

THE POLITICAL ECONOMY OF FOOD AND NUTRITION POLICIES

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Few nutritionists and economists fully appreciate how the political environment shapes policy and subsequently affects the relevance of their policy recommendations. The design and implementation of programs and policies to improve food security and nutrition are often based not on an understanding or prediction of the behavior of public-sector agencies but on the assumption that the public sector is a monolithic entity that will adopt and implement nutrition-related policies either because they are cost-effective or out of a genuine concern for human welfare that overrides other policy goals. When governments fail to follow the recommendations of nutritionists and economists and are unable to design and implement cost-effective nutrition programs and policies, it is often attributed to "politics" or to lack of "political will" on the part of decisionmakers.

Policy advisors and policymakers frequently ignore results from policy-related economic analyses because these analyses fail to take into account the political and economic environment within which decisions are made. Analysts often ignore political trade-offs, conflicting goals among public-sector agencies, rent-seeking by public- and private-sector agents, opportunities for coalition building, and related political economy issues. Past nutrition planning efforts frequently failed to understand the goals and behavior of the various agents and institutions inside and outside the government that, in the final analysis, determine whether

the planning effort is successful. Instead it was generally recommended that nutrition planning should be institutionalized within the government so that a single agency would have power to dictate and prescribe action to sectoral ministries and other agencies. Thus, knowledge of goals and behavior of the various agencies was not considered essential.

It is now widely recognized among nutritionists, economists, and policymakers that past efforts to design, institutionalize, and implement multi-sectoral nutrition planning have failed, partly because of failure to explicitly consider political economy issues. Yet even today very little research is being done on how efforts to improve nutritional status may be compatible with other goals and interests in the public and private sectors.

In *The Political Economy of Food and Nutrition Policies*, Per Pinstrup-Andersen brings together a group of distinguished authorities to improve the understanding of how nutrition policies are formulated within larger political and economic contexts and how public-sector agencies behave with regard to food and nutrition.

KEY ACTORS AND THEIR GOALS AND RATIONALES

The key actors in the nutrition policy process within a country are households or household groups, public-

sector agencies and politicians and bureaucrats in these agencies, and private-sector agents. Several actors outside the country, aid agencies for example, may also influence nutrition policies. Following neoclassical political economy theory, those actors who perceive that they can influence policy decisions to enhance their gains or reduce their losses will do so unless the expected costs of such action exceed expected gains. Some actors may be able to exert stronger influence on the policymaking process at certain times, and some may be more susceptible to political pressure than others, but all of them may affect the policymaking process. Analysts must understand how each actor fits into the institutional, social, and political structure in order to come up with and promote workable, effective recommendations.

Governments and public-sector agents often promote and facilitate efforts to improve nutrition for ideological reasons (most governments attempt to pursue welfare-maximizing policies, though they use varying methods), for humanitarian reasons (the specter of massive poverty may provoke the better-off to act), or for economic reasons (governments recognize that improved nutrition has economic benefits such as improved productivity). But governments do not implement nutrition policies solely for ideological, humanitarian, or economic reasons. Even when these rationales provide the initial impetus for policy formation, bureaucrats and politicians

consider the political and financial implications of their actions, and they work to change the proposal as it moves through the policymaking process.

Bureaucrats and politicians are likely to have their own goals and objectives that may or may not be compatible with improved food security and nutrition. Conflicting self-interests and trade-offs among them play an important role in the formulation of nutrition-related policies and programs. Yet many analysts assume, explicitly or implicitly, that the state bureaucracy is a neutral implementing agency.

Rent-seeking behavior on the part of various individuals and groups can alter the shape of the proposed policy as it moves toward implementation. Besides politicians and bureaucrats, many private-sector interest groups also seek rents or directly unproductive profit from government action related to nutrition. Market distortions and direct transfer schemes generate opportunities for such directly unproductive profit. Private- and public-sector agents and groups not targeted for transfers will attempt to capture benefits from transfer programs either directly, by diverting transfers to themselves, or indirectly, by means of exclusive rights to production and distribution of transfer goods, for example. Policy analysts must recognize the importance of such political behavior to their own success in proposing realistic recommendations and in placing nutrition policy on the decisionmaker's agenda. Other groups and individuals are pressing hard to make their concerns a policy priority. Financial and professional gains, as proposed by these interests, may sway the "neutral" government policymaker to favor their position.

NUTRITION POLICY AND THE POLITICAL AGENDA

For analysts to successfully place nutritional concerns on the policymaker's agenda and design a strategy that will strengthen government support for nutrition efforts, it is essential that they

- provide accurate, relevant, and comprehensive information;

- present clearly the issues and recommendations that take into account the political environment; and
- identify opportunities for coalitions and ways to mobilize external political support.

Information on the extent of the nutrition problem, the causes of the problem, the costs and benefits of possible treatments and policies, and the means of financing the "solutions" appeals to policymakers by allowing a grasp of the severity of the problem and the implications of alternative action or inaction. Presenting the issues so that the policymakers understand the potential institutional or personal benefits of taking action can make it easier for them to act. In order to acquire political support or defuse political opposition, policy recommendations must take into account the outward appearance of policies. For example, political support for in-kind transfers such as food stamps is likely to be broader than for pure cash transfers to households. Aside from gaining support for action on nutrition policy, additional political pressure may be needed in order to place nutrition policy on the decisionmaker's political agenda. Coalitions can be formed to press for action and make clear the political or social consequences of inaction by decisionmakers. For example, possible partners in a coalition to press for increased government action on nutrition for the poor include industry leaders, the middle-income classes, and religious and private voluntary organizations as well as the poor themselves.

To have a useful impact on policy, analysts must better understand the politics of the policymaking process. They must realize that policymakers have to take into account not only economic but also political and institutional considerations when designing and implementing policies and programs. The interaction between the two sets of considerations, the political economy issues, is of particular importance for sound and sustainable policies. Recommendations that do not take the political environment into account will almost certainly fail and are in a very real sense "bad" policy, not because they have failed in a narrow technical or analytical sense, but because they are not realistic.

In order to ensure that nutrition is explicitly considered in the choice, design, and implementation of broader policies and programs and to support community-level efforts, institutional strengthening is required at the national level. The capacity to solve nutrition problems at the household and community levels should also be strengthened, viable local coalitions identified, and efforts to generate relevant information promoted. More and better information is needed to guide government action related to nutrition. In particular, more information is needed about how the costs and benefits of alternative policies and programs affect not only the malnourished but also the other groups that may support or oppose specific policies. Ignoring conflicts and potential compatibility among interest groups or other related political economy aspects of nutrition-related policies and programs in policy analysis and advice may result in erroneous recommendations and policies to the detriment of the malnourished.

One of the principal difficulties of integrating political and economic analysis into policy research is that neither the neoclassical political economy theory nor existing models of public-sector behavior in general and public- and private-sector rent-seeking behavior in particular are yet developed enough to be quantified and effectively integrated with quantitative economic models. Recent efforts to endogenize certain political economy factors in economic models have promise, although unacceptably strong assumptions are often needed to avoid excessive model complexity. This book was conceived on the notion that an enhanced qualitative understanding of the political economy issues and relationships would assist in further improving the political economy approach to policy analysis, advice, design, and implementation.

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