U4 Helpdesk Answer

U4 Helpdesk Answer 2024:2

The interplay between corruption, poverty and food insecurity

A literature review.

The studies in this review generally conclude that corruption is a contributing factor to poverty. As characteristics of poverty, corruption also exacerbates hunger and food instability. Therefore, controlling corruption is necessary to achieve sustainable development outcomes. To achieve this robust anti-corruption measures should be implemented. These include transparency in public service delivery and donor aid, better accountability in government, oversight and sanctioning for corrupt actors.

RELATED U4 MATERIAL

↗ Review of literature on the link between corruption, poverty and conflict, and evidence of the impact of corruption on donor interventions

↗ The impact of corruption on access to safe water and sanitation for people living in poverty

Query

Please provide a review of recent literature and evidence exploring the links between corruption, poverty and food insecurity.

Contents

Caveat

The list of resources provided is not intended to be exhaustive but to give a snapshot of existing research on the topics.

MAIN POINTS

— The literature generally points to a correlation between high levels of corruption and poverty and food insecurity, showing that corruption contributes to inequality and hunger worldwide.

— Corruption is found to reduce economic growth, through curtailing foreign direct investment and increasing the costs of public projects. This affects marginalised communities the most.

— Investigations in Somalia and Ethiopia have found that food aid was diverted by public officials and other corrupt actors and resold for their personal profit.

— Recommendations for international donors providing aid coalesce around transparency, due diligence and the use of ICT to increase the accountability of projects. Studies also recommend working with locally led anti-corruption actors to help identify specific risks.

U4 Anti-Corruption Helpdesk
The interplay between corruption, poverty and food insecurity.

2

Background

Corruption, poverty and food insecurity are tightly connected. Poverty is both a cause and consequence of corruption and marginalised individuals may be forced into unwanted situations to secure basic needs, while at the same time are disproportionately affected by the consequences of corruption (McDonald, Jenkins, Fitzgerald 2021). Those living in poverty may also face barriers in and challenges to report corruption (McDonald, Jenkins, Fitzgerald 2021: 79).

Moreover, corruption can exacerbate food insecurity by compromising the state's ability to provide basic services for its citizens; land grabbing affecting certain communities; and the misappropriation of food aid. Corruption, poverty and food insecurity are explicitly mentioned as goals and targets in the Sustainable Development Goals (SDGs). Specifically, they aim to:

- end poverty in all its forms everywhere (Goal 1)
- end hunger, achieve food security and improved nutrition and promote sustainable agriculture (Goal 2).
- substantially reduce corruption and bribery in all their forms (Target 16.5) (UN n.d.).

Definitions

This section presents the definitions (as proposed by the literature) of the three central concepts of this paper: poverty, food security and corruption.

Poverty can be measured in two different ways[1]. The first is through economic factors, what is broadly referred to as monetary poverty. Under this definition, the new global poverty lines of US$2.15, US$3.65 and US$6.85 reflect the median national poverty lines of low-income, lower-middle-income and upper-middle-income countries in 2017 prices (World Bank n.d.). The SDGs measure extreme poverty as surviving on less than US$2.15 per person per day (UN n.d.). According to these measurements, 648 million people globally were estimated as living below the international poverty line in 2019 (World Bank 2022).

An alternative approach to defining poverty is through taking a multidimensional understanding. This means that poverty is caused by characteristics beyond economic ones and include social aspects such as education and health. For example, in the World Bank's Poverty and Inequality Platform (PIP) the following dimensions are considered: enrolment and completion of primary education, access to basic infrastructure (such as drinking water), access to sanitation as infrastructure and access to electricity as infrastructure (World Bank 2023 a).
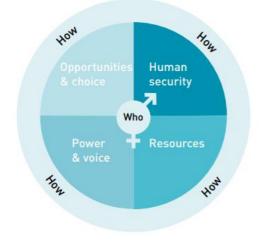
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[1] It should be noted that the literature selected in this review uses both definitions of poverty.

U4 Anti-Corruption Helpdesk
The interplay between corruption, poverty and food insecurity.

3

The Swedish International Development Cooperation Agency (Sida) also proposes a multidimensional poverty model which is composed of four following different dimensions (Sida 2017):

Source: Sida 2017

According to this model of poverty, food insecurity and hunger is a dimension of poverty (classified under resources). Under this dimension, poverty is caused by "not possessing and/or having access to or power over resources that can be used to sustain a decent living standard, meet basic needs and improve one's life" (Sida 2017: 16). Importantly, the understanding of poverty goes beyond a lack of material resources and includes a lack of power and voice (Sida 2017: 13). All these dimensions are linked in the model, reinforcing one another.

As mentioned, food security and hunger are important considerations when defining and understanding poverty. Addressing food insecurity is therefore a crucial component of poverty reduction strategies. Food insecurity is defined by the Food and Agriculture

Organization (FAO) as the "situation when people lack secure access to sufficient amounts of safe and nutritious food for normal growth and development and an active and healthy life. This may be due to unavailability of food and/or lack of resources to obtain food" (FAO n.d.).

This is slightly different from the term "hunger", which refers to the state of undernourishment (FAO n.d.). However, food insecurity means that hunger is more likely.[2] The FAO uses the prevalence of hunger and moderate or severe food insecurity in the population (among other indicators) to measure the overall prevalence of food insecurity worldwide. In 2022, they estimated that between 691 and 783 million people worldwide faced food insecurity (FAO n.d.).

Finally, the third aspect examined in this paper – corruption – is defined as "the abuse of entrusted power for private gain" (Transparency International n.d.) in this paper. The UNODC notes that "mainstreaming anti-corruption is critical to supporting the sustainable development agenda… and providing for the needs of the poorest and most vulnerable in society effectively and equitably" (UNODC 2023). As corruption diverts resources away from public good through embezzlement, misappropriation and others, it prevents sustainable development. It is therefore a cross-cutting issue in ensuring progress toward sustainable development and the SDGs, inextricably linked to the goals of ending poverty and world hunger.

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[2] Some of the literature in this paper uses the terms "food insecure" and "hunger" interchangeably.

U4 Anti-Corruption Helpdesk
The interplay between corruption, poverty and food insecurity.

4

Measurements of corruption, poverty and food insecurity

Several of the studies reviewed in this paper rely on measurements of association between different datasets, many of which are explained here. Each one of the following assessment tools measures one of the three aspects explored in this paper, and these help to explain the different manners in which researchers have attempted to define and measure their levels and impact.

Corruption

As a measurement of the perception of corruption, the Corruption Perceptions Index (CPI) scores and ranks countries based on how corrupt business executives and experts perceive a country's public sector to be (Transparency International 2022). It is a composite index of 13 surveys and assessments of corruption (Transparency International 2022.).

The OECD's Public Integrity Indicators provide a benchmark for government resilience to corruption risks and for strengthening public integrity (OECD n.d.). Its indicators include (among others) accountability of public policy making, integrity and effectiveness of the justice system, and strength of oversight and control (OECD n.d.)

The Worldwide Governance Indicators are a global compilation of data capturing household, business and citizen perceptions of the quality of governance in over 200 countries and territories (Kaufmann and Kraay 2023). Its indicator for the control of corruption is relevant here, and it measures perceptions of the extent to which public power is exercised for private gain, including petty and grand forms of corruption as well as state capture.

Finally, the Aid Transparency Index measures the levels of transparency among the world's major development agencies (Publish What You Fund n.d.). While this does not directly represent levels of corruption, it is relevant for this paper in terms of donor transparency when distributing food aid and other humanitarian assistance. Donors are selected for inclusion in the index based on whether they are majority publicly owned, aim to provide aid or development finance across borders, have a budget of at least US$1 billion per year for aid and development, and play a leading role in setting aid and/or development policy in its home country (Publish What You Fund n.d.). It scores donors on 35 indicators assessing the transparency of their financing and project data.

Poverty

The Multidimensional Poverty Measure by the World Bank is an index that measures the percentage of households in a country along three dimensions: monetary poverty, education and basic infrastructure services (World Bank 2023 b). Its data is taken from surveys in the World Bank's Global Monitoring Database using global household survey data from 2015 to 2021. The six indicators for poverty measurement are: consumption or income, educational attainment, educational enrolment, access to drinking water, sanitation, and electricity. These are mapped into three dimensions of well-being: monetary, education and basic infrastructure services (World Bank 2023 b).

As an alternative multidimensional measurement of poverty, the Human Development Index is a summary measure of average achievement in the key dimensions of human development: a long healthy life, education and having a decent standard of living (UNDP n.d.). These dimensions are measured through life expectancy at birth, mean years of schooling for adults aged 25 years and more,

U4 Anti-Corruption Helpdesk
The interplay between corruption, poverty and food insecurity.

5

expected years of schooling for children of school entering age and gross national income per capita (UNDP n.d.).

Food security and hunger

The Global Hunger Index measures the severity of hunger between "extremely alarming" and "low" (GHI 2023). As of 2023, 43 countries have "alarming" or "serious" levels of hunger. It calculates each country's score through undernourishment levels, child stunting, child wasting and child mortality (GHI 2023). These indicators are taken primarily from UN datasets and standardised and aggregated to calculate a final country score.

The Global Food Security Index has been developed by Economist Impact in consultation with a peer panel of experts (Economist Impact 2022). It measures the affordability of food, its availability, quality and safety, and sustainability and adaptation in its measurement of the severity of food insecurity (Economist Impact 2022).

Literature review

This review provides an overview of the links between corruption, poverty and food insecurity through academic studies, civil society reports and relevant news stories from 2012 to 2023. These include a combination of case studies, empirical studies, investigative reports and cross-analysis between different datasets to draw conclusions.

Some common trends and observations are apparent in the studies and literature. For instance, multilateral development agencies generally agree that higher levels of corruption have an impact on economic growth; the International Monetary Fund (IMF) estimates that 2% of global gross domestic product (GDP)

is lost to bribery every year. These agencies tend to argue that corruption increases levels of poverty as funding meant to address economic and social problems is instead diverted for personal gain.

Academic studies similarly demonstrate that corruption has both negative economic impacts – such as increasing the poverty rate – but these results and conclusions are more nuanced. The correlation between corruption and poverty is observed more strongly in certain countries more than others, leading some authors to examine wider economic and governance policies as a driver for poverty instead.

Nonetheless, despite some contentions within the literature (on the impact of petty corruption on poverty and whether corruption has a direct or indirect impact on poverty, for example), overall, the consensus is corruption fuels the problem of poverty. In particular, it aggravates political instability, vulnerability to climate change (through undermining environmental protection while increasing land grabbing) and can drive conflict and fragility, all of which increase levels of poverty.

In addition, the literature considers there to be a causal relationship between corruption and food insecurity, as a characteristic of poverty. It does so by incapacitating the state's ability to provide public services, as well as causing the diversion of food aid provided by international donors in times of crises. Case studies in this literature

U4 Anti-Corruption Helpdesk
The interplay between corruption, poverty and food insecurity.

6

review which include Ethiopia and Somalia[3], and provide evidence of corrupt networks systematically misappropriating food aid to sell at a higher price for profit, further fuelling levels of food insecurity and hunger. Studies also observe how higher levels of corruption may enable powerful companies to operate outside of the law and negatively affect the food supply chain and enable companies (and corrupt state actors) to engage in land grabbing, pushing marginalised communities off their land and depriving them of their livelihood, further pushing citizens into poverty and hunger.

Corruption and poverty

Topic overviews

What is Corruption and Why Should We Care?
United Nations Office on Drugs and Crime (UNODC).

This module in the UNODC's knowledge tool for academics and professionals on anti-corruption series provides a clear introduction to the impacts that corruption has, touching on several aspects relevant to poverty and food security. It explains corruption's impact on the Sustainable Development Goals in that corruption diminishes state capacity, meaning that nations are unable to fulfil their goals to eradicate poverty and address hunger, among others. It notes that the vast sums of money lost to corruption could in fact be used to improve living standards for citizens.

In terms of the impact on economic growth, it references the International Monetary Fund's estimate on the amount of money lost to bribery per year, between US$1.5 trillion to US$2 trillion, which represents an economic loss of 2% global gross domestic product (GDP). This is closely linked to the impact corruption has on poverty and inequality funding meant for infrastructure projects, education, healthcare, poverty relief, and elections and other development goals is used instead for personal enrichment. The module also addresses the impact on state capacity, noting that political systems meant to address economic and social issues are incapable of doing so as state capture means that politics is used for personal gain rather than systemic reforms which would result in better quality of life for citizens.

Issue Paper on Corruption and Economic Growth
OECD. 2013.

The G20 Anti-Corruption Working Group asked the OECD to examine the impact of corruption practices and anti-corruption policies on economic growth and development. The resulting paper found that, while the direct link between corruption and GDP growth is difficult to assess, corruption does have a significant negative effect on key growth factors such as investment (including foreign direct investment), competition, entrepreneurship, government efficiency and human capital formation. Corruption also negatively affects other indicators of economic development such as personal health, safety, equity and social trust.
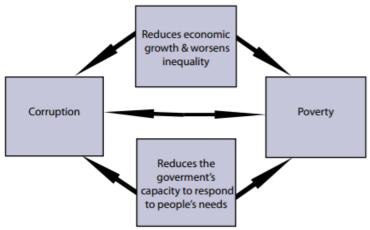
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[3] It should be noted that allegations of corruption in the delivery and distribution of food aid have been made in other countries. This paper uses Ethiopia and Somalia to illustrate the issue, while acknowledging the problem is not only limited to these countries.

Corruption and Development: A Primer
UNDP. 2015.

This primer discusses how corruption and underdevelopment are linked and reinforce one another. It explains how countries affected by structural poverty are more likely to be suffering from systemic corruption as corruption is one of the exacerbating conditions of poverty and, in addition, corruption slows economic growth. The primer notes how the burden of bribery falls on poorer people (such as when they need to access social services or judicial services).

The primer refers to the amount of money extorted and stolen each year from lower income countries, which is over 10 times the (approximately) US$100 billion in foreign assistance being provided to them by governments and civil society organisations worldwide.

The below graph illustrates the links between corruption and poverty:

Source: UNDP 2015.

Consequences of Corruption at the Sector Level and Implications for Economic Growth and Development
OECD. 2015.

This study looks at the impact of corruption on economic growth at a sectoral level. These sectors are key for growth and development and are considered particularly vulnerable to corruption and include: the extractive industries, utilities and infrastructure, health and education.

In the extractive industries, corruption results in sub-optimal decisions over the choice of companies to develop resources, causes operational delays and diverts funds generated by the sector away from populations. Political corruption associated with the sector makes it difficult to monitor and hold those involved to account. In utilities and infrastructure, monopolies in the sector generate large rents for those who control the entities. Overlooking regulations can lead to pollution and safety issues. Corruption in health weakens service delivery, human resources management, medicines supply systems, and resource allocation. Finally, corruption in education means citizens may need to pay bribes to access the service and it reduces the quality of education.

The study also finds that corruption has a direct impact on the cost of a public service project in both the private and public sectors, as well as indirect impacts on damaging public institutions, reducing social trust and increasing inequality. Ultimately, all of these factors lead to increased levels of poverty.

Correlations between corruption and poverty

The Impact of Poverty on Corruption
Mustafa Unverand Julide Yalcinkaya Koyuncu. 2017. Journal of Economics Library, 3(4), pp.632-642.

This paper looks into the effect of poverty on corruption using an annual unbalanced panel data analysis on 154 countries from 2000 to 2013. The corruption measures are taken from the Worldwide Governance Indicators, the CPI and Index of Economic Freedom. The list of poverty level variables were taken from the

U4 Anti-Corruption Helpdesk
The interplay between corruption, poverty and food insecurity.

8

Human Development Index and World Bank data sources. The independent variables used were openness, democracy levels, inflation and foreign direct investment (FDI). Their empirical results show that all poverty variables and inflation rates have a statistically significant and positive effect on corruption, while FDI, trade openness and democracy levels have negative effects on it. They conclude that reducing corruption should help fight poverty.

Corruption and Economic Growth: New Empirical Evidence
Klaus Gründler and Niklas Potrafke. 2019. Leibniz Institute for Economic Research at the University of Munich.

This empirical study examines data from 175 countries from 2012 to 2018. It finds that the cumulative long-run effect of corruption on growth is that real per capita GDP decreases by around 17% when the reversed CPI increases by one standard deviation. The impact of corruption on economic growth is found to be particularly pronounced in autocracies through the effect of decreasing foreign direct investment and increasing inflation (the effects are statistically significant at least at the 10% level).

Poverty Reduction Strategies. Exploring the Link between Poverty and Corruption from Less Developed Countries
Muhammad Salman Shabbir, Mazhar Abbas and Qaisar Abbas. 2019. Dilemas Contemporáneos: Educación, Política y Valore, 6(2).

This study aims to prove conceptual insights into poverty and its various dimensions and explore the link between poverty and corruption through an analysis of existing literature in an attempt to gauge a causal relationship between the two.

The authors recommend well thought out anti-corruption initiatives to be introduced in an effective manner. Their literature analysis finds that the reduction in corruption will lead to better economic growth and equality of income will improve. Reduction in poverty will enhance the capacity of government institutions leading to better public service delivery, and public trust will improve if the perception of government corruption is lower.

They note that further research should focus on the contextual factors when exploring the link between corruption and poverty in terms of what is an antecedent and what is the consequence.

Does Corruption Affect Poverty in Developing Countries? Empirical Evidence Using Dynamic Panel Data Analysis
Sebki Wafa. 2022. Algerian Scientific Journal Platform.

This study examines the impact of corruption on poverty using a sample of 42 lower income countries between 2004 and 2019. It uses dynamic panel estimators and finds that corruption plays a pivotal role in increasing poverty in lower income countries. Recommendations proposed by the author are to raise the wages of public sector employees accompanied with penalties for corruption and enact and clarify anti-corruption laws.

U4 Anti-Corruption Helpdesk
The interplay between corruption, poverty and food insecurity.

9

Summary

The above section finds that corruption has a negative impact on economic growth as well as health, safety and social trust. It can damage key economic growth areas such as foreign direct investment, competition, entrepreneurship, government efficiency and human capital formation. Important sectors that are impacted by corruption (which, when affected, further drive poverty) are the extractive industries, utilities and infrastructure, health and education. Empirical studies show that there is a positive correlation between high poverty levels and high levels of corruption.

Regional analyses

How Corruption Contributes to Poverty

Oli Aina. 2014. ICPC Nigeria.

This paper reviews the literature on corruption and poverty to assess Nigeria's high levels of poverty, despite being one of the largest economies in Africa. The author notes that corruption is widespread in Nigeria, which was embedded by previous regimes, and includes influence peddling, embezzlement of public funds, cronyism, bribery and extortion, among others. The review claims that not all forms of corruption drive poverty (rather they affect law and order) as, for example, petty corruption and extortion by police typically involve smaller amounts of money. However, other forms of corruption such as grand corruption (embezzlement or diversion of public funds) perpetuates poverty. Private sector corruption also drives poverty, such as irregular loans in the financial sector. It concludes that strengthening anti-corruption measures is necessary for alleviating poverty as well as increasing education levels and public trust in government.

Patronage Driven Corruption Undermining the Fight against Poverty in Uganda

Mbabazi Godfrey and Pyeong Jun Yu. 2014. African Social Science Review Volume 7.

Patronage networks within Uganda are examined in this paper, which were developed during the British colonial administrative system. This system selected one group of local people to rule over the rest, which resulted in widespread poverty. The authors argue that, despite there being a strong anti-corruption framework in Uganda today, these patronage systems have continued to thrive and fuel poverty.

Corruption in Africa: 75 Million People Pay Bribes

Transparency International. 2015.

The People and Corruption: Africa Survey 2015 conducted by Transparency International and Afrobarometer surveyed 43,143 people across 28 countries in sub-Saharan Africa. It found that 22% of Africans who came to a public service in the 12 months prior said they had to pay a bribe. Across the region, findings show that poorer citizens[4] were twice as likely to have paid a bribe than richer people.

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[4] Measurements of poverty were taken from Afrobarometer's Lived Poverty Index which asks respondents: "Over the past year, how often, if ever, have you or anyone in your family gone without: enough food to eat? Enough clean water for home use? Medicines or medical treatment? Enough fuel to cook your food? A cash income?"

U4 Anti-Corruption Helpdesk
The interplay between corruption, poverty and food insecurity.

10

Risk of Corruption for Economic Growth and Poverty: The Case of a Developing Country

François Joseph Cabral. 2017. Risk Governance & Control: Financial Markets & Institutions, Volume 7.

This paper assesses the impact of corruption on economic growth, welfare and poverty in Senegal using a dynamic computable general equilibrium model. It finds that a loss of 10% of public investment to corruption would lead to an average loss of 2.6% points of economic growth per year. This diversion of resources has the effect of increasing the yearly incidence of poverty by 0.51% on average (equivalent to 61,136 new individuals living below the poverty line per year).

Corruption, Poverty, and Economic Growth (Causality Studies among ASEAN Countries)

Zuhairan Y. Yunan and Ayu Andini. 2018. Journal of Economics and Policy.

This study tests whether corruption has causal impacts on social and economic indicators across several Southeast Asian countries. It measures this through analysing the causality of corruption on poverty, and economic growth between 2002 and 2015. The study shows that there is a positive relationship between economic growth and corruption reduction. However, the findings show that the hypothesis that corruption causes poverty is not clearcut; while it is influential, it is an indirect causality as it deprives the rights of others and is a detriment to wider society. The authors argue that a good level of economic growth will increase business confidence to invest. A low poverty rate is likely to have a positive impact on the rate of corruption. However, the causality relationship occurs only in Thailand and the Philippines between the three variables; they found no causal relationship between the variables in Indonesia and Malaysia.

The Relationship between Public Expenditure, Corruption and Poverty in Nigeria

Ali Madina Dankumo, Suryati Ishak, Yasmin Bani, Hanny Zurina Hamza. 2019.

The authors analyse the World Food Programme's food assistance in Nigeria and the reasons why the majority of the population still suffer from food insecurity (despite huge investments from international donors). The sources of data were the Central Bank of Nigeria, National Bureau of Statistics Nigeria and World Bank (1996-2016). The study employs the ARDL bounds test. It investigates the impact of public expenditure and corruption on poverty and finds that there is a negative relationship between expenditure and poverty, and that corruption is positively related to poverty. It is corruption, they conclude, that prevents public expenditure from having an impact on poverty and, to mitigate this, a reduction in corruption levels is necessary for public expenditure to have a positive impact on poverty.

Corruption and its Repercussions on Employment, Poverty and Inequality: Rwanda and South Africa Compared

Firoz Khan and Pregala Pillay. 2019. Journal of Reviews of Global Economics.

This study examines the connection between state construction (governance, planning and policy foundations) and contemporary statecraft (sustainable development paradigms and frameworks), though anti-corruption policy and implementation, and their combined repercussions on employment, poverty and inequality. It finds that rent-seeking behaviour from the political class in South Africa (and the failure to sanction corrupt actors) contributes to and exacerbates unemployment, poverty and inequality. Rwanda's centralisation and management of rents and overall governance regime is found to be more effective in delivering

U4 Anti-Corruption Helpdesk
The interplay between corruption, poverty and food insecurity.

11

economic and social development. Therefore, while both countries have acknowledged that corruption is socially corrosive and damaging, South Africa has struggled to curb corruption comparatively. The authors conclude that rent-seeking behaviour should be minimised to ensure sustainable development.

The Impact of Corruption on the Poor: The Case of Guatemala
Iñaki Albisu. 2020. U4.

This paper reviews the impact of corruption and poverty in Guatemala. Corruption affects most public institutions in Guatemala, and public funds are often used for political purposes. It affects water management (through corrupt practices, increasing costs), sanitation, land administration and ownership, and food security in the country. Not only does petty corruption exist throughout public service delivery but corruption has also weakened civil liberties in Guatemala, leading Freedom House to score the country as "partly free".

Causality between Corruption and Poverty: An Analysis for South American countries
Denilson Oliveira da Silva et al. 2022. Estudios Economicos, Universidad Nacional del Sur, Departamento de Economia, vol. 39(79).

This study analyses the causality between corruption and poverty in Brazil, Bolivia, Chile, Colombia, Ecuador, Paraguay, Peru and Uruguay from 2002 to 2018. It uses the variables employed by the Corruption Perceptions Index (CPI), Control of Corruption (CC) index and indices proposed by the World Bank on poverty. It argues that corruption is a cause of poverty and a barrier to its eradication by discouraging growth and weakening institutions. The authors found that corruption influences poverty levels and its intensity, particularly the gap between income of the poorest and the poverty line. Their

recommendations include: improve anti-corruption laws, increase good governance of public bodies and impose severe sanctions for corruption. Other public policies aimed at reducing social inequalities should be expanded.

Summary

These selected studies focus on the links between corruption and poverty in specific regions and countries. In Sub-Saharan Africa, bribery at the point of access of public services is a problem as it reduces use of services and impacts individuals financially. Patronage networks and cronyism are also prevalent forms of corruption that exacerbate poverty in the region. In South America, corruption weakens state institutions and discourages economic growth, which increases inequality. In Southeast Asia, the causal relationship between corruption and poverty is more indirect and that economic growth may result in lower levels of corruption.

Corruption and food insecurity

Farmer's Rights Must Be Protected
Marion Aberle. Welt Hunger Hilfe (WHH).

WHH highlights how land grabbing creates a link between corruption, hunger and poverty. Land grabbing is prevalent where governments are weak and corrupt, resulting in small-scale famers and Indigenous Peoples being driven off their land or forcibly resettled. Governments are prioritising financial gains rather than addressing hunger and poverty. The article provides a case study from Cambodia, Ratanakiri, where the land in Chan was forcibly

U4 Anti-Corruption Helpdesk
The interplay between corruption, poverty and food insecurity.

12

taken for rubber tree plantations, depriving villagers of their livelihood and homes.

Corruption, Food Subsidies, and Opacity: Evidence from the Philippines

Aashish Mehta and Shikha Jha. 2012. Economics Letters, 117(3), pp.708-711.

The authors argue that food distribution systems that lack transparency in the amount of food allocated to each local market result in higher levels of theft. They use data sources on the Philippines from the Family Income Expenditure Survey, official sources on rice allocations and provincial data on regular rice prices. Their findings show that opacity is an impediment to food provision programmes, and that real time data on how much food was sent and where is critical to containing corruption.

Corrupt Practices Negatively Influenced Food Security and Live Expectancy in Developing Countries

Florence Ngozi Uchendu and Thaddeus Olatunbosun Abolarin. 2015. The Pan African Medical Journal.

The authors compare the influence of corruption on food security, life expectancy and population in higher income and lower income countries. Using the CPI, 32 of the least corrupt and most corrupt countries were selected, and their data was compared to their scores in the food security index (FSI), the Global Food Security Index (GFSI) and the population reference bureau. It found that the measurement of corruption (CPI) had a significant positive relationship between with lowered food security (FSI) and life expectancy (GFSI) in the least corrupt countries but not the most corrupt countries. Their recommendations from the study were that anti-corruption policies and promotion of good governance should be embraced to eradicate malnutrition in lower income countries.

The Impact of Corruption on Access to Safe Water and Sanitation for People Living in Poverty

Matthew Jenkins. 2017. U4.

This paper reviews the literature on the impact of corruption on water and sanitation services. Poor quality water infrastructure exacerbates the issue of poverty, as clean water and sanitation is essential to sustainable development. The reliance on informal service providers outside regulatory control who exploit illicit access fees and poorly managed privatisation of water services have exacerbated corruption in the sector in many countries. This has had a negative impact on household finances, health, food security, and disproportionately affects women and girls.

The Impact of Corruption on Food Security from a Macro Perspective

Huseyin Onder. 2019. Future of Food: Journal on Food, Agriculture and Society.

The author examines the corruption practices which influence food security by examining data on unemployment, dependent population, per capita income and anti-corruption policies from 75 countries. The paper finds that corruption has a minor impact on food security (a low significant correlation, particularly to the impact of income and unemployment on food security). After the analyses, it concludes that the most important factor for achieving food security is making people successful participants in the labour market.

In terms of food aid, the author recommends that records of aid be kept electronically and opened to the public for increased transparency and accountability. Such regulations would help diminish the direct effect of corruption on food security. In addition, minimising bureaucracy and increasing the interaction of the public and NGOs through actions in support of good governance would be beneficial. They argue for

U4 Anti-Corruption Helpdesk
The interplay between corruption, poverty and food insecurity.

13

the support of technological innovations in public services to minimise human interference and deterrent laws to prevent favouritism (among public officers who may hinder and redistribute food aid).

Rotten Deals: How Corruption Spoils Our Food
Transparency International. 2019.

In this paper, the impact of land corruption on food security is discussed. Land corruption can increase levels of poverty and hunger as it reduces access to land and damages the livelihood of small-scale producers, agricultural workers, and rural and urban poor. It also highlights the problem of powerful food processing companies operating outside the law, protected by corrupt networks, which breach labour conditions for workers and commit environmental crimes through paying bribes. It emphasises the need for transparency and integrity in the global food supply chain and stronger land rights.

Sex for Water - Promoting Safe Space for Girls and Young Women in Kibera Project
Kenya Water and Sanitation Civil Society Network (KEWASNET), African Civil Society Network on Water and Sanitation (ANEW). 2020.

This Baseline Report provides evidence on the existence of sextortion practice in the water, sanitation and hygiene sector in Nairobi City, Kenya. It finds that existing legal and regulatory frameworks there do not define or recognise sextortion as a form of corruption, despite sextortion and sexual harassment for water being a common phenomenon in the study area. Many cases are reported of water vendors forcing women and girls to have sex with them for water access, capitalising on their socioeconomic vulnerabilities. These cases are largely unreported due to fears of victimisation, stigmatisation, or lack of knowledge on what to do. Economic and social empowerment of woman and girls is needed to get them out of poverty and participate in decision making in the water and sanitation sector.

Impact of ICT Adoption and Governance Interaction on Food Security in West Africa
Muhammad Khalid Anser et al. 2021. Sustainability.

This paper looks at the interaction of governance and the adoption of information and communication technologies (ICT) with food security in West Africa. It uses a generalised method of moments (GMM)[5] approach on a panel of data from 15 West African countries. The findings show that good governance (government effectiveness and efficient anti-corruption control obtained from world development indicators and world governance indicators) can boost food security levels by between 12% and 20%. The technologies mentioned include a comprehensive knowledge database of agricultural research results, best farming practices, technologies and farming opportunities, weather forecasts and crop prices, radio-frequency identification (RFID) tags to track inventories, and marketing and sales information.

The Effect of Bureaucratic Corruption on Household Food Insecurity: Evidence From sub-Saharan Africa

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[5] A statistical method of combined observed economic data with information in population moment conditions.

U4 Anti-Corruption Helpdesk
The interplay between corruption, poverty and food insecurity.

14

Olayemi M. Olabiyi. 2021. Food Security, Volume 14.

This study examines the effect of bureaucratic corruption on households' ability to procure food in a safe and social manner using Afrobarometer data from 2011 to 2018. They found that bureaucratic corruption exacerbated levels of household food insecurity. Any contact with government institutions in particular caused household food security to worsen. Among the governance quality indicators employed, the control of corruption and political stability showed a significant relationship with food insecurity.

Food Security and Corruption
Gabriela Camacho. 2022. Transparency International.

This paper reviews the evidence on corruption and food availability and how corruption can worsen food security. This can occur through reducing small-scale farmers' food production capabilities, or through extortion of local populations resulting in their loss of finances meant for food. Specific corruption risks include bribery during food storage and certification, corruption in commodity trading, corruption in international trade (particularly bribery), pricing schemes and supply cartels, and risks in food aid. It recommends following the voluntary guidelines on the responsible governance of tenure, applying coherent corruption risk assessments, and strengthening judicial independence and freedom of the press and civil society to reduce corruption in the sector.

Does Corruption Starve? An African Perspective
Henri Njangang, Simplice A. Asongu and Eric Mouchil. 2022. African Governance and Development Institute.

With the hypothesis that corruption is a challenge to reducing levels of hunger, this study examines the different types of corruption (executive, legislative and judicial corruption dynamics) on a panel of 45 African countries. It finds that higher levels of all types of corruption are associated with higher levels of corruption – with executive corruption (which the authors define as the frequency with which members of the executive grant favours in exchange for any kind of incentive – financial, material or personal – or by the frequency with which they divert public funds for personal use) as having the most severe impact on food security.

Summary

Here, the literature explains how corruption exacerbates food insecurity and hunger at all levels of the food production and distribution cycle. Land grabbing (which is facilitated by corruption through favouritism, extortion and others) drives local communities and farmers off their land and deprives them of their livelihoods. Corruption impacts the food distribution through theft of food allocation, particularly in food provision programmes. Private companies and vendors of water and food may extort citizens (in particular marginalised groups) for access.

The effect of corruption on donor interventions

To Fight Corruption, Localize Aid. How US Foreign Assistance Can Support a Locally Driven Fight against Corruption
Oxfam America. 2015.

U4 Anti-Corruption Helpdesk
The interplay between corruption, poverty and food insecurity.

15

To help protect anti-poverty investments and ensure they deliver aid to the intended populations, rather than being diverted by corrupt actors, several recommendations for US policymakers are proposed in this report.

Firstly, it suggests investing directly in the strength of accountable local systems, government and society. This includes avoiding letting the US engagement strategy be driven by specific scandals rather by a deeper analysis of the opportunities to strengthen accountable governance, redouble its efforts to publish accessible data on US aid investments, invest more in the capacity of country governments and civil society to collect and manage their own data on aid development, and develop qualitative indicators to measure the impact of local solutions on development outcomes. The report argues that supporting sustainable locally driven efforts to counter corruption will reduce the risk that aid will be lost or wasted.

The paper plots a correlation between the Human Development Index and the Corruption Perceptions Index between levels of corruption and underdevelopment, showing that the higher the levels of corruption, the lower the development level of a country.

Impact of International Asset Recovery on Poverty Reduction and Political Accountability
Farzana Nawaz. 2016. U4.

Asset recovery is an important component of anti-corruption efforts to deter corrupt officials by ensuring they do not get to enjoy the material benefit of their crimes. The report reviews the empirical evidence on the impact of asset recovery on poverty reduction. It finds that the evidence on the actual effectiveness of these mechanisms to be scarce as there are few available studies; nonetheless, a few successful

asset recovery cases have shown that they could be useful for poverty reduction in the future.

It highlights repatriation models, where funds can be returned via NGOs or foundations set up by the bodies who confiscated money to work on poverty issues. Other repatriation models include earmarking funds for specific projects in a country (in particular, designated for law enforcement purposes to raise oversight and transparency) or repatriating directly to the state's budget. However, the paper notes that further evidence is needed to measure the effectiveness of these mechanisms on poverty reduction.

Foreign Aid and Corruption: Anti-Corruption Strategies Need Greater Alignment with the Objective of Aid Effectiveness
Quibria, M.G. 2017. Morgan State University.

This paper investigates the interrelationship between foreign aid and corruption, with controlling corruption a priority to eradicate poverty. It notes that foreign aid can contribute to an improvement in the quality of governance through improving the efficiency of civil servants and increasing their salaries and implementing institutional reforms (therefore decreasing poverty levels). However, it can also create perverse incentives for recipient countries not to mobilise their own funds or undertake governance reforms.

To control corruption in foreign aid, it recommends performance-based lending (basing their aid allocation in part according to indicators of corruption), strengthening the transparency and accountability of donors (through improving inspection, auditing and policy dialogue with recipient countries), improving the transparency and accountability of recipients (through supporting anti-corruption commissions and judicial institutions) and conducting global anti-corruption campaigns. The paper ends on the

U4 Anti-Corruption Helpdesk
The interplay between corruption, poverty and food insecurity.

16

remark that this outlines a preventive approach to limit corruption, but this needs to be complemented by investments to improve the quality of government, such as education, training and increases in civil service salaries.

Exclusive: EU Temporarily Holds Back Food Aid in Somalia after UN Finds Widespread Theft

Gabriela Baczynska et al. 2023. Reuters.

Corruption impacts donor aid and can limit the amount of aid given to citizens in affected countries. This is illustrated by the case of the European Union (EU) temporarily suspending funding for the World Food Programme (WFP) in Somalia after a UN investigation found widespread theft and misuse of aid meant to avert famine. The investigation found that landowners, local authorities, members of the security forces and humanitarian workers were stealing this aid. It was reported that internally displaced persons were coerced into paying up to half of the cash assistance they received to people in positions of power in the face of threats of eviction, arrest or de-registration from beneficiary lists. The UN report said its findings "suggest the post-delivery aid diversion in Somalia is widespread and systemic".

Actions to Prevent, Curb, and Mitigate the Diversion of Nutrition Humanitarian Supplies in Somalia

Nutrition Cluster, UNICEF, WFP. 2023. Relief Web.

The Nutrition Cluster, UNICEF and WFP published a joint response to the Somalian aid diversion, proposing actions to prevent, curb and mitigate the problem. They include the promotion and implementation of laws and policies prohibiting the sale and misuse of humanitarian supplies, crackdown by law enforcement on those selling nutrition supplies and seizure of stock, investment in mass media campaigns to sensitise

the population that nutrition supplies are not for sale and engage community networks in finding solutions, among others.

US to Resume Food Aid to Ethiopia Following Monitoring Agreement

Le Monde and AFP. 2023.

Another example of the impact of corruption on donor aid in Le Monde and AFP's article which details how the US resumed delivering food aid across Ethiopia after the government agreed to allow increased monitoring. Allegations of aid diversion to soldiers had been made in 2023, resulting in a halt in aid. The measures implemented to reduce corruption and increase oversight in the sector included humanitarian partners being able to identify and approve beneficiaries based on their vulnerability criteria.

Summary

This final section looks the impact of corruption on donor interventions to relieve food insecurity and poverty. Corruption can be seen in the theft and misuse of donor aid, which leaves citizens more vulnerable to poverty and hunger. This can also result in donors ceasing aid operations in countries – which can have devastating impacts on those needing support. The literature recommends using local accountability systems to counter corruption risks, increasing aid transparency, using asset recovery to redirect funds to help the most vulnerable, and for donors to invest in wider initiatives to complement their aid work, such as improving the quality of government, education, and the training of civil servants.

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19

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20