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The Megaurban Food System in Dhaka, Bangladesh

Valuable Urban Resources
**Urban Agriculture: Just a New Fashion or a
Strategy for the Future?**

Session A6

Future Megacities in Balance
New Alliances for Energy and Climate-Efficient Solutions
Essen, October 11-13, 2010

The project

The Megaurban Food System of Dhaka/Bangladesh is part of the DFG SPP (German Research Foundation Emphasis Programme) 1233 “Megacities – Megachallenges: Informal Dynamics and Global Change” jointly undertaken by Hans-Georg Bohle and Benjamin Etzold of Bonn University and Markus Keck and Wolfgang-Peter Zingel of Heidelberg University in collaboration with Shafique uz Zaman of Dhaka University and Nazrul Islam, Centre for Urban Studies, Dhaka.

Wolfgang-Peter Zingel tries to find out whether there is a food policy for the megacity in the context of the panel’s topic of urban agriculture

The Task

- To find out whether there is a policy aimed at safeguarding the the food supply for the inhabitants of Dhaka
- In case there is such a policy to determine its elements, its effects, i.e.its costs and benefits
- But also: Who are the drivers of food policy and who are the „passengers“?

The role of food in the economy

Bangladesh, once termed a „basket case“ of development has surprised by its resilience. Average food supply is better now than at any time as far as statistics are available.

Food is one of the basic needs, besides clothing, shelter, education and health.

The income elasticity of .73, is very high in international comparison. It is proof of the central position that food occupies in the economy of the country, and definitively of each poor household.

50 percent of consumer expenditure is spent on food alone, the cost of complementary goods (fuel) needed for food preparation not counted. The share most probably is higher in poor households.

Enough food

Food production has been growing slightly faster than the number of population, so that only a small proportion of food has to be imported and the per capita availability has increased.

The food sector is by far the most important sector in Bangladesh. This also applies to the capital city. Next to the garments industry food related activities (processing, trade and transport) must be the other major economic sector of Dhaka City.

Food, in general, is available in quantities that would be sufficient for the country's population to go without hunger – if evenly distributed

Food availability, thus, is a question of affordability, i.e. of incomes and purchasing power

Food policy for the megacity

Methodology:

In the obvious absence of a food policy for the megacity there is no other way as to systematically go through all policies that might qualify as food policy, i.e. have an impact on the food economy of the city.

This can be done by looking at their spatial and social differentiation/discrimination

The state vs. the informal sector

The Project „Food Systems“ has been concentrating on two issues, i.e. food markets and street food.

The food market study has concentrated on rice as the major source of food energy, and fish, the major source of proteins.

Rice also stands for a food item that can be easily stored whereas fish is a perishable commodity that only can be stored at considerable cost (freezing).

Rice trade appears to be more organized and, thus, could stand for the „formal“ economy, whereas fish trade stands for the more „informal“ economy

There is a tradition of state interference in foodgrains markets while fish markets have seen much less state attention

Dhaka: Difficult delimitations

Concepts of Dhaka City differ by up to factor 2 for the number of population and factor 10 for area:

DCC: Dhaka City Corporation

DMA/DMPA: Dhaka Metropolitan (Police) Area

DSMA: Dhaka Statistical Metropolitan Area

RAJUK/DMPA: Dhaka Metropolitan Area

Furthermore:

Dhaka (New) District, Dhaka (Old) District or Dhaka Region; Dhaka Division

Dhaka City



Explicit and Implicit Policies

Policies are assumed to be explicitly formulated, proclaimed in speeches by politicians and government officials and to be laid down in print as official documents

All policies have sideeffects whether intended or not: Importing cheap food, for example will hurt the domestic agricultural producer, one of the less known negative effects of food aid. Such effects can be seen as a hidden agenda.

In the case of Bangladesh, there are explicit policies for the benefit of vulnerable groups; there is no explicit policy for Dhaka or any other urban area.

Implicit policies are aiming at increasing rice production and benefiting government employees.

Direct and Indirect Effects

Policies directed at one aim may succeed in achieving that aim but have indirect effects often in surprising ways:

Agricultural price policy is a perfect example: Price regulation affects prices directly and quantities produced and traded indirectly, although often with a (time) gap.

The Bengal Famine of 1769/70 is a perfect example for indirect effects of the British policy to raise land revenue.

The policy of „denial“ was devastating for the rural poor of eastern Bengal during the Bengal famine of 1943.

The concentration of government services and NGOs in Dhaka seem to benefit the population of the capital.

Intended and Unintended Effects

Effects may be intended and unintended.

Good intentions may not be sufficient („The road to hell is paved with good intentions“)

Targeting is especially difficult in Dhaka, where the slums (makeshift housing rather than run down residential quarters) are spread all over town and the inhabitants may be informally employed by people who represent the formal economy.

An unintended effect would be less corruption in the food sector due to less involvement of government in the food sector. (?)

Principals and Agents

If policy is seen as an agency problem, the questions arises : Who is the principal and who is the agent“?

In a democracy the people should be the ultimate principal, the government is the agent. In a multi-layered system, however, most actors are agents of a higher instance and principals with regard to the lower.

In a unitary state like Bangladesh the central government is the main driver of policy; local bodies are hardly engaged in food, even not where the responsibility rests with them. In the case of Dhaka this would be the organization of markets and food quality/hygiene.

What or Who is the State?

As compared to standard textbooks, there is no one „state“, because state or government come in many forms:

The three estates (legislative, executive, judiciary) are usually associated with „the state“, administration with „governance“; the fourth estate (the press) is usually not part of „the state“, except if state controlled

Unitary states like Bangladesh only have two layers of government, central and local; federal states have a third, middle level like the states of the Union in India and the provinces in Pakistan

Government owned or administered enterprises are also part of „the state“; utilities are often organized as private companies but government owned and/or controlled.

In reality it can be difficult to make out „the“ state; people at the same time can be representatives of the state and actors in all kind of informal arrangements.

In Bangladesh the inhabitants of Dhaka seem to be the main beneficiaries of government policy

Self-regulation and informal governance

There are organizations „owned by themselves“ like religious institutions that can be very active socially, politically and economically: Mosques own shops, charitable funds own land. Mohallah, neighbourhood, and traders's associations often regulate the economy of their members and clients.

Enacting regulation requires sanctions, often violent and outside the law, systems known as informal governance.

As a consequence of abolition of local taxes (*octroi*), improved transport (trucks) and communication (mobile phones) markets lose their importance viz-a-viz direct deliveries. Modern retailing has started. This should affect traditional trading patterns and local monopolies.

Formality and Informality

Since the ILO in 1972 helped to popularize the term „informal“ the „informal economy“ has been talked of, discussed and praised because of its inbuilt dynamics

The discussion can be only understood in the historic context:

Industrialization was a synonym for modernization in a time when the developing world was still „under-developed“, if not „primitive“

Role models in the emerging, newly independent states of the „Third World“ were the Soviet Union and China rather than Japan or Germany

Before the „population explosion“ became an issue, a scarcity of industrial labour was feared, especially since under-motivated members of traditional (read: backward) societies were not coming forward.

The mass rural exodus was ascribed to „pull“ factors of the big cities.

The industrial sector, however, failed in most countries to absorb the rapidly growing number of job seekers

Contrary to expectations it was found in the Nairobi study that squatters on the fringes of that city had carved out their often garbage-based economy with labour relations that were not formalized.

Informal sector activities: The ILO 1972 definition

Informal-sector activities are largely ignored, rarely supported, often regulated and sometimes actively discouraged by the Government.

The characteristics of formal-sector activities are the obverse of these, namely –

- (a) difficult entry;
- (b) frequent reliance on overseas resources;
- (c) corporate ownership;
- (d) large-scale of operation;
- (e) capital-intensive and often imported technology;
- (f) formally acquired skills, often expatriate; and
- (g) protected markets (through tariffs, quotas and trade licences)

From: Employment, incomes and equality: a strategy for increasing productive employment in Kenya. Report of an inter-agency team financed by the United Nations Development Programme and organised by the International Labour Office. Geneva: International Labour Office. 1972.

Traditional vs. informal

The food that is consumed in the city originates from rural (=agricultural) areas. Like no other product, food combines the city with its hinterland (and the rest of the country)

Food policy affects the rural and urban societies and economies

The discussion of informal arrangements (etc.) is restricted to urban areas, there is no talk of an „informal agricultural sector“

Most arrangements include, however, actors from outside and inside the city, like the substantial urban subsistence economy (i.e. food brought from own/family lands into the city)

The formality of the informal: Informal governance

In the traditional set up most, if not all arrangements (deals, contracts) although not formalized (written, state controlled) are binding.

Similar arrangements in an urban environment become „informal“, although they can be very binding, sanctions in case of violation of arrangements can be severe.

The informality of the formal

Members of state and private (formal) agencies often act not in accordance with their rules and the law, e.g. selfish or in a casual, if not erratic way. Such informality can for example be observed in dealings of the state authority with street vendors that Benjamin Ezold has observed

Food policy

Spacially, food policy has shifted from urban to rural areas.

Emphasis has been shifted from consumption to production.

In production emphasis is on rice production, especially viz-a-viz sugar and edible oils.

In consumption, only select groups receive any support

Lead Qs and As

(As set by the panel leaders in Essen 2010)

Q1: What kind of urban agriculture does already exist?

A1: Mostly growing rice on the wetlands at the periphery

Q2: How is urban agriculture interweaving with the urban structure?

A2: Not much, agricultural lands overrun by city expansion

Q3: Which impacts of urban agriculture on urban agriculture can be observed?

A3: Not much

Lead Qs and As (cont.)

Q4: Which functions and synergies of urban agriculture are perceptible?

A4: Not many

Q5: What are the main elements that constitute the multi-functionality of urban agriculture?

A5: Producing food, providing employment and income, providing high energy, protein rich food; but also: generous doses of plant protection and hormones add to toxication of soils, water, and food

Q6: Which co-benefits can be discerned?

A6: Providing open space and clean air in principle would add to quality of urban life, but agriculture is rapidly disappearing inside the built up areas

Lead Qs and As (cont.)

Q7: Which best practice and examples and pilot projects can be identified?

A7: I could think of none. The reason: Lack of space: e.g. only 7 per cent of urban land is under roads

Q8: How can urban agriculture be integrated in urban policies?

A8: The City as a political entity has first to be empowered, administratively, personally and – most of all – financially to develop and administer a policy for the whole built up area

Q9: What can be achieved through stakeholder cooperation and new alliances?

A9: Urban administration and people`s representation has to be strengthened first

Further questions for research

Megacities as arenas of risks and resilience

The fact that „informality“ is being used almost exclusively in the urban context automatically makes it „urban“

Being a city of first and second generation urbanites, the people of Dhaka, however, „hedge“ their risks by maintaining close contacts to their families in the countryside.

With modern transport and telecommunication they can keep up these contacts much easier than this was possible in earlier times

Many features of the urban food economy can also be found in the villages (especially among the landless), the distinction between urban consumers and rural producers creates a dichotomy that may not exist in reality.

Government policy has to find a balance of serving them all.

All these questions are up for further research.

Thank you for your kind attention

Comments, Suggestions, Questions
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