The Anthropological Controversies of Food Aid

Bless or Curse for the Locals in Mindanao, Philippines

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食料援助における論議
善か悪 - フィリピン・ミンダナオ島のケーススタディ

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“When there is food on the table, there are many problems. But when there is no food on the table, there is only one problem.”

*Chinese proverb

ABSTRACT

Access to adequate food is a basic human right. The moral obligation to help people who are unable to feed themselves is unquestionable; in fact, food aid is one of the oldest forms of foreign assistance. Food aid is undeniably saving millions of lives and yet it is surrounded with many issues and became a matter of debate among development economists, political scientists and civil organizations. Shipping as much food as we can for hungry people might seem to be the logical answer in a humanitarian crisis. However, many evidence proved that improper targeting and implementation of food aid can have counterproductive side effects, those in fact escalate famine and deepen poverty. Food aid, as other aid types is heavily influenced by the interest of the donor country. It is not purely assistance for the developing countries, but also a powerful instrument of the domestic agricultural policy, the foreign and trade policy of the donor. The profit-oriented private sector is also deeply interested in the food aid flow, further influencing the decision makers. In the last fifty years, there has been much progress in food aid programs. Multilateral organizations and some bilateral donors are generally moving forward a more recipient friendly food aid system. Nevertheless, there is still much improvement needed in the current scheme.

In 1996 the World Food Program (hereafter WFP) closed its country office in Manila, but returned to the Philippines on the request of the Philippine government in 2006, to provide assistance in Mindanao. Previously, the WFP decided to cease its operations in the Philippines, because it became a middle income country and has only a moderate level of undernourishment. Nevertheless, in Mindanao, especially in the Muslim populated and conflict affected areas, the

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poverty, health and nutrition indicators are far below the national average. Without doubt, Mindanao needs assistance. However, it is debatable if food aid is the most effective tool to lower poverty and enhance the nutritional status of its people and it is even more doubtful that it could help the peace process in the region. Moreover, the Food Sovereignty Watch (FSW), a coalition of non-government and people's organizations, raised concerns on the pending aid, claiming that the food distribution would have a negative impact on the local agriculture and lead to an increased poverty. Furthermore, the FSW also expressed apprehensiveness towards the food aid program, arguing that it would not be appropriate for the local community as it could increase corruption and dole out mentality.
I. FOOD SECURITY AND FOOD AID

Food aid is only one component in the food security issues of the Word; nevertheless it is strongly interconnected with the other influencing factors. In the literature of development studies, economists frequently refer to the phenomenon of agricultural taxation and subsidization as the developmental paradox. Low-income nations tend to subsidize their agricultural sector, while developing countries with large agricultural sector rather tax it. The extensive subsidization creates surplus in agricultural commodities that are repeatedly dumped as food aid on the market of developing countries. Therefore many economists blame food aid for the slow or non-existent progress in poverty reduction and food security in developing countries.¹

Food aid has a potential to contribute to food security in a short term. However, developed countries need to reform their agricultural trade policies and reduce their domestic agricultural support to achieve long-term food security in the developing world. Industrialized countries distort the global agricultural trade, by artificially lowering the price of the agricultural commodities through the heavy subsidization of their agricultural sector. The accumulated agricultural surplus is frequently dumped on developing countries in the form of food aid that distorts the local market.²

DONORS AND INTERESTS

In case there is shortfall in food supply, which the local market cannot correct if poor people just provided cash, food aid can contribute directly to the food security of the region. Nevertheless, food aid, as other aid types is heavily influenced by the interest of the donor country. It is not purely assistance for the developing countries, but also an instrument of the domestic agricultural policy, the foreign and trade policy of the donor country. The profit oriented agribusiness and maritime sector are also deeply interested in the food aid flow, further influencing the decision makers.

The patterns of hunger and the main food aid recipients changed sharply over time, while the major donor countries have not changed. The principal source of food aid and the most influential actor on the food aid flow is the United States. Most US food aid is provided under the Agricultural Trade Development and Assistance Act, commonly known as the Public Law 480 (PL 480), which came into effect in 1954. The rhetoric of some US senators pointed out clearly, how PL 480 was intended to use.

In 1957 Senator Hubert H. Humphrey (1911-1978) emphasized the usefulness of food insecurity of other nations for the US:

I have heard here this morning that people may become dependent upon us for food.. I know that was not supposed to be good news. To me that is good news, because before

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people will do anything, they have got to eat. And if you are really looking for a way for people to lean on you and to be dependent upon you, in terms of their cooperation with you, it seems to me that food dependence would be terrific.  

The benefits of the market alteration in developing countries were emphasized by Senator Edward Thye (1896-1969) in the same year:

If they ever develop the taste for powered milk or for butter...or if they develop a strong habit for wheat, where they are rice consuming, then we will always have a market there...We put these foods at their disposal for a period of six months or a year, after which they are always going to be looking for that type of a product.

In the last decades, the rhetoric of US changed significantly, emphasizing the purely humanitarian motives in their food aid shipments. However, in practice the change is not that obvious. The food aid policy of the US is still widely criticized for trying to serve trade promotion, foreign policy and surplus disposal purposes and continuing to provide food with conditionality to achieve these objectives. Moreover, the form of the delivery is almost entirely direct transfer, instead of the more development friendly local or triangular purchase. In 2007 the US accounted for 44% of the global food aid shipments whereas the direct transfers accounted for 99.3% of the total US food aid deliveries. Nevertheless there was also positive change in the US food aid policy. In the last decades there has been a rapid decrease in government-to-government program food aid, which is frequently condemned as the most market distorting practice. In 2007 more than 60% of all US food aid was used in emergency cases, while only 5% was allocated for program food aid and 34% for project food aid.

In recent years however, there has been much progress in food aid programs outside the United States. Bilateral donors other than the US along with the WFP are moving toward a more recipient friendly food aid system. European countries are accountable for more than the quarter of the global food aid. In terms of food aid implementation, the donor countries from Europe seem to be more recipient friendly. The delivery mode is almost entirely local or triangular purchase, which serves the interest of the developing countries better than direct transfer. In case of local purchase, the procurement helps not only the local farmers, but the provided food aid will be also culturally appropriate and suitable for the local eating habits.

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4 Ibid. pp. 87-88.
8 The European Commission, France, Ireland, Italy, Luxembourg, Norway, Spain, Switzerland, the United Kingdom, Germany, the Netherlands, Sweden and Denmark, together accounted for 26% of the food aid deliveries in 2007.
Triangular purchasing is the best when there is no or not enough food available locally. Triangular procurement can be very cost and time effective and in case of purchasing the food in another developing country, it can boost their local market as well. In terms of agricultural subsidization and trade barriers however, the European countries are not better than the US; the protectionist agricultural policy in Europe is hindering the agricultural and economic development of the low-income countries.

The share of multilateral food aid increased rapidly in the last decades. The leading multilateral food aid agency is the WFP accounting for half of the worldwide food aid flow. In 2003 the global food aid deliveries already exceeded 10 million tons, however in the last years this amount dropped significantly. In 2007 the amount of global food aid was slightly less than 6 million tons (5.9 million tons) from which the WFP provided 3.1 tons.\textsuperscript{10} The main donor of the organization is the USA with more than 1 billion US$, followed by the European Commission with 250 million US$ and Canada and the United Nations with 160 and 150 million US$ (donations in 2007).\textsuperscript{11} The WFP relies entirely on voluntary contributions, which are either provided in form of cash or as in-kind donations of food or non-food items as kitchen utensils, agricultural tools or warehouses. The multilateral character of the WFP helps to provide food aid on a less political basis and focus on the interest of the recipient country. Multilateral assistance is more effective on development and food security, because aid can be allocated more according to the recipient’s need. Although bilateral donations can manipulate somewhat multilateral organizations to take donors’ interests into account, nevertheless multilateral assistance seems far less influenced by politics. However, in certain issues political pressure is very visible, even in multilateral assistance. The rejection of genetically modified food by European consumers made GM companies to look for an alternate way to dispose their products and created tension worldwide. The debate about the inclusion of GM crops in food aid shipments peaked during the famine in southern Africa in 2002-2003. After it became public that the donated food aid included GM maize from the US, several governments of the affected region refused to accept the aid. The WFP has no policy on GM food and imposed pressure on the recipient governments to accept the donations. Three of the six affected governments, Malawi, Lesotho and Swaziland accepted the GM food aid and distributed un-milled GM corn in their countries. While expressing concerns on GM food, Mozambique and Zimbabwe accepted the food aid with the condition of milling to reduce the possibility of planting which would release the GM crops into the agro-ecosystem. Zambia however, refused to accept the shipments regardless of the emerging situation in the country and the international pressure.

\textsuperscript{10} Ibid. p. xi.
FOOD AID OPERATIONS

Food aid is used in many ways to address food insecurity. Food aid is distributed not only during famines or after natural disasters, but also through development projects such as maternal and child nutrition programs, school nutrition programs, health care programs or development projects for infrastructure, agriculture and market development. Moreover food aid is provided as a general balance of payment assistance and for other indirect programs as well.

There are three main types of food aid: emergency, project and program. Emergency food aid is provided in the case of acute humanitarian emergencies, while project and program food aid are more likely to be used for developmental purposes as above. Food aid can be also divided according to the way of distribution. Food aid can be either distributed directly to the beneficiaries or monetized by the operational agencies or recipients. Monetization is common in the food aid programs for developmental projects, while in humanitarian emergencies the direct distribution is the general approach. The distribution can target individuals, households or a geographic area. In emergencies food aid is usually aimed at a geographic area, while individuals and households are more often targeted in non-emergency cases.

II. THE CASE OF MINDANAO

The Philippines is an archipelago of some 7107 islands, divided into three geographical areas: Luzon in the north, Visayas and Mindanao in the south. The Philippines has one of the highest annual population growth rates in Asia (2.1% per year), its population reached 86.3 millions in 2006. The World Bank classifies the Philippines as a lower middle-income country. Nevertheless, 14.8% of the population lived on less than 1$ a day and 43% lived on less than 2$ a day in 2002. In 2003, the Gini Index reached 0.445, showing the high inequality of the income distribution. The country has a moderate level of undernourishment; however it is considerably higher than the regional level of East Asia and the Pacific (12%). The prevalence of undernourishment in the total population was 18% between 2002 and 2004, while the incidence of malnutrition among children under age 5 is estimated at

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12 Barrett and Maxwell, op. cit., p. 122.
13 Monetization means that the commodities received as aid are sold in the open market.
15 Ibid.
17 The population below 1$ a day and population below 2$ a day is measured in international prices and adjusted to local currency using purchasing power parity (PPP), expenditure based.
21 based on weight for age
20.7% for children with underweight and 33.8% for stunting between 2000 and 2006.\textsuperscript{22}

The social and poverty indicators for Mindanao are generally below the national average, showing the region’s underdevelopment within the country. The average national poverty incidence in 2000 was 40.0% according to the National Statistics Office. This indicator was considerably higher in the regions of Mindanao with the highest percentage of families living in poverty in the Autonomous Region of Muslim Mindanao (ARMM) at 73.9%.

### Table 1: Poverty incidences of population by regions of Mindanao in percent (2000)

<table>
<thead>
<tr>
<th>Region</th>
<th>Total</th>
<th>Urban</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>National average</td>
<td>40.0</td>
<td>25.0</td>
<td>54.5</td>
</tr>
<tr>
<td>Zamboanga Peninsula (Region IX)</td>
<td>53.0</td>
<td>31.6</td>
<td>62.7</td>
</tr>
<tr>
<td>Northern Mindanao (Region X)</td>
<td>52.1</td>
<td>37.0</td>
<td>62.8</td>
</tr>
<tr>
<td>Davao Region (Region XI)</td>
<td>46.3</td>
<td>33.4</td>
<td>55.3</td>
</tr>
<tr>
<td>Soccsksargen (Region XII)</td>
<td>57.9</td>
<td>47.7</td>
<td>62.7</td>
</tr>
<tr>
<td>ARMM</td>
<td>73.9</td>
<td>69.8</td>
<td>75.1</td>
</tr>
</tbody>
</table>

(Source: National Statistics Office, Philippines, 2007)

### FOOD AVAILABILITY IN THE PHILIPPINES

The agricultural sector has an important role in the Philippine economy. Agriculture, including forestry and fisheries, totaled up to 14% of the Gross Domestic Product (GDP) in 2006\textsuperscript{24}. Agricultural employment represented 45% of the male employment and 25% of the female employment.\textsuperscript{25} However, while the average annual GDP growth was 4.9% between 2000 and 2006, in the same period the average growth of the agriculture reached only 3.8%. Moreover, the productivity of the agricultural sector was relatively low; 1,075 $ (measured in 2000 US$) agriculture value added per worker between 2003 and 2005. The low productivity could be explained with the extremely low mechanization. In 1990 there were only 20 tractors per 100 sq. km of arable land and this number did not increased till 2003. Furthermore, there was no improvement in the irrigation. The share of the irrigated land to cropland fell from 15.7% in 1990-1992 to 14.5% in 2003-2005.\textsuperscript{26}

Nevertheless, according to the Food Balance Sheet of the National Statistical Coordination Board, the total food supply for consumption was in an adequate level in 2001. Despite of the relatively low productivity of the agriculture, there was enough food available to meet the recommended nutritional requirement of the total population. The recommended dietary

\textsuperscript{22} Ibid.


\textsuperscript{24} At producer prices


allowance (RDA) in the Philippines is 1,031.0 grams per capita per day. In 2001 the per capita food supply reached 1,188.4 grams per day. The level of energy supply and energy consumption indicated a 151.9% energy supply to the consumption level. Therefore, the daily per capita food supply and average consumption level indicated adequate food supply in the country.\textsuperscript{27}

The food security statistics of the Food and Agriculture Organization of the United Nation (FAO) show similar result. In 2001-2003, the average dietary energy consumption of the Philippines was 2,450 kcal per person per day. While the food supply between 2002 and 2004 reached 2,490 kcal per person per day.\textsuperscript{28} Also the average annual growth rate for food supply (2.6%) is exceeding the population growth rate (2.0%).\textsuperscript{29} As a result, it can be concluded that undernourishment is not generated by inadequate food supply in the country.

**FOOD SECURITY IN MINDANAO**

In the year of the *all-out war*, nearly one million people have been displaced. During this year Oxfam Great Britain conducted a research on the household food security among the displaced families in Central Mindanao. The research showed that there was no significant difference in the nutritional status between the displaced population and the general population of Mindanao. However the displaced families started depleting their household reserves to meet their daily food needs. Moreover many of the displaced families lost their livestock and the access to their lands. One third of the families, who were dependent on fishing, lost their fishing tools and the access to the ponds and rivers. In the conflict affected areas many displaced families lost their livelihood sources, threatening their future food securities.\textsuperscript{30}

As it was mentioned earlier, in the regions of Mindanao, especially in the Muslim populated and conflict affected areas, the poverty, health and nutrition indicators are far below the national average. According to the estimates of the WFP in 2006, more than half of the regions population was living on less than 60 cents per day per person; approximately 30% of the children under five years of age are stunted and only 33% of the children were completing primary education. It was estimated that 59% of the Philippine households did not have access to 2,150 kcal per capita. Moreover, four regions of Mindanao reported\textsuperscript{31} significantly higher percentages of undernourishment than the national average. While the prevalence of underweight children somewhat declined in Northern and Southern Mindanao in the last years,


it remained constant in Zamboanga and Soccsksargen. In the ARMM however, the
malnutrition rate even increased from 28% to 34% between 2001 and 2003.\textsuperscript{32} Besides the
conflict and the economic underdevelopment, the food security of Mindanao also negatively
affected by environmental hazards as drought, earthquakes and typhoons.

There are some poverty alleviation and food assistance programs currently implemented in
Mindanao. The Philippine government distributes subsidized rice through the National Food
Administration and it is implementing various programs for development in collaboration with
the World Bank, the Asian Development Bank, the USAID, Japan, Australia and Canada. In
September 2003 the Government of the Republic of the Philippines (GRP) requested the World
Bank to prepare a Multi Donor Trust Fund (MDTF), also known as the Peace Fund, to help the
peace process and rehabilitation of the conflict affected areas in Mindanao.\textsuperscript{33} In March 2007,
the second phase of the Mindanao Rural Development Project had been also approved by the
World Bank with the long-term objective to improve the incomes and the food security in
Mindanao.\textsuperscript{34} The USAID among other projects provides agricultural development assistance
and support for the government health programs, including food fortification.\textsuperscript{35}

III. ASSESSMENT OF THE WFP FOOD AID FOR MINDANAO

Knowing the controversial nature of food aid, one might wonder why a region that has in
point of fact agricultural surplus, receives food aid. The region actually is the food basket of the
Philippines, despite the low mechanization and productivity of the agricultural sector. The WFP
also closed its country office in the Philippines in 1996 believing that there was no further need
for their services. However, the Philippine government requested the WFP to join the Multi
Donor Trust Fund (MDTF) and provide assistance to the returning displaced people (hereafter,
IDPs) in Mindanao. The WFP agreed to reopen its country office and joined the MDTF in April
2004. In 2004 and 2005 several missions and field visits were carried out to evaluate the food
security in Mindanao and the need for food assistance. The WFP experts consulted with the
World Bank, UN, NGOs and government departments on their approaching mission. The WFP
set up a plan for an Emergency Operation (EMOP) with the intention to assist 2,106,000 people
for a period of twelve months from 01 March 2006 to 28 February 2007.\textsuperscript{36} Due to serious

\textsuperscript{32} Ibid, p. 5.
resourcing problems, the program started late and only on a trial basis and could not go on full scale until 2007. The program terminated in 2008 March. In 2008 June the WFP started another program, aiming to help 1.5 million people in the conflict affected areas in Mindanao.

THE PROGRAM PLAN

The EMOP of the WFP was designed in line with the Millennium Development Goals, aiming to halve the proportion of people living in extreme poverty and hunger, halve malnutrition and achieve universal primary education. Moreover the EMOP intended to contribute to the peace process and help the returning IDPs as well as to reintegrate the ex-combatants. To achieve these goals the WFP prepared the following program components:

| Table 2: Program components of the WFP aid for Mindanao in 2006 |
|---------------------------------|-----------------|-----------------|
| Resettlement of IDPs            | 120,000         | 20,000          |
| Food for Work for households in conflict-affected areas, including IDP returnees and food insecure families. | 822,000         | 137,000         |
| School Feeding (FFE)            | 1,020,000       | 170,000         |
| Mother Child Nutrition program for children under two years of age. | 52,000          | 52,000          |
| Mother Child Nutrition program for pregnant and lactating women. | 35,000          | 35,000          |
| Food for Training for NGO program participants. | 30,000          | 5,000           |
| Food for TB Patients under treatment | 3,000          | 3,000           |
| Reintegration of ex-combatants and demobilized soldiers. | 24,000          | 4,000           |
| **Total Beneficiaries, all program activities** | **2,106,000**   | **426,000**     |

(Source: World Food Program, 2007)

The project was planned for the duration of one year starting from March 2006, however it terminated only after two years. The targeted provinces were:

- ARMM: Magindanao, Lanao Del Sur, Sulu, Tawi-Tawi, Basilan
- Central Mindanao: North Cotabato, Sultan Kudarat
- Northern Mindanao: Lanao Del Norte

Within these provinces the WFP selected the participating municipalities upon further criteria. The project included the conflict-affected municipalities, the nutritionally depressed municipalities and the municipalities where the presence of IDPs was reported. Within the

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37 Ibid. pp. 6-7.
38 World Food Program. EMOP plan, op cit. p. 7.
39 According to the Department of Social Welfare and Development (DSWD), Philippines.
40 As defined by the National Nutrition Center (NNC) of the Department of Agriculture, Philippines.
selected municipalities further selection was made by NGO partners, according to criteria mutually agreed between the WFP and its partners.\textsuperscript{41}

\begin{table}[h]
\centering
\begin{tabular}{|l|c|c|c|c|c|}
\hline
 & Time period & Maize/ Rice & Pulse & Blended food & Oil & Sugar \\
\hline
IDP & 3 months & 50kg/mo & 5kg/mo & 0 & 0 & 0 \\
FFE & 3 months & 50kg/mo & 5kg/mo & 0 & 0 & 0 \\
FFE & 9 months & 0 & 0 & 0 & 5kg/mo & 0 \\
MCN Child & 270 day & 0 & 0 & 200g/day & 20g/day & 15g/day \\
MCN Women & 180 day & 0 & 0 & 250g/day & 25g/day & 20g/day \\
FTT & 3 months & 50kg/mo & 5 kg/mo & 0 & 0 & 0 \\
TB patient & 8 months & 10kg/mo & 0 & 0 & 0 & 0 \\
Ex-combatants & 3 months & 50kg/mo & 5 kg/mo & 0 & 0 & 0 \\
\hline
\end{tabular}
\caption{Food ratios by program activities\textsuperscript{42}}
\end{table}

(Source: World Food Program, 2007)

As it was mentioned earlier, the WFP planned to start its program from March 2006 and finish it by February 2007. However the project faced considerable resourcing problems and the actual food distribution could start only later, in July 2006. Therefore the program had been extended till March 2008. During the program, not only the schedule had to be revised but some of the food components. The component of the take-home ratio of the FFE program had been changed from oil to rice.\textsuperscript{43} On the recipient side, the beneficiaries preferred rice to oil because rice can be consumed on its own after cooking, while oil necessitate other food inputs.\textsuperscript{44} Moreover the WFP decided to modify its plan to ensure consistency with government plans for national food for education support. Furthermore on site feeding was added to the program for preschools and in 20 percent of FFE schools. Pulses for FTT and FFW were not included in the packages till April 2007 due to purchasing problems.\textsuperscript{45} No further data available on this issue. The fortified blended food component of the program is Corn-Soya Blend (CSB) that is used in MCN programs and in the on-site school feeding programs. Initially the WFP had some concerns on the acceptance of the CSB but no appearance of CSB in the local market was reported. The organization provided training on the use of CSB, giving cooking tips and receipt pamphlets to ensure the acceptance.\textsuperscript{46}

\textsuperscript{41} World Food Program, EMOP plan, \textit{op cit.} p. 9.
\textsuperscript{42} World Food Program, EMOP plan, \textit{op cit.}, p.12.
\textsuperscript{43} Unpublished data, World Food Program. “Draft project report 2006: Philippines project number: 10 489.0”
\textsuperscript{44} Guarneri, Valerie, Country Director and Representative of the WFP, Philippines. Interview by author, 15 March 2007, Manila.
\textsuperscript{45} Unpublished data, World Food Program. “Draft project report 2006: Philippines project number: 10 489.0”
\textsuperscript{46} Guarneri, Valerie, Country Director and Representative of the WFP, Philippines. Interview by author, 15 March 2007, Manila.
The number of participants of the program had to be revised as well. The Government requested the WFP to start the program with a pilot phase. Therefore the program started on a limited scale and in 2006 only 20 percent of the planned beneficiaries could participate in the program. The WFP opened up for a full-scale operation only after April 2007.47

The EMOP project plan of the WFP seemed to be prepared thoroughly, designed to help many vulnerable people in the conflict thorn Mindanao. While the Philippine government and much of the international community were pleased with the project planning, civil organizations in Mindanao raised serious concerns on the pending WFP program. Awaren ess Building on the Project

Members of a civil society group in Mindanao, the Food Sovereignty Watch (FSW) raised apprehensions regarding the WFP food aid. The FSW were concerned that the program would cause even more problems for the local people and would not improve the food security and poverty issues as it was proposed in the project plan. The FSW emphasized six major concerns, including the potential dampening effect on palay and rice prices, the risk of entering genetically modified organisms, corruption, and the promotion of the dole-out mentality. Furthermore the organization believed that the objective of food aid as a contribution to peace building is rather unrealistic.48

The Effect of the Aid on the Local Agriculture

One of the most serious concerns towards the WFP food aid was the potential dampening effect on rice prices in the region that could discourage the local agricultural production. This concern seemed to be valid to some extent, since Mindanao is frequently referred to as the food basket of the Philippines. The region is a major crop producer: Mindanao accounts for 24% of the palay production and 60% of the corn production of the Philippines. Moreover Mindanao is also accountable for 60% of the national coconut production49, 77% of the national banana production and 84% of the national pineapple production.50 However the agricultural sector is underdeveloped in the Philippines, suffers from low productivity. In addition, small farmers have only limited access to land, credit, infrastructure and production facilities. The majority of the Philippine farmers still use simple tools such as plows, sickles, harrows and draught animals including carabao s. The mechanization is limited and in many places it is even non-existent. However the main problem of the farmers is landlessness, 60% of the agricultural land is owned and controlled by only 13% of the landowners. The majority of the farmers do not own the lands and work under feudal or semi-feudal conditions.51

47 Unpublished data, World Food Program. "Draft project report 2006: Philippines project number: 10489.0"
Table 4 shows that except for three provinces, the rice production exceeds the consumption level. In the targeted areas, the rice production is more than twice the size of the local rice requirements; the estimated annual rice requirement of the selected provinces is 44% of the total rice production.

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<thead>
<tr>
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<tbody>
<tr>
<td>Lanao del Norte</td>
<td>859,000</td>
<td>89</td>
<td>76,500</td>
</tr>
<tr>
<td>North Cotabato</td>
<td>1,122,000</td>
<td>99</td>
<td>111,100</td>
</tr>
<tr>
<td>Sultan Kudarat</td>
<td>693,000</td>
<td>128</td>
<td>88,700</td>
</tr>
<tr>
<td>Maguindanao</td>
<td>991,000</td>
<td>135</td>
<td>133,800</td>
</tr>
<tr>
<td>Tawi-Tawi</td>
<td>380,000</td>
<td>91</td>
<td>34,600</td>
</tr>
<tr>
<td>Lanao del Sur</td>
<td>946,000</td>
<td>126</td>
<td>119,200</td>
</tr>
<tr>
<td>Sulu</td>
<td>670,000</td>
<td>121</td>
<td>81,100</td>
</tr>
<tr>
<td>Basilan</td>
<td>304,000</td>
<td>93</td>
<td>28,300</td>
</tr>
<tr>
<td>Total</td>
<td>5,965,000</td>
<td>673,300</td>
<td>1,518,100</td>
</tr>
</tbody>
</table>

(Source: National Statistics Office and Bureau of Agricultural Statistics, Philippines, 2007)

The EMOP project of the WFP in 2006 planned to distribute 25,140 Mt of cereal during the one-year program. The plan included corn and rice; however the distributed commodity is predominantly rice, due to the local eating habits. Therefore the calculation would be based on the assumption that the distributed cereal is only rice. 25,140 Mt of rice meets only 3.7% of the rice consumption and only 1.7% of the rice production in the targeted provinces. However, as it was mentioned earlier, the take home ratio for the FFE program had been changed from oil to rice. The planned amount of rice was 120 kg per student in an academic year. The number of the planned beneficiaries of the FFE program was 170,000 children. In case the rice used in FFE program is wholly additional to the program, then the distributed amount of rice would have be raised with 20,400 Mt. The enlarged amount of rice would have be 45,540 Mt for one
year and the distributed rice would have met 6.7% of the rice requirement and 3% of the rice production. Therefore it was rather doubtful that the WFP food aid would affect the local agriculture negatively.

No negative impact had been reported on the village rice economy or on the farm-gate prices of rice during the program. The WFP operation began in July 2006 under a pilot phase. The farm-gate price for rice decreased in the distributed regions after July 2006, however compare to the price changes in 2005, there was no significant alteration. (Table 5, Table 6, Table 7)\textsuperscript{58} The price change can be explained rather with the annual inclination of seasonality than with an external influence. The actual distributed amount of rice was very low in 2006, only 23% of the planned rice; 2,465 Mt was distributed. Moreover, throughout the whole program, the agency had to face severe resourcing problems and the distributed food baskets were not always complete. Therefore, the possibility of correlation between food aid distribution and price change is extremely low.

![Table 5: Farm-gate price of rice in Central Mindanao, peso per kilogram](chart.png)

(Source: Bureau of Agricultural Statistics, Philippines, 2007)

\textsuperscript{58} Unpublished data, Bureau of Agricultural Statistics, Department of Agriculture, Philippines.
Table 6: Farm-gate price in ARMM, peso per kilogram

(Source: Bureau of Agricultural Statistics, Philippines, 2007)

Table 7: Farm-gate price of rice in Lanao del Norte, peso per kilogram

(Source: Bureau of Agricultural Statistics, Philippines, 2007)

POTENTIAL ENTRY OF GENETICALLY MODIFIED ORGANISMS

Civil organizations alarmed that through the aid launched by the WFP, there was an emerging possibility that GM food would enter Mindanao and its agro-ecosystem. The assumption had its reality; however, the main donors of the food aid program in Mindanao contributed with financial assistance. The main donor of the program was Japan, followed by Australia and with a more modest amount, New Zealand, Spain, Germany and Thailand. Furthermore the program also benefited from the immediate response account of the WFP. The WFP did not receive in-kind food contribution for this program; it was within the organization's
hand to purchase the food from the most cost effective suppliers. In the case of Mindanao, the rice has been purchased in Pakistan and Vietnam, and the corn-soy blend was procured mainly from European countries.\(^{59}\) Since Pakistan and Vietnam are not major GM crop producers, there was a limited possibility that GM crop would enter Mindanao with the food aid. However, the WFP was intended to win over the US to contribute to the program.\(^{60}\) According to the WFP food aid flow report for 2007\(^{61}\), the Philippines received 69,000 tons of cereals in direct transfer. There is no available data on the source or the donor of this food aid. In case the US was donor, there is a high chance that by now, GM crops entered the agro-ecosystem of Mindanao through the food aid distributions.

**FOOD AID AS A POTENTIAL INSTRUMENT OF CORRUPTION**

Corruption is a major problem in the Philippines; regrettably it is a part of the everyday life. Transparency International (TI) is a leading global civil organization against corruption that releases every year the *Global Corruption Barometer* and the *Corruption Perception Index* (CPI) for every country. According to the study of the TI, the Philippines rank on the global corruption list as the 121st, sharing this position with Honduras, Rwanda, Russia and Swaziland. The CPI score of a country ranges between 10, as highly clean and 0, as highly corrupt. The Philippines received 2.5, which shows a very high corruption level.\(^{62}\) According to the *Global Corruption Barometer*, corruption has a definite impact on politics, on business environment, and on the personal and family life in the Philippines. In a scale of 1 to 4, where 1 means that corruption does not have any affect, while 4 means that corruption has an affect to a large extent, the Philippine people scaled their country as 3.4 for every aspect of their lives.\(^{63}\) The Philippine government was evaluated very poorly as well. 31% of the Philippine people assessed the government’s fight against corruption as not effective, 23% believed that the government does not fight corruption at all, while 24% was convinced that the government even encourages corruption.\(^{64}\) Taking these results into consideration, it can be concluded that there is a high possibility that the distribution of valuable commodities can easily become involved in some kind of corruption.

In May 2007, the Philippines held general elections for provincial and city officials. In 2006, during the project planning, the FSW raised concerns that the launched aid would become a source of bribery, since the distribution goes through government structures. The FSW pointed out that the food aid program involves the distribution of thousands of commodity goods and it

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60 Ibid.
64 Ibid. p. 19.
could turn into a tool to corrupt the elections. The WFP was aware of the possibility for increased corruption and promised to include an approach for prevention. The WFP decided to schedule the food distribution in a way, that two weeks before the elections, the distribution stopped until the elections was over. Given the high corruption level in the Philippines, it cannot be excluded that the food aid distribution became corrupted. Nevertheless, in this way the WFP made an attempt to at least mitigate the possibility of influencing the local elections through the aid.\textsuperscript{55}

**FOOD AID AS CONTRIBUTION TO PEACE-BUILDING**

The conflict of Mindanao is rooted in the general underdevelopment of the region, in the uneven distribution of wealth and in the tense relationship between the Christian majority and Muslim minority. Japan, announced a support package for the peace building in Mindanao in 2002 and expressed a firm commitment to achieve stability in the region. Japan was among the first donors who joined the WFP emergency food aid and hoped to alleviate the food shortage in Mindanao.\textsuperscript{66} Nevertheless, as it was discussed earlier, there is no food shortage in Mindanao and to achieve peace and stability, there is a need for long-term development projects, not programs that provide short-term relief. Only development projects for infrastructure, agriculture and a successful land reform could have a positive and long-term effect on the stability of the region.

The primary aim of the current WFP aid for Mindanao is to contribute to a peaceful resolution of the conflict affected regions. To reach this goal the WFP implemented several programs as discussed earlier. Among the program types for development as FFE, FFW, MCN or food aid for Tuberculosis patients, the WFP attempted to provide help for 4,000 ex-combatants and their families, assisting 24,000 people. However the distribution and demobilization could start only upon signing a peace accord, that has not happened to date. Moreover, the fighting escalated in 2008 after the peace process between the government and the MILF collapsed. Therefore it is questionable if the program has a potential at all to contribute to the peace building in Mindanao.

IV. CONCLUSION

The Philippine government asked the UN food aid agency, the World Food Program to reopen its country office in Manila and provide help to many vulnerable people in Mindanao. The primary aim of the program was to help the peace process and resettlement of displaced people. However, civil organizations expressed their concerns on the pending aid. Local farmers feared that the prices of agricultural products would be pushed down and genetically modified

\textsuperscript{55} Guarnieri, Valerie, Country Director and Representative of the WFP, Philippines. Interview by author, 15 March 2007, Manila.


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organisms would enter the agro-ecosystem of Mindanao.

The finding of the present research is that the provided aid had a rather modest volume and had no potential to influence the agricultural market. There was a limited possibility that the WFP food aid would contain genetically modified crops if it would follow the initial plan. Later however, through different channels and with the inclusion of the US as a donor the possibility that GM crops enter the agro-ecosystem of Mindanao increased notably. There had been also concern raised on corruption, as 2007 was an election year in the Philippines and the distribution of the food went through government structures. As a response to this issue, the WFP implemented a distribution schedule mitigating the possibility for bribery. The primer goal of the aid was to contribute to the peace building in Mindanao. Nevertheless, to date no official peace accord was signed between the government and the resistance groups. Therefore the rehabilitation and resettlement of the ex-combatants has not started and they have not been able to obtain any help from the WFP food aid program.

Without doubt, food aid programs can improve the nutritional status of mothers and their children, boost the enrollment ratio of schools or give short-term relief for tuberculosis patients. However, underdevelopment, widespread poverty and marginalization of the Moro and indigenous people are the major cause of the conflict in Mindanao. A food aid program that lasts for one or two years cannot solve these problems. Mindanao as the food basket of the Philippines has considerable amount of agricultural products and tremendous potential for development. The reason of the high level of undernourishment is the lack of purchasing power, not lack of food commodities. Therefore it is debatable if the most effective tool to combat malnutrition and poverty in Mindanao is food aid. Although the food aid program had no potential to hurt the local agriculture and economy, it is questionable if it could have a long term, positive impact on the life of the people or on the peace process in Mindanao. Consequently the Philippine government should implement long-term development projects for infrastructure and the agricultural sector and should consider a new land reform instead of applying band-aid solutions. Moreover, without decreasing the very high level of corruption, it is hard to imagine that the Philippines could eliminate poverty.

The society has a responsibility to help the people who are not able to nourish themselves. However, food aid is one of the most controversial aid types. While assisting vulnerable people, food aid can harm the local economy and agriculture. Improper targeting or implementation of a food aid program has the potential to deepen poverty and escalate famine. During the last decade, many development economists focused on food and food aid related issues. Civil organizations pressed the governments to revise their donor oriented food aid programs and implement recipient friendly policies that serve the developmental goals of the beneficiary country. In the last fifty years definite progress was made in programming and targeting of food aid, however still many mistakes occur. Many concerns were raised on the current WFP food aid for Mindanao as well. Some of it seemed valid to some extent, while the others proved to be
incorrect. Nevertheless, the author believes that the awareness building of the civil organizations is necessary and every case should be monitored and examined. Although we cannot draw global conclusions or create a one-size-fits-all solution, the communication between stakeholders can facilitate the improvement of current aid policies. Food aid has a potential to contribute to the food security of a country in a short term and crucial in emergency cases. However, to achieve long-term food security in developing countries, there is an urgent need to reform the agricultural trade policies and change the extensive subsidization of the agricultural sector in the developed world.

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