Cash and/or Food? A Comment on Gentilini

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No one would argue against Ugo’s call for the debate about the appropriate use of cash and food to be balanced, context-specific and evidence-based. It is certainly welcome to see Ugo accepting that ‘cash seems underutilised and should be more widely considered’.

My main objection to Ugo’s article is the conclusion that ‘cash and food can be complementary’. I’d agree that in some circumstances cash may be a complement to in-kind assistance, and that both cash and food need to be seen as part of broader food security and social protection strategies. However, for the World Food Programme (WFP) and other big food aid providers, this line of argument is something of a cop-out. Food aid remains by far the dominant form of international humanitarian response in crises, and is often delivered in contexts where it is not appropriate or continues long after it has ceased to be the most appropriate resource. Recent examples would include a WFP appeal to provide food aid to Lebanese refugees in Syria, and the fact that food aid in response to the tsunami in Indonesia and Sri Lanka continued well after markets had clearly recovered (UN 2006; Adams 2007). There are times when cash will be an alternative – not a complement – to food aid, and humanitarian aid agencies need to have the courage to make the case to donors to provide the most appropriate resource, not the one that is most easily available.

‘Limited capacities on the ground’ are noted by Ugo as a reason for prudence. This is true but is something of a Catch-22 because the humanitarian agencies with the greatest capacity to deliver resources in the form of cash or food (WFP, CARE, World Vision and CRS – Catholic Relief Services) often fail even to consider cash as a possible alternative or complement to food aid, because their resources remain tied to donor food surpluses. We know that much food aid continues to be tied and that tied food aid costs substantially more to deliver than locally or regionally purchased food (Clay and Riley 2005). Until there is further reform of the international food aid system, WFP and others will not be able to make ‘evidence-based’ decisions about which resource is most appropriate in what context, or build suitable capacities to deliver cash or food, because their resources are tied.

Ugo notes that cash transfers are mostly small-scale and short-term pilot projects. This has been the case with international aid agency projects, although some of these are becoming increasingly large-scale. It is not true, however, of government assistance. For example, in response to the south Asian earthquake, the Pakistani government provided a range of grants which by July 2006 totalled over US$747 million (Government of Pakistan 2006). The central role played by national governments in providing cash aid in Pakistan and following the Indian Ocean tsunami suggests that, where governments have the capacity, they are the most appropriate deliverers of assistance. This may imply a reduced role for international aid agencies in some contexts.
References
Government of Pakistan (2006) Pakistan: Government Distributed Rs 45 Billion in Quake Hit Areas So Far,