18 Spratt (2013).


20 Committee on World Food Security (2012).


23 Greb et al. (2012).

24 In the third quarter of 2012, the following countries witnessed serious impacts of price changes on the cost of the basic food baskets: Ghana, Guinea Bissau, and Malawi; and high impacts were observed in Armenia, Kyrgyzstan, Niger, Syrian Arab Republic, and Tanzania. In the fourth quarter, the serious and high impacts were, respectively: South Sudan, and Syrian Arab Republic; and Democratic Republic of Congo, Honduras, Kyrgyzstan, Sudan, and Zimbabwe. See WFP, ‘The Market Monitor’, various issues (October 2012, http://documents.wfp.org/stellent/groups/public/documents/ena/wfp252036.pdf; and January 2013, http://documents.wfp.org/stellent/groups/public/documents/ena/wfp255023.pdf).


34 Ibid. Teff, which is similar to millet and quinoa, is a cereal that is cultivated almost exclusively in Ethiopia and Eritrea.


Respondents
data have been coded and analysed on views related to the rises in non-food costs of living, and will be used in the final report of this research.

Respondents perceived these changes as positive or negative depending on whether they were mainly producers or consumers.


FAO price data for wholesale markets in Addis Ababa confirm that there were times during 2012 when prices increased by as much as or even more than reported here by the grain dealer. As late as November 2012, cereal prices were well above their five-year averages, even though the annualised food price inflation rate continued to decline through much of 2012. The fact that over the past year food prices in Ethiopia rose out of line with other countries, including those in Africa, is acknowledged by several sources. See, for example, WFP (2012) 'Ethiopia Food Security Outlook Update', op. cit. However, there is no consensus regarding the cause: rapid economic growth and the substitution of cash transfers for food-based programmes have been suggested as possible factors. One factor that seems to have directly affected prices in the second half of 2012 is the removal by the Government of price caps on basics in June 2012, which had been in place since January 2012.


Seasonality needs to be factored into this calculation, given that the food baskets in 2011 and 2012 were not conducted in the same season. However, both sets of prices for 2012 are expected to be higher than in 2011 regardless of inflation, owing to the rainy season and proximity to Ramadan.
Comparatively high cash incomes of export sector workers mean they do not rank among the poorest in most of these countries. These groups are in the sample because they were initially included in 2009, when, in the precursor to the Life project, researchers were studying the social impacts of the global financial crisis. They have been retained given that a. their livelihoods are precarious, and their comparatively high cash incomes are not necessarily sustainable; and b. they are highly exposed to shifts in the global economy. These are growth sectors in many countries, employing growing numbers of poor young people; many young people also aspire to such jobs, as this round of research shows. Consequently, it made sense to include experiences from people in these sectors to gain a more rounded perspective of the experience of FPV that was relevant to people on low and precarious incomes.


A forthcoming IDS working paper and policy briefing is set to cover issues of the impacts of FPV on women’s paid work and unpaid care, drawing on the evidence gathered this year.

Royco’s Mchuzi mix, which is a popular brand owned by Unilever, is an additive that flavours and thickens stews or sauces.

A close analysis of the official poverty line in Zambia, which used actual food expenditure data from the Jesuit Centre for Theological Reflection (JCTR), found that costs had been significantly underestimated, particularly for urban households. Consequently, the urban poverty line should more accurately be almost four times the level at which it has been set, namely, at $2.22 rather than $0.73. See Chibuye (2011).


In Viet Nam this separation is sometimes performed in order to qualify for social assistance and discounts on utility bills.

A review of the literature on cooperative labour in 1973 noted that the idea that the evidence that such arrangements had declined was sometimes dubious, but that there was nevertheless some evidence of decline. Four main explanations, all relevant to understanding how FPV might affect agricultural social relations, were given: (i) increased man-land ratios with no change in the relative size distribution of farms; (ii) the emergence of an agricultural proletariat; (iii) greater availability of cash; (iv) the introduction of permanent full-time non-farm employment. Moore (1975), p.283. As late as 1994, debo and the related (more strictly reciprocal) system of wonfel labour comprised some 16 per cent of labour days provided in a sample of Ethiopian villages; this contrasted with only 6 per cent of labour days for which cash or in-kind payment was provided. See Krishnan and Sciubba (2009). For definitions and a brief report of the decline in debo from 1996, see Ruben and Heras (2012); and Bevan and Parkhurst (1996). On the system of ayni or exchange of gifts or labour in Bolivia, see Calestani (2009).

On the garments workers of Bangladesh, see Hossain (2012).

Unga is maize flour or a type of meal. More information on the Unga Revolution is available at http://ungarevolution.org/ (last accessed 17 March 2013).

Arisan is a type of Rotating Savings and Credit Association (ROSCA) in Indonesia.

In a related research project funded by DFID-ESRC on Food Riots and Rights to Food, some of the researchers involved in Life in a Time of FPV will be investigating the contentious politics of food price volatility over the period 2007-2012, including in two of the current study countries. Food Riots and Rights to Food is set to be completed in 2014, and, subsequently, will help to inform the popular political culture aspects of the Life in a Time analysis.

Within the context of increased taxation in Kenya, many people were critical of the wage increases for Members of Parliament and of the higher taxes that were introduced in order to abolish fees in primary schools, which they claimed had increased inflation.

See, for example, Lund (2002) for a description of efforts by the Government of South Africa aimed at supporting old age pension care and at improving security.
While this field has grown very fast in recent years, the main insights have come from the following: Demeulenaere (2011); Gross (2009); Hedström and Bearman (2009); Hedström and Ylikoski (2010); and Machamer, Darden, and Craver (2000). Additionally, White and Phillips (2012) provide an invaluable explanation of how mechanism-based explanations can contribute to better impact evaluation in development.

One of the many challenges to this research is that, given the many possible causal factors affecting a multidimensional state like well-being, it is difficult to assign attribution correctly (impacts on income, by contrast, are easier to isolate and test with rigour). There is a high risk of researcher bias whereby studying the effects of FPV can make one infer high or volatile food prices to explain all aspects of change in well-being; see White and Phillips (2012). There is a risk that the analysis will give too much weight to popular complaints about high prices to explain changes in the conditions of their lives that people do not like. Moreover, it is also possible that the indirect or second-order of feedback loop effects of FPV on people’s lives are not captured, so that important influences on long-term well-being fail to be accounted for, including, for instance, shortfalls in public spending to accommodate more costly food subsidies, clampdowns on popular movements, or civic freedoms stemming from fears of food riots.

An additional complication is that FPV in 2012 is an ongoing condition, rather than a ‘shock’ whose effects can be clearly separated with a before-and-after analysis. This means that when research began in 2012, people had already been living with FPV for several years. Their national governments and economies had already adapted in some way. Jobs and wages in the local economy are not at the levels they would have been in the absence of the price spikes of 2008, 2011, and 2012. People are used to thinking about the issue, and behave and believe differently compared to a behavior if global food prices had remained as low and steady as in the preceding two decades. In other words, rather than being a pristine, pre-impact experimental baseline environment, this is a situation of messy real lives complicated by, among many other things, sudden and unexpected food price changes. Against such a backdrop it makes no sense to try to hold other things constant or to assume away complications. Instead, it is important to look at how those complications and multiple other factors may materially interact with the variables of interest – food prices and well-being – given that this is how things work in reality. Gross (2009).


Ericksen et al. (2010).

In the future, text-messaging will be used to collect regular local price data.


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