



## Promoting Household Food Security in Rural Remittance-receiving Communities

Remittances can affect rural household food security (HFS) in a variety of ways, both directly, through increased expenditures on food purchases, and indirectly, through impacts on agricultural production. Short-term improvements in HFS due to increased purchasing power may be offset in the longer term by dependency issues, as well as other migration-induced changes in agricultural practices, land use and ownership, labour practices, and even food preferences. The need to gain a better understanding of the complex impacts of remittances on HFS becomes all the more crucial in the current context of rising food and energy prices, global warming and free trade, all of which affect food production and consumption patterns. Strategies that aim to increase HFS must take gender into account at every level, as women around the world have traditionally played key roles in household food security, and continue to do so in their new roles as remittance senders and managers.



### Remittances can increase HFS by providing funds for store-bought food

This can improve both the quantity and quality of food consumption in poor rural households. UN-INSTRAW's case studies around the world show a consistent pattern of remittance-use that prioritizes basic household expenses, particularly food. Gender analysis of remittance-use shows that when women are in charge of remittances (as senders and/or managers), the proportion devoted to food purchases is higher, resulting in greater improvements in the nutritional status of family members. Case studies in the Dominican Republic, the Philippines and other countries show significant improvements in child nutrition and a related drop in infant mortality in migrant-sending households. But these positive short-term effects on HFS may lead to longer-term risks as households become increasingly dependent on remittances to meet their day-to-day nutritional needs. The food security of such remittance-dependent households can be put at serious risk if remittance cash flows are significantly reduced or interrupted, as can occur if the migrant becomes unemployed, too ill to work, or is deported. The household's dependence on remittances thus tends to perpetuate migration flows by extending the migrant's stay in destination countries, and by promoting circular migration or replacement migration by other family members.



### HFS can also improve when remittances are used as agricultural capital

Remittances can support the purchase of land or cattle, irrigation equipment, chemical inputs, etc. and farmers can both intensify and diversify their production or stock extra food to cover the period between harvests, and obtain additional cash for store-bought food purchases. Remittances can also be used as a kind of 'insurance' against catastrophic events such as drought, flooding or market price fluctuations, which can lead to periods of critical food insecurity. However, the likelihood of agricultural investments by remittance-receiving households, as well as the type of investment and their outcomes, is increasingly affected by global trends and can vary widely from one context to another. Landless families that depend on agricultural wage labour or tenant farming may use remittances to buy land of their own or to expand their small holdings. Subsistence farmers may be able to increase and diversify their crop production, thus improving the nutritional levels of family members, especially children. Or they may diversify into commercial agriculture, and invest in modern farming technologies and cash crops. However, agricultural investments usually represent a small fraction of the total remittance amounts used for store-bought food purchases, as they are also subject to difficulties and risks, particularly those arising from the high cost of modern agricultural inputs.

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Gender, Migration and Development Policy Brief #3, October 2008  
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## From subsistence-based farming to cash crops and other market-based activities

Rural communities of origin for migrants around the world are transitioning from subsistence-based farming to cash crops and other market-based activities, and are thus increasingly affected by global forces. It is argued that the subsistence of many agrarian communities is increasingly bound to their ability to participate in a non-farming market economy. Engaging in multiple forms of livelihoods may improve the household's standard of living and mitigate the threats to HFS from any one direction. As an income-generating activity, migration itself is part of an array of new livelihood diversification strategies, and can be seen as both cause and effect of the agricultural transition. This is exemplified by the use of remittances as capital investments for the planting of cash crops, which are in turn used to finance the migration of other household members, either to replace current migrants or to provide additional outside income for the household. Thus the use of remittances to purchase farmland and modern farming technology fuels the transition from a subsistence model of agriculture to a commercial model geared to the production of cash crops. In this scenario, women more often act as remittance senders, while men are in charge of handling the agricultural investments.

## Agricultural investments in developing countries are limited by the current energy-intensive model

The most commonly-reported obstacle to agricultural investment is the high cost of modern technology and farming inputs - irrigation pumps, pesticides, chemical fertilizers and the like - and the low market price farmers can fetch for their products. Small-scale commercial farmers have long faced difficulties in this respect, and the problem is now worsened both by rising energy prices that increase the cost of petroleum-based inputs and by trade globalization, which forces farmers

to compete in a global market increasingly controlled by large-scale industrial farming. In the Philippines, for instance, rice production has decreased steadily over the last two decades, as local producers became increasingly unable to compete with foreign corporate producers, forcing the country to import an ever larger proportion of its staple crop. Although remittance-based investments have in some cases allowed households to improve the profitability of their current agricultural production, the globalization of agricultural markets threatens the mid-term sustainability of small-scale producers and consequently presents potential risks to long-term HFS (UN-INSTRAW, 2008). Likewise, increases in cash-crop production are usually linked to decreased production of basic foodstuffs, which leads to higher dependence on store-bought purchases that negatively affects HFS.

## Globalization has diverse impacts on rural communities

The impact of globalization on rural communities does not follow a single path but rather can lead to diverse outcomes, depending both on local and outside forces. Local forces include such factors as land-tenure regimes, availability of farmland and labour, access to urban markets, etc. while outside forces include government subsidies for staple crops, free trade policies in agricultural products, rising fuel prices, etc. In the Dominican community of Vicente Noble, for instance, the aridity of the terrain is a major obstacle to the development of commercial farming, as irrigation projects would require cash outlays that are beyond the possibilities of most remittance-receiving households. Consequently, remittance-based investments have been mostly channeled toward new housing construction, the establishment of small businesses, or the purchase of vehicles for commercial transport. On the other hand, the Philippines and Southern African case studies show that, although agricultural investment does not generally account for a significant

proportion of remittance money, some areas have undergone a significant transformation in farming practices as a result of such investments. In Mozambique, for example, though field unit size is significantly smaller in the southern region of the country, the use of improved seeds, pesticides and fertilizer –as well as the use of livestock on farms- is significantly higher in this region or origin for many migrants than in the rest of the country (Hughes, 2007).

## Non-farm investments prevail in many rural communities of origin for migrants

It must be kept in mind that non-farm investments prevail in many rural communities of origin for migrants, resulting in a decline of locally-produced food and a heightened dependence on outside sources. It is common for migrants and their families to invest remittances in land purchases that are not used to expand household cultivation but rather for the construction of residential properties and small businesses, or for leasing to landless tenants. While these migrant-sending, property-owning households may be able to improve their own food security through store purchases, their investment practices can negatively affect local food production by increasing the price of land and reducing the amount of farmland available for cultivation. They also contribute to the growing lack of interest in farming activities observed in many migrant-sending communities, especially among young people, who tend to view migration abroad or service jobs at home as more “modern” and profitable than farming. In addition, migration-related changes in food consumption patterns can negatively impact local production due to newly-acquired preferences for imported products, including American-style ‘fast food’. The demand for imported food increases as returning migrants bring back eating habits acquired abroad, and remittance-receiving families can afford to dine out, both of which negatively affect the

demand for locally-produced food and thus may threaten food sovereignty in the longer term.

## **Migration can increase social and economic disparities in communities of origin**

As monetary resources are injected into local economies, prices in general tend to rise. The reduction in locally-produced food can have dire consequences for non-migrant households, which must now rely to a greater extent on store-bought products, and pay higher prices for them, without the benefit of regular cash flows from abroad. Non-migrant farming households are unable to compete with their remittance-receiving counterparts in terms of technical investments in farming, which intensifies class disparities. Social polarization can take place even amongst remittance-receiving households, as commercial farmers vie with each other for land and water resources, or for markets for their cash crops, and small entrepreneurs often set up similar businesses that end up competing with each other. Both rising socioeconomic disparities and the increased risk of food insecurity among non-migrant households can intensify and perpetuate emigration flows.

## **Migration impacts the roles played by women in household food security**

Women around the world have traditionally played a key role in HFS as they account for over half of the agricultural labour force in the developing world, are often in charge of food crop cultivation (while men are in charge of cash crop cultivation), and are primarily responsible for food processing and preparation, which often involves the procurement of wood fuel and clean water over long distances. As more and more women become migrants, remitters and remittance administrators, their contribution to household food security expands and diversifies. Women’s access to income and their degree of decision-making

on expenditures have long been established as critical determinants of HFS and, especially, of the nutritional status of children. As can be expected, gender differences in remittance use reflect women's greater preoccupation with household food security and family well-being: when women have broad control over remittances as providers from abroad, or administrators at home, a greater proportion of remittances is spent on the nutritional, educational and health care needs of household members. Gender differences are also present in the types of remittance-based investments undertaken, with men more likely to invest in agriculture and women more likely to invest in residential construction and small businesses. These differences are clearly related to gender roles, particularly traditional male ownership and control of agricultural land – which prevails even when women are primarily responsible for agricultural labour.



### Ascertaining the gendered impacts of migration on household food security is complex but essential

Migrant women's investment in the education of girls and in property acquisition will affect both the present and future gender-based distribution of power in the family - increasing female members' access to income and decision-making and indirectly impacting HFS for years to come. On the other hand, when considering the positive impacts of migration on HFS one must keep in mind the quality of life of migrants in destination countries. Migrants often live very economically-restricted lives in order to ensure a steady flow of remittances to their households in countries of origin. Women migrants in particular have been widely praised for their willingness to self-sacrifice for the sake of their families' well-being, sometimes to the point of compromising their own food security.

### Migration can also affect HFS through changes in the organization of agricultural and household labour



The transition from subsistence to commercial agriculture tends to displace women and children from unpaid agricultural labour in family fields, as the farming tasks associated with cash crops can be more effectively performed by day-labourers paid in cash. This was observed in the Philippines, where women greatly valued their 'liberation' from unpaid family labour in the fields and their entry into income-generating occupations, such as managing a small shop or working as caregivers for the children of migrant mothers. In this case, both the reduction of women's workloads and their access to personal income can have positive effects on HFS. A very different situation is found in some rural communities in Africa or Central America, where males make up the majority of migrants and the women left behind must undertake many of the farming tasks previously performed by men. As remittances are seldom enough to pay for day-labourers, women become over-burdened with multiple responsibilities and food production can suffer as a result.

## Key Policy Recommendations

### Promote new research on the linkages between migration, gender and food security for the development of sound policy initiatives

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The task of putting forward policy recommendations for promoting HFS in rural remittance-receiving communities is complicated by the diversity of socioeconomic contexts and migratory dynamics involved, which can lead to very different outcomes in different settings. Despite the growing attention paid by researchers and policy-makers

to the development impacts of migration, the links between migration and food security are not yet fully understood. New information on the gender dimensions of the problem is urgently needed, particularly with regard to women's contributions to rural development and food security, and to the ways in which migrant women's changing roles are impacting the food security of their families and communities.

## 2

### **Develop new analytical approaches and re-think long-standing paradigms in the context of globalization and its impact on food security**

Much of the literature on rural food security continues to emphasize the promotion of modern, energy-intensive farming methods as the preferred or only means of increasing food production and HFS. But current trends in international oil prices have clearly called into question the economic feasibility of this approach by pricing petroleum-based agricultural chemicals and other inputs out of the reach of developing country farmers, while concerns over the environmental impact of modern agriculture call into question the sustainability of the model.

## 3

### **Reconsider rural development policies in the light of rapid expansion of free trade regimes**

These regimes compel developing countries to open their agricultural markets to international corporate producers, while maintaining agricultural subsidies and assorted trade barriers that protect producers in developed countries. The experiences of rice farmers in the Philippines and corn farmers in Mexico, for instance, call for a radical rethinking of both rural development strategies and international trade policies.

### **Rethink agricultural strategies and policies in global terms within the context of the current world food crisis**

## 4

The steadily-mounting prices of grains and cereals in world markets, fueled by rising energy costs, government subsidies for corn-based ethanol production and market speculation, among other factors, continues to increase hunger around the world and to threaten the survival of millions of the world's poor who are unable to purchase their staple foods at current market prices. In this context, the ongoing disarticulation of subsistence farming, and the trade policies that exacerbate it, is increasingly seen as a major threat to development and even to basic survival in many poor countries. The convergence of the global food, energy and environmental crises, the complex linkages between them, and the aggravating effect of trade policies, have led to renewed calls for policies that enhance the food producing capacity of the world's poor. In particular, market-oriented policies that promise food security through imports are giving way to a stronger emphasis on local production.

### **Assess development initiatives that focus on alternative models of agriculture production and commercialization**

## 5

These programmes seek to preserve traditional, environmentally-friendly small-scale agriculture, and often involve price subsidies and other protections that allow poor farmers to improve their standard of living while safeguarding the environment and the long-term food security of their communities. Other approaches take the trend towards diversification of rural livelihoods as a starting point to proposing a rural development model that is not restricted to agriculture but would promote alternatives such as tourism, small industries, fisheries or other income-

generating activities in rural areas. This is the approach favoured by many agencies that promote remittance-based development, but it remains problematic due to the small proportion of remittances used for productive investment, the low sustainability of many initiatives - which renders them continuously dependent on remittances - and other limitations. More research is needed on both types of approaches in order to ascertain their economic and social viability under current circumstances, as well as their potential for improving the food security of poor households, communities and nations over the longer term.

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**Establish a broad policy framework to address food security that spells out priorities, sets strategies, and defines the roles of national governments and other national and global actors**

This is a necessary precondition for effective project design and implementation. That is, specific policy recommendations cannot be formulated in the absence of a policy framework that clearly sets forth whether local rural development and HFS will be based on market-led mechanisms or state interventions; on agricultural production or livelihood diversification; on the protection of traditional farming methods or the promotion of modern agriculture; on short-term economic gains or long-term food security. Nonetheless, several straightforward policy recommendations emerge:

- **Place remittance-based rural investments - both farm and non-farm - within a broader framework of local and national development plans**, in order to increase both their sustainability and their development impacts. Current experiences show that remittance-based investments are often characterized by low

economic returns and high rates of failure, a very low capacity for generating new employment, and a continued dependence on remittances for survival. Promoting investment opportunities that create new economic synergies within the community and beyond can benefit both individual investors and the community as a whole, and can thus improve HFS in both migrant and non-migrant households.

- **Pay special attention to the food security of households not receiving remittances**, which can be severely affected by the impact of remittances on local food production and food prices. This is particularly important with regard to non-migrant, female-headed households, which usually present the highest rates of poverty and food insecurity. The increase in inequality between remittance-receiving and non-receiving households worsens the conditions of women in non-remittance households, as their workload intensifies because of their required contribution to the diversification of household income sources.
- **Promote women's access to land and other agricultural resources**, which can improve the food security of both migrant and non-migrant households. In many regions of the world women farmers play a major role in food production, but they seldom have access to land ownership and therefore to credit and other resources necessary to improve their families' livelihoods. In migrant communities of origin, cultural practices that limit women's ownership of land can have a negative effect on food security, as women migrants are less likely to invest their remittance savings in agriculture.

This policy brief was produced as part of a joint project between UN-INSTRAW, the International Fund for Agricultural development and the Filipino Women's Council.