Policy Review

Food security amid COVID-19: Money can never be a substitute for food

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Introduction

COVID-19 pandemic is admittedly a black swan event. It was neither anticipated nor we can prevent it. Having been warned about global recession and the looming food crisis, governments across the world especially in the developing countries cannot afford to be complacent about the need for both food security and food safety. No amount of financial stimulus can save a state from social unrest if its food supply system is not functioning the way it should. Money can never be a substitute for food.

Increasingly, warnings about global recession are accompanied by warnings of a looming food crisis. As the coronavirus spreads and the number of its patients increases, the restrictions on mobility are mounting and economic and commercial supply chains are coming under serious strain. Lockdowns and impediments on the movement of goods and commodities will have – and perhaps are already having – a significant impact on the availability, or otherwise, of essential food items in many parts of the world.

Most countries, therefore, are taking these warnings seriously. They are trying to prepare themselves as per the size of their purse by providing fiscal stimuli – varying from $ 2 trillion in the US to $ 8 billion in Pakistan. Multilateral and bilateral lenders, too, are proposing to shield vulnerable economies against tough economic times through debt relief and debt rescheduling.

A second wave of virus

The devastating impact of the pandemic is continuing though its centre has shifted from China to Europe and now to the US. Various strategies to contain its spread, including lockdowns, quarantines and social distancing, seem to be only partially successful. It is not known if any of these strategies would be helpful, if and when a second wave of COVID-19 infections starts spreading in those parts of the world which are slowly getting rid of it.

Tackling this disease, indeed, is learning by doing. That’s why, different countries have been trying to implement different strategies – ranging from a full lockdown to a partial or a smart one – with different degrees of effectiveness. We still do not know which one of them would work better and why.

Along with all these unknowns, the only known we have is that this pandemic will not only result in the loss of hundreds of thousands of lives but it will also give a deadly blow to the global economy. International financial institutions are already issuing warnings that COVID-19 might lead to a global recession. An early glimpse of these warnings came with the crash of oil prices in the US earlier this week when the commodity found no buyers even at zero dollar per barrel (159 litres), leaving its dealers with the prospects of having to pay an additional 37 dollars to just have it in their inventories.

Food supply chain – a complex web
Food supply chains involve a complex web of actors and interactions. For these chains to work smoothly and efficiently, all those who constitute these – from producers, processors, marketers, transporters and retailers to consumers – should be able to interact and connect with each without any disruption. In Pakistan’s case, one may argue that coronavirus has not affected the production and supply of major food items. This is mostly because we locally produce almost all the essential ingredients of our food basket.

Wheat – our staple grain – is being harvested as I write this. This year’s produce is expected to be sufficient to meet our dietary needs till the next harvest. Same is the case with seasonal vegetables and fruits. We also have enough livestock and poultry to meet our dairy and meat requirements – at least for the coming weeks and months. Similarly, we have sufficient stocks of edible oil, rice and sugar to get us by through the summer. The other part of the good news is that there has been no panic buying or social unrest over the unavailability of food – not, at least, so far.

The bad news is that our food supply chain is likely to come under severe strain if the lockdown of business activities has to be prolonged beyond June 30 or if the disease spreads further and results in a very high number of deaths. If these two things happen, we could face labour shortages or impediments in domestic or global commerce could cause shortages of fertilizers, pesticides and seeds. These scenarios – if and when they materialize – could lead to delays and disruptions in the sowing of kharif crops (which are sown in summer and harvested in winter).

Likewise, lockdowns and barriers to trade could reduce the access to poultry feed which, in turn, will have a negative impact on poultry breeding. On the flip side of it, the reduced demand for poultry due to a prolonged ban on large scale social, cultural, religious and political events and restricted operations of hotels and restaurants could force poultry farmers to decrease the size of their future flocks thus contributing to the possibility of shortages in the winter. The same holds for the dairy sector where reduction in the transportation and consumption of milk could make the farming of milch animals an unprofitable enterprise. These production-related bottlenecks could be complemented by barriers and blockades that could hinder the activities of transporters, marketers and retail sellers.

Even if we escape this scenario, our food supply chain will remain highly vulnerable to disruptions because of being highly informal, transient and labour-intensive. One small glitch in one small part of it can easily affect the whole of it. For instance, if transporters do not somehow have enough fuel to run their vehicles, the whole chain will come to a standstill.

We have already seen how the ongoing lockdown has led to the large-scale movement of daily wage workers from cities to their own villages. It is highly likely that some of these workers were employed at vegetable and fruit markets in urban areas. Others could have been working at livestock markets. The activities in these two markets have remained largely unaffected so far but if the workers continue to leave cities and flock back to their
villages, disruption in their operations will only be a matter of time. This disruption could then lead to the shortage of supplies, panic buying and price hikes.

**Food Safety**

A food supply chain working flawlessly is not entirely an unmixed blessing. Inadequate packaging and low hygiene standards for perishable commodities such as vegetables and fruits may, in fact, help COVID-19 spread on the back of a functional food supply system. The risk is even higher for dairy and poultry products, which could be contaminated more quickly than any other food item. Home deliveries of processed food in urban areas could be equally hazardous. In Delhi, for instance, a virus-carrying delivery boy of a pizza chain infected 72 of his customers. So, to sum up, food safety is as important an issue as is the food security.

**Policy Recommendations**

A series of measures may be suggested to ward off the challenges as discussed above.

- A national data facility needs to be set up to facilitate evidence-based assessments of food security and supply chain dynamics, right from production to delivery for the end consumer. This data should enable decision-makers to take quick damage control measures to pre-empt and prevent disruptions.
- New schemes need to be developed – in tandem with provincial governments – for stabilizing incomes and ensuring access to food particularly for those communities which are already food insecure (as is being done partially through Ehsaas and other social protection schemes).
- A sustained functioning of local markets is essential to ensure the smooth operations of the food supply chain – especially when communities vulnerable to the vagaries of markets, such as small farmers, need protection.
- Urgent steps must be taken for the safety of people working in various parts of the food supply chain so that they do not attract and transmit the disease. This involves not only the implementation of government-devised standard operating procedures by all employers in the food supply chain but also requires the raising of awareness about methods and measures for food safety and the workers’ role in it.