Agricultural Policies in Zimbabwe: An Introduction

Instructor: Nixon S. Chekenya

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Introduction

- Its wonderful to be giving this lecture to this amazing group.
- I can't say how grateful I am to Dr Tambudzai for this wonderful opportunity to share and learn from a brilliant cohort. Hats off to you!
- Thanks for the invitation
- Presentation-2 part-story.

Why Study Agricultural and Applied Economics

- Not the sexiest of econ fields
- Contribute to economic policy
- Make a lasting impact in human lives (food security, food policy, public health, agro-entreprenuers)
- Banks-rural financing, agribusiness
- AfDB, AGRA, FAO, World Bank, UN, WTO, IFPR
- Become a relevant citizen
- The future is agro-based. People are going to eat anyway!

About me

- Born in Mrewa
- My research focuses on agricultural economics, development economics, environmental economics and financial economics.
- Dreams ~ Husband. Father. Citizen.

Sub-topics

- Food policy
- Pricing policy
- Irrigation policy
- Credit policy

Suggestive Reading

- Herbst, J., 1988. Societal demands and government choices: agricultural producer price policy in Zimbabwe. *Comparative Politics*, 20(3), pp.265-288.
- Mwaniki, A., 2006. Achieving food security in Africa: Challenges and issues. UN Office of the Special Advisor on Africa (OSAA).
- Falcon, W.P. and Naylor, R.L., 2005. Rethinking food security for the twenty-first century. *American Journal of Agricultural Economics*, 87(5), pp.1113-1127.
- Barrett, C.B., 2002. Food security and food assistance programs. *Handbook of Agricultural Economics*, 2, pp.2103-2190.

From the Journal Citations Report, here is the new top 5 of journals in the "agricultural economics and policy" category in 2021:

- 1. Annual Review of Resource Economics 5.184
- 2. Aquaculture Economics and Management 4.761
- 3. Food Policy 4.552
- 4. Applied Economic Perspectives and Policy 4.083
- 5. American Journal of Agricultural Economics 4.082

Leading Development Economics Journals in Africa

- Journal of African Economies
- Journal of Development Economics
- Agrekon
- African Development Review
- South African Journal of Economics

Food Security

Food security exists when all people at all time have physical social and economic access to sufficient safe and nutritious food which meets their dietary needs and food preferences for an active and healthy life (FAO 2021)

Food security means...

- Accessibility
- Availability
- Affordability of food to all people at all times

Causes of food insecurity in Zimbabwe (and other SSA countries)

- Economic shocks (droughts, cyclones, civil wars, xenophobia, Covid-19)
- progressive low/poor investment in the agricultural sector
- Poverty
- inelasticity of the food production sector
- Climate change (droughts, floods, cyclones)
- Structural racism
- Rising food prices (Russian Ukraine war)

Food security can be ensured in Zimbabwe if....

- Enough food is available for all the people
- All people have the capacity to buy food of acceptable quality and
- There is no barrier on access to food (corruption, structural racism)

Th Need for food security

- For the poor sections of the society (vulnerable groups)
- Natural disasters and significant political, economic shocks and disease (Cyclone Idai, 2008 hyperinflation, political violence, cholera)
- Widespread crop failure due to droughts, cyclones
- Covid-19

How droughts affect food security in Zimbabwe



Food Insecurity

Food insecurity is often rooted in poverty and has long-term impacts on the ability of families, communities and countries to develop.



Most food insecure groups

- Orphans and widows
- Disabled
- Landless
- Homeless, beggars
- Women
- Minority groups

Areas facing severe food insecurity in Zimbabwe

- Matabeleland North
- Masvingo
- Matabeleland South

Current Status

- One third of people in the rural areas face food insecurity
- 2.2 million people face food shortage every year
- 34 000 cattle dying

How can we feed a country of twenty million people by 2030?

- Double food production
- Invest in agricultural R&D
- Land and rural banks
- Biofortification
- Pfumvudza
- Control birth rate

Agricultural Pricing Policy in Zimbabwe

- Adequate producer prices for farm products are a necessary but not sufficient condition for adequate agricultural production
- Setting high prices will not guarantee production

Other key factors affecting production

- Input supply
- Weather and climate
- Marketing infrastructure

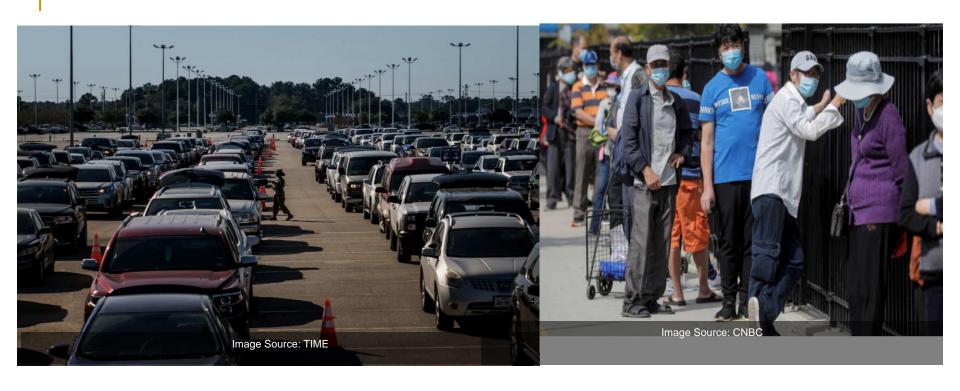
Food Insecurity in the United
States of America:
A Comparison between the Great

Recession and Covid-19

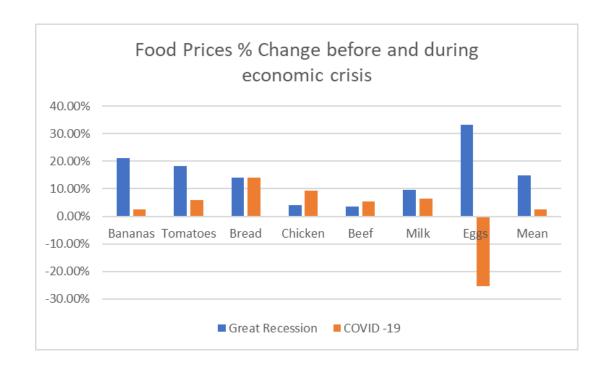
Pandemic

Impacts of COVID-19 on Food Insecurity

- According to the CDC, in 2020:
 - > 20,727,942 Americans contracted COVID-
 - > 356,666 Americans lost their lives due to COVID-19
- The economic ramification of spread mitigation strategies caused a severe economic crisis and a rapid increase in food insecurity
- Food insecurity is a major threat to public health, for children and women



FOOD INSECURITY LEVELS ARE ON THE RISE



Recession: December 2007-June 2009

The Great

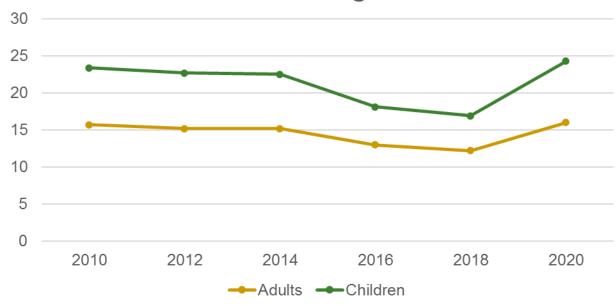
- Resulted from the collapse of the U.S. housing bubble, resulting in unemployment increased
- Food prices increased
- Many Americans
 experienced food
 insecurity years after
 the Great Recession

Source: Bureau of Labor Statistics. 2020. Consumer Price Index

(PCI) Databases. Accessed February 5, 2021

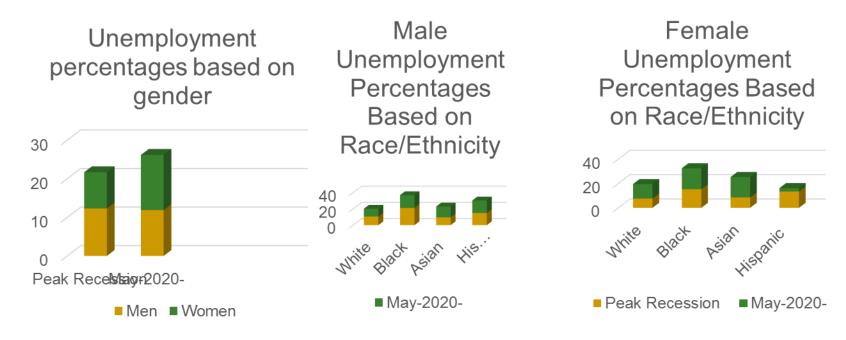
https://www.bls.gov/cpi/data.htm

Percentages of Food Insecurity for Adults and Children During the Great Recession, Before and During Covid-19



Source: Feeding America. 2020. "The Impact of the Coronavirus on Food Insecurity in 2020." Accessed February 3, 2021. https://www.feedingamerica.org/sites/default/files/2020-10/Brief_Local%20Impact_10.2020_0.pdf

Women and Minorities are the Hardest-hit Groups During the COVID-19 Pandemic



Source: Bureau of Labor Statistics. 2020. Consumer Price Index (PCI) Databases. Accessed February 5, 2021 https://www.bls.gov/cpi/data.htm

Supplemental Nutrition Assistance Program (SNAP)

- Established during the Great Recession as a revamped version of the Food Stamp program
 - □ The Food Stamp program was established in 1939 during the Great Depression (1928-1939)
- The American Recovery and Reinvestment Act of 2009 increased monthly benefits
- 2021: President Biden increased SNAP benefit by 15% for all recipients
- SNAP alone will not solve the issue of rising food insecurity rates resulting from the COVID-19 pandemic
 - Issues of eligibility (income limits, immigration status, being in college, etc.)

Food Banks: A Crucial Resource in the Fight Against Food Insecurity During and post-COVID-19 Pandemic

- With many schools operating online, children are missing reduced cost or free meals
- Shortage of donations and volunteers for foodbanks
 - □ A way to help this problem: Farmers to Families Food Box Program
- Feeding America predicts a 30% increase in demands
 - □ That's around 26 million pounds more than usual!

Lessons from the Great Recession for Food Insecurity caused by Covid-19

- The U.S. government implemented mitigating policies to reduce poverty rates during the Great Recession
- Despite additional unemployment insurance and tax benefits, food insecurity grew significantly particularly among children
- It took a decade to achieve pre-recession food insecurity rates
- Estimated food insecurity rates are already higher during
 COVID-19 than the Great Recession

Mitigation Strategies

Expansion of SNAP benefits

Anticipate longterm food insecurity and implement policies accordingly

Address gender and racial inequalities

Unemployment insurance Extend Farmers to Families Food Box Program and gradually decrease as demand decreases Evaluate what the retail sector can contribute to charitable programs to reduce food waste

Access to quality childcare, so mothers can go to work

Communication of where reduced or no-cost food can be found (using school's listery)

Upscaling of governmental financial assistance

END

THANK YOU!

chekenyan@gmail.com

+18067862915