

# Cornhusker Economics

Cooperative Extension

Institute of Agriculture & Natural Resources  
Department of Agricultural Economics  
University of Nebraska – Lincoln

## Amartya Sen and World Food Day 2000

Market Report	Yr Ago	4 Wks Ago	12/8/00
<b>Livestock and Products,</b>			
<b>Average Prices for Week Ending</b>			
Slaughter Steers, Ch. 204, 1100-1300 lb Omaha, cwt .....	\$70.00	\$71.34	\$74.52
Feeder Steers, Med. Frame, 600-650 lb Dodge City, KS, cwt .....	89.37	89.62	92.11
Feeder Steers, Med. Frame 600-650 lb, Nebraska Auction Wght. Avg .....	94.19	95.06	96.87
Carcass Price, Ch. 1-3, 550-700 lb Cent. US, Equiv. Index Value, cwt .....	107.96	107.97	114.45
Hogs, US 1-2, 220-230 lb Sioux Falls, SD, cwt .....	35.25	36.00	43.00
Feeder Pigs, US 1-2, 40-45 lb Sioux Falls, SD, hd .....	*	25.39	*
Vacuum Packed Pork Loins, Wholesale, 13-19 lb, 1/4" Trim, Cent. US, cwt .....	95.80	102.40	105.70
Slaughter Lambs, Ch. & Pr., 115-125 lb Sioux Falls, SD, cwt .....	*	61.75	63.95
Carcass Lambs, Ch. & Pr., 1-4, 55-65 lb FOB Midwest, cwt .....	163.00	149.00	149.00
<b>Crops,</b>			
<b>Cash Truck Prices for Date Shown</b>			
Wheat, No. 1, H.W. Omaha, bu .....	2.65	3.15	3.21
Corn, No. 2, Yellow Omaha, bu .....	1.71	1.95	1.89
Soybeans, No. 1, Yellow Omaha, bu .....	4.23	4.50	4.83
Grain Sorghum, No. 2, Yellow Kansas City, cwt .....	2.75	3.43	3.59
Oats, No. 2, Heavy Sioux City, IA, bu .....	*	1.21	1.30
<b>Hay,</b>			
<b>First Day of Week Pile Prices</b>			
Alfalfa, Sm. Square, RFV 150 or better Platte Valley, ton .....	100.00	115.00	110.00
Alfalfa, Lg. Round, Good Northeast Nebraska, ton .....	32.50	75.00	75.00
Prairie, Sm. Square, Good Northeast Nebraska, ton .....	*	82.50	95.00
* No market.			

As every year, World Food Day took place on October 16th. Being relatively new to UNL (and the U.S.), and being an assistant professor in the Economics Department (joint with the Agricultural Economics Department) with research interests in social choice and game theory, the probability that I would get involved with World Food Day were slim. However, somehow it caught my eye that the yearly teleconference that accompanies World Food Day featured the 1998 Nobel prize winner for economics, Professor Amartya Sen. The 2000 World Food Day's teleconference topic was "Poverty and Hunger: The Tragic Link" and in a superb way it linked Professor Sen's contributions to welfare economics and his economic insights with the complex subject of hunger and famines. In this article I would like to reflect on some of Professor Sen's views on hunger and famines. My main sources of information are the study/action package that was distributed by Georgia State University (see <http://www.gsu.edu/~wwwwfd/>) for this year's World Food Day and Professor Sen's 1981 book "Poverty and Famines: An Essay on Entitlement and Deprivation," Oxford: Clarendon Press.

According to the latest world survey of the Food and Agricultural Organization, 790 million people are chronically undernourished in the developing world and another 34 million people in the industrialized world, mostly in the former Soviet Union (see <http://www.fas.usda.gov/>). Asia, which accounts for more than two thirds of the developing world's population, has 526 million undernourished people. The Food and Agricultural Organization survey notes that India, with 204 million chronically



undernourished people, has more hunger victims than Sub-Saharan Africa with 180 million. Following a 1995 U.S. Census Bureau survey, roughly 35 million people in the U.S. experienced some level of food insecurity during the 12 months prior to the survey. All the previous facts reflect hunger in some form. However, describing and reducing the phenomenon of hunger (and famines) as the mere absence of food would be oversimplifying. Amartya Sen: "Hunger is best seen in terms of failure of people's entitlements, that is their failure to establish command over an adequate amount of food and other necessities. A person may have little means of commanding food if he or she has no job, no other sources of income, no social security. The hunger that will result can coexist with a plentiful supply of food in the economy and the markets." Professor Sen analyzed situations in which large numbers of people could starve in a period of relatively high food resources. For example, in the 1974 Bangladeshi famine, flooding significantly raised food prices, while jobs for agricultural workers declined. Because of this, the real incomes of agricultural workers declined so much that they were disproportionately stricken by starvation. Professor Sen became interested in the dynamics of famine in part by his own experience during India's famine in 1943, when he was 9 years old.

As a key factor to prevent famines and hunger, Professor Sen identifies the development of necessary freedom. "Development can be seen as a process of expanding the real freedoms that people enjoy. Focusing on human freedoms contrasts with narrower views of development with the growth of gross national product, or with the rise in personal incomes, or with industrialization, or with technological advance, or with modernization. Growth of GNP or of individual incomes can, of course, be very important as a means of expanding freedoms enjoyed by the members of the society. But freedoms depend also on other determinants such as social and economic arrangements (for example facilities for education and health care) as well as political and civil rights (for example, the liberty to participate in public discussion and scrutiny). Similarly, industrialization or technological progress or social modernization can substantially contribute to expanding human freedom, but freedom depends on other influences as well.

Sometimes the lack of substantive freedoms relates

directly to economic poverty, which robs people of the freedom to satisfy hunger, or to achieve sufficient nutrition, or to obtain remedies for treatable illnesses, or the opportunity to be adequately clothed and sheltered, or to enjoy clean water or sanitary facilities. In other cases, freedom links closely to the lack of public facilities and social care such as the absence of epidemiological programs, of organized arrangements for health care or educational facilities, or of the effective institutions for the maintenance of local peace and order. In still other cases, the violation of freedom results directly from a denial of political and economic life of the community." The subject of freedom as a key factor to prevent hunger and famines is also the subject of Professor Sen's most recent book "Development As Freedom."

Amartya Sen was born in Shantiniketan in West Bengal, India in 1933. He received his doctorate from the University of Cambridge, United Kingdom in 1959 and has been a professor in India, the UK and the U.S. In 1998 he received the Bank of Sweden Prize in Economic Sciences in Memory of Alfred Nobel. In 1998 Professor Sen left his professorships in economics and philosophy at Harvard University to become Master of Trinity College, Cambridge, UK.

The following internet page contains an interesting list of myths and realities of hunger: (<http://rehydrate.org/html/fct.htm>).

Further readings:

Sen, A.K., 2000, *Development As Freedom*, Anchor Books.

Sen, A.K., 1995, *Inequality Reexamined*, Harvard University Press.

Sen, A.K., 1989, *On Ethics and Economics*, Blackwell Publishers.

Sen, A.K., 1981, *Poverty and Famines: An Essay on Entitlement and Deprivation*, Oxford: Clarendon Press. Reprint edition 1984, Oxford University Press.

Bettina Klaus, (402) 472-2129 or 472-1748  
Assistant Professor, Dept. of Economics  
and Dept. of Agricultural Economics