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What Food Crisis? Measuring Global Hunger

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Last week, Oxfam launched its new international campaign, [GROW](#), to fight food insecurity. The advocacy organization's campaign materials cite many of the statistics with which the post-food-crisis world has become familiar. Most common is the estimate that more than one billion people in the world are now hungry as a result of the combined impacts of rising food prices and the global economic recession. The estimate comes from the UN's Food and Agriculture Organization (FAO), and few have questioned the validity of the numbers.

Now two studies suggest the estimate may be inflated. In the May/June special issue of *Foreign Policy* magazine on food, [Abhijit Bannerjee and Esther Duflo](#), from their perches at MIT's Poverty Lab Project, have an article with the provocative subtitle, "but what if the experts are wrong?" Meanwhile, IFPRI's Derek Headey, in a [VoxEU post](#), examines the prevailing FAO/World Bank methodologies for estimating global hunger and suggests that these institutions are overestimating hunger, mainly because they discount the positive impacts of economic growth in some of the world's most populous countries.

On closer inspection, Bannerjee and Duflo deepen our understanding of the nature of hunger in developing countries, but they offer little here to call into question the billion-hungry estimate. Headey, on the other hand, is onto something, but it's worth going deeper still to understand the relationship between poverty, high food and agricultural prices, economic growth, and government policy.

Bannerjee and Duflo, using their highly empirical Poverty Lab methodologies, really aren't trying to answer the question of how many hungry people there are on the planet. Rather, they make us look more closely at the nature of hunger and poverty, pointing out that simple economic assumptions about the poor's food-buying and food-consuming habits are fraught with misconceptions. For example, they assert from their field experience that the poor choose foods not only or even primarily based on cost and nutritional value but based on how good they taste. This is a worthwhile read, but this in no way answers FP's provocative title questioning the prevalence of hunger.

Headey is more on-target with his critique of the global numbers. In his [VoxEU summary](#), a [post on Dani Rodrik's blog](#), and in a [longer paper](#), he compares the common FAO/WB method for estimating hunger using simulation analysis based on caloric intake with his own culling of international Gallup polling data on self-reported hunger and food insecurity. His results are striking, suggesting that from 2005/6 to 2007/8, when agricultural prices skyrocketed, the number of hungry in the 70 countries for which there was data *declined* by 408 million.

How could this be? I'm not going to summarize his full argument and data here; he does a nice job of that on his VoxEU post. But he claims that the Gallup data show that in the largest developing countries with the largest number of poor and hungry, notably China and India, economic growth more than made up for any negative impacts from rising food prices.

Headey calls for a re-examination of the methodologies for estimating global hunger, and his data certainly justify that call. That said, China has been the dragon in the room for a lot of statistical anomalies in recent years, with its fast growth, declining poverty, and large population swamping generalizations about progress in "the developing world." Headey notes that China accounts for two-thirds of the decline in self-reported food insecurity, and a closer look at his data suggests that a large portion of developing countries experienced an increase in hunger in that same period. So for those who might take this data as a reason to do less about global food insecurity: not so fast!

There are other important unanswered questions in Headey's study:

1. The period he studied did not fully account for the impact of the economic downturn on the global economy. As such, he was measuring the impact of food price inflation, not its toxic combination with slow or negative economic growth. That's what the poor have faced; to deal with global hunger, that's what we need to understand.
2. There were important policy reasons that high agricultural prices did not have as big an impact in some parts of the world, notably China and India. Both are relatively self-sufficient in their most basic foods, and both maintained buffer stocks with which they could offset rising international prices. So one would expect to see lower impacts of rising food prices because, well, food prices didn't rise as much. How does his analysis account for this?
3. I've argued in an [earlier blog post](#) that high agricultural prices can be good for development and poverty/hunger in countries where a large share of the poor work in agriculture. Countries such as China and India. So to what extent is the decline in self-reported food insecurity reflecting the positive economic-stimulus effects of higher prices— in farmer incomes *and* returns to unskilled labor in and out of agriculture?

Headey starts an important discussion. Hopefully it takes place without undercutting concern for global food insecurity and the worthy campaigns to address it, such as Oxfam's.