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Title: Does food aid cause political instability in developing countries?



The recent increase in the number of undernourished people in the world is a reminder that internal conflicts in developing countries pose a threat to global hunger and food security. This development comes in the early years of the Sustainable Development Goals, and despite the concurrent increase in foreign aid targeting food insecurity in the last two decades. This is surprising because foreign aid is often considered to be an effective way to contribute to political stability and food security.

The increased foreign aid inflows have also been associated with changes in the sectoral allocation of foreign aid. In particular, the relative role of food aid has been sharply reduced. The conceptual links between food aid and internal conflict are complex. Food aid is likely to relieve conflict risks so long as the delivery of food is timely, well-targeted, and effective. However, food aid can be stolen and used as a weapon where the distribution of food is discriminatory. This can further inflame civil conflict.

The empirical literature on the effects of food aid on political instability is scarce. Nunn and Qian (2014) find that US food aid increases the incidence and duration of civil conflicts in recipient countries. However, Christian and Barrett (2017) dispute their results. Earlier, Collier and Hoeffler (2002) find foreign aid does not have a direct effect upon the risk of conflict, but that aid may have substantial indirect effects contributing to future security.

System GMM estimates suggest that food aid contributes to political stability, though the effect is small. A doubling of food aid per capita would decrease political instability by about 1.7 per cent. We find heterogeneous effects of food aid. While the positive effect of food aid on political stability is larger in countries with fewer ethnic tensions, food aid has no effect on political instability in countries with exacerbated ethnic tensions. Our findings question the reduced relative role given to food aid and suggest that food aid appears as a win-win investment for the Sustainable Development Goals' Zero Hunger challenge, both contributing to global security and to undernutrition reductions.