

CHAPTER 2

INTEGRATING A HUMAN RIGHTS APPROACH TO FOOD SECURITY IN NATIONAL PLANS AND BUDGETS: THE SOUTH AFRICAN NATIONAL DEVELOPMENT PLAN

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Abstract

Planning for food security and nutrition is an important area of policy development and research. In the case of South Africa, the National Development Plan (NDP) calls for improvements in household food security and nutrition. Although the NDP does not provide details as to how this is to be achieved, this is necessary if the implementation of plans is to also take account of human rights. This has implications for the activities that are to be undertaken as well as the costs that will be associated with these activities. In particular, human rights will need to be accommodated in the budgetary procedures that accompany development planning. Methods through which economic costs and benefits of alternative policies can be planned are discussed. These include food security diagnostics, macro- and micro-economic policies, the appropriate sequencing of policy and multi-year budgeting.

1 Introduction

National development strategies that put forward comprehensive plans have become important instruments through which to coordinate policies intended to improve human well-being. The purpose of such planning activities is to assist in the prioritisation of policies, including the identification of the resources required. Resolving the conflicts that inevitably arise from competing needs should be a component of these plans. These include those that follow from the incompatibilities of a developmental state approach versus market-driven economic growth.

South Africa's National Development Plan (NDP) is one such plan that specifically mentions food security as a goal.¹ A National Policy for

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1 NPC *National Development Plan 2030: Our future, make it work* (2011a).

Food and Nutrition Security builds on the NDP and seeks to establish a platform for increasing and better targeting public spending in social programmes that impact on food security. Although short on detail, the National Policy also intends increasing food production and distribution, leveraging government food procurement to support community-based food production initiatives and smallholders, and strategically using market interventions and trade measures to promote food security.² In some cases, these national plans are complemented by provincial growth and development plans and, in the case of the Western Cape, a provincial Food Security and Nutrition Strategy.³

The emphasis placed on food security by these policy documents is appropriate. As a public good carrying culpability in its production and duty in its reduction, a human rights lens on food security can shape the negotiations arising during the planning process. The human rights perspective provides some sense of the minimum norms that should be applied when making decisions. Importantly, a human rights approach obliges governments to use their available resources to achieve rights objectives. This applies even if the measures required imply the reallocation of government resources or broader forms of redistribution such as land reform, free basic education or universal cash grants.

This means that the national budgeting process is one mechanism whereby priorities are presented to the public and the choices made in resource allocation are made transparent and more widely accepted through public participation. The contribution of this chapter is to link human rights to food security and nutrition, to discuss how national development planning is influenced by this relationship, and to identify budget planning activities that can be redesigned to better take account of the human rights approach.

2 Human rights and food security

Mathews provides a useful summary of the key principles informing a human rights approach, linking these to the process of human development broadly defined.⁴ Many of these principles can comfortably be accommodated within the current discourse of development planning.

- 2 DAAF/DSD 'National Policy on Food and Nutrition Security' (2013) Department of Agriculture and Forestry/Department of Social Development <http://www.nda.agric.za/docs/media/NATIONAL%20POLICYon%20food%20and%20nutrition%20security.pdf> (accessed 7 October 2017).
- 3 DPLG *Provincial Growth and Development Strategy Guidelines* (2005) <http://www.thepresidency.gov.za/docs/pcsa/planning/pgdsguidelines.pdf> (accessed 12 August 2017); Western Cape Government *Household Food and Nutrition Security Strategic Framework* (2016) www.westerncape.gov.za/files/assets/140916_wcg_household_food_and_nutrition_security_strategic_framework.pdf (accessed 20 October 2017).
- 4 S Mathews 'UNESCO Expert Group – Development of human rights guidelines and minimum norms for Poverty Reduction Strategy Papers (PRSP) (2007); Committee on Food Security (CFS) *Coming to terms with terminology* (2012) Committee on World Food Security 39th Session Rome, Italy, <http://www.fao.org/docrep/meeting/026/MD776E.pdf> (accessed 17 October 2017)..

Examples include the obligations to take steps, the requirement to monitor and plan, and the importance placed on transparency, empowerment and accountability. Others fit less comfortably within the current praxis and, in some cases, the theorisation of food security and nutrition.

In particular, the principles of universality, inalienability, indivisibility and interdependence are critical components of the human rights approach which proposes that different rights are inseparable. Although recognised as being multi-dimensional, food security is not usually conceptualised in this way and, instead, different components are usually independently measured, analysed or targeted by policy.

For example, the Committee on World Food Security (CFS) states that '[f]ood security exists when all people at all times have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life'.⁵

Four dimensions are identified (availability, access, utilisation and stability). These are hierarchical in nature: Food availability is necessary but not sufficient for access; access is necessary but not sufficient for utilisation; stability is necessary but not sufficient for utilisation.

Durojaye and Chilemba review statements concerning food security provided by the UN Special Rapporteur on the Right to Food and the UN Committee on Economic, Social and Cultural Rights (ESCR Committee).⁶ They conclude that the right to food can be understood as 'the right of every person as a consumer to have access at all times, directly or by means of purchase, to adequate food that fosters a fulfilling life of dignity'.⁷

This approach is recognised in South Africa's 2013 National Policy on Food and Nutrition Security Policy in which food security is defined as 'access to and control over the physical, social and economic means to ensure sufficient, safe and nutritious food at all times, for all South Africans, in order to meet the dietary requirements for a healthy life'.⁸

Food security is complex in that some aspects, such as food itself, are economic goods that are privately produced and consumed, while other aspects, such as food safety, are public goods. That is to say, benefits (or costs) are non-rivalrous (consumption by one does not reduce availability for others) or non-exclusive (market transactions do not exclude some from the benefits (or costs) of consumption) or both. Kaul and Mendoza argue that the roles assigned by society to an economic good should be

5 Committee on Food Security (n 4).

6 E Durojaye & EM Chilemba 'Research on accountability and the right to food: Comparative study of India and South Africa' (2017) Centre of Excellence in Food Security Working Paper 3 4, <http://foodsecurity.ac.za/working-papers> (accessed 24 October 2017).

7 As above.

8 Department of Agriculture and Forestry and Department of Social Development *National Policy on Food and Nutrition Security* (2013).

taken into account when determining what is private and what is public.⁹ That is to say, society may deem some private goods to be ‘*de facto* public in their consumption’ and, thus, take steps to modify the ‘(non)rivalry and (non)excludability of their costs and benefits through public policy’.¹⁰ By assigning food security as a human right, its operation as a public good is socially assigned, and interventions for its management will need to be adjusted accordingly.

Such interventions will need to recognise that the sequence of economic and social policy reforms may matter, with some sequencing options being more optimal than others.¹¹ This raises the question as to whether human rights can be displaced in the short run by policies that increase the resource base for the longer term. To some extent this conundrum can be resolved since the human rights approach does accept a process of continuous and progressive realisation, a methodic, irreversible movement forward toward the fulfilment of rights. This provides a conceptual bridge linking the imperfect process of achieving food security to the fulfilment of human rights and the adherence to human rights principles.

For food security, the implication of progressive realisation is that while the South African government may promote policy goals such as economic growth over a more just distribution of resources as necessary precursors, this should not be at the cost of human rights. Further, the principle of non-retrogression means that the South African government may not permit steps to be taken that increase existing levels of malnutrition and hunger. Aligning policy with a human rights approach requires that possible negative outcomes that follow from growth-promoting policies be assessed in terms of their consequences on the existing rights of citizens. While measures that delay the attainment of rights could be acceptable if these measures form part of a progressive realisation, measures that result in retrogression would not.

The human rights framework also provides for minimum core obligations to which governments are obliged to devote ‘maximum available resources’. This refers to a minimum level that must be guaranteed to all people in all contexts.¹² The precise nature of this minimum will vary according to the rights being considered, and at this stage there is consensus neither on the levels nor on whether a definition of these obligations is desirable.

Some of these obligations overlap with existing definitions of food security. In particular, recent approaches that view deprivation in terms

9 I Kaul & RU Mendoza ‘Advancing the concept of public goods’ in I Kaul et al (eds) *Providing global public goods: Managing globalisation* (2003) 80.

10 As above.

11 R Kanbur ‘Economic policy, distribution and poverty: The nature of the disagreements’ (2001) 29 *World Development* 1083; SM Nsouli et al ‘The speed of adjustment and the sequencing of economic reforms: Issues and guidelines for policymakers’ (2005) 32 *International Journal of Social Economics* 740.

12 See General Comment 12 of the ESCR Committee.

of shortfalls in human capabilities have a strong resonance with the human rights approach.¹³ However, some of these core obligations are not specified in sufficient detail for strategy development, while others may impose obligations that are neither economically nor politically feasible. Further, while all rights are considered equally important, some can be more directly linked to food security. These include the right to life; the right to the highest attainable standard of health; the right to adequate food; the rights of children to adequate nutrition; housing and personal security; the right to education; and the right to participate in cultural, political, economic and social life.¹⁴

Finally, as observed, achieving the duties that are implied by minimum core obligations is likely to be more expensive than achieving other aspects of the human rights approach.¹⁵ These are obligations of result requiring improvements in human outcomes, rather than being obligations of conduct requiring only that adequate efforts be made to achieve these improvements.¹⁶

All this has implications for the preparation of national development plans. Estimating resource requirements is an important component of the planning process along with identifying how these resources are to be obtained. While cost should not be the only consideration when choosing between different policies, aligning poverty reduction with a human rights approach will be made more difficult if this implies a reallocation of resources or assets. Further, if the existing distribution of resources is to be challenged in order to address human rights concerns, there are also the potential threats that might be perceived by the government concerning underlying political and economic stability. Elite capture, rent-seeking behaviour, free riding and corruption will exacerbate resistance to such policies and may slow down or distort their implementation.

This raises a number of important questions when looking at the implications of human rights for economic policy. For example, how might economic growth translate into improvements in the income of the poor without undermining other aspects of their well-being? Alternatively, what are the implications of a growth path in which the poor benefit little, benefit only in terms of certain aspects of well-being, such as access to calorie-dense but nutrient deficient food, while losing out on others, such as health status, leisure or culture; or neither benefit nor lose? It indeed is likely that at least some of those who are poor might experience forms of growth that perpetuate or even produce their poverty. An alternative option to consider is the circumstances under which slower economic growth might be justified in order to prioritise the achievement of

13 S Fukuda-Parr 'Human rights and national poverty reduction strategies: Conceptual framework for human rights analysis of poverty reduction strategies and reviews of Guatemala, Liberia and Nepal' (2007) Economic Rights Working Paper Series Working Paper 2 10.

14 General Comment 12 (n 12).

15 Mathews (n 4).

16 Fukuda-Parr (n 13).

minimum norms and the alleviation of the ill-effects of poverty over the achievement of macro-economic fundamentals.

Considering the implications of the human rights framework when implementing the food security components of the NDP will at least make such trade-offs explicit. It will also provide a mechanism for assessing whether and when these trade foods might be appropriate.¹⁷ Indeed, this might introduce more critical debate on macro-economic policy and its micro-social implications into the planning process. In many instances, the notion of continuous improvement that underpins a human rights approach would disallow options in which deprivation persists or worsens in order to achieve a longer-term objective. Further, the obligation to direct maximum available resources towards meeting core obligations focuses attention on how governments are using available resources.¹⁸

3 Development planning and human rights

Development planning does not confine itself to defining targets and drawing up menus of welfare improving strategies with which to achieve these. The financial consequences of such strategies have to be assessed against current resources and those anticipated in the future. In practice there often are trade-offs between the immediate needs of poverty reduction and the requirements to achieve macro-economic stability and economic growth. Empirical studies have shown that effective economic policies for growth include adherence to fiscal discipline and, thus, low budget deficits, maintaining a competitive currency and a positive balance of payments, low and stable inflation rates, openness to trade and the protection of property rights.¹⁹

It is widely held that pro-poor growth is also best achieved by the consistent application of these policies, with the implicit proviso that this holds whatever the implications for human rights.²⁰ The inference is that when necessary, sound economic policies should be prioritised over policies that promote human rights or social justice. The standard set of economic policies can thus be said to dissuade a 'responsible' state from making use of its financial resources for redistributive measures of resources, consequently securing human rights for all. Instead, policies should favour economic growth even if these result in a regression of human rights principles.

However, the notion that a standard set of policies can be identified

17 J Ackerman 'Human rights and social accountability: Social development papers' Participation and Civic Engagement, Paper No 86 (2005).

18 OHCHR *Frequently-asked questions on a human rights-based approach to development cooperation* (2006a); OHCHR *Principles and guidelines for a human rights approach to poverty reduction strategies* (2006b).

19 D Rodrik *One economics, many recipes: Globalisation, institutions, and economic growth*. (2008).

20 D Dollar et al 'Growth still is good for the poor' (2016) 81 *European Economic Review* 68.

that consistently results in growth of any kind, let alone growth that benefits the poor or growth that takes account of human rights obligations, is being questioned.²¹ Rodrik suggests that the issue is more the application of sound economic principles that might be translated into a variety of actions depending on circumstances and context.²² Secure property rights need not imply private property rights; fiscal discipline does not necessarily require fiscal restraint; and the removal of market controls need not necessarily imply privatisation. This suggests that there is more room for policy options than has been suggested in the past. The question then arises as to what strategies can be chosen that meet both the criteria of sound economic principles and those implied by human rights principles.

Thinking through the ways in which economic growth might be expected to assist the food insecure can shed some light on how the human rights component of economic policy can be strengthened. For most policies, growth impacts directly on the situation of those that are poor through the jobs that are created. This is particularly so when growth occurs in labour-absorbing sectors of the economy such as agriculture, construction and clothing and textile manufacturing. Reducing the high rate of unemployment is often used as the motivation for pursuing policies that seek to attract foreign investment and promote exports. It should be borne in mind that in some countries, social security nets associated with formal employment do not automatically accompany such market-oriented approaches. People working in these sectors would then not be eligible for the social protection afforded by pensions, minimum wages, medical schemes, work injury insurance, and so forth.

A related route in which those that are poor can benefit from economic growth is through the creation of opportunities and a better environment for the entrepreneurship and industry of the poor themselves. This can be supported by policies that improve returns on the assets that those who are poor are able to access and use. Once again, a human rights perspective would require that attention be directed towards the implications that might follow from such 'self-exploitation', especially when thinking through the intra-household distribution of work and the benefits of this work. It is quite conceivable that those family members who exercise these decisions will not know those who bear the costs.

An unforeseen consequence of growth may be negative outcomes for women and for children as subsistence crops are displaced by cash crops, children are withdrawn from schools or families urbanise by moving into slums. Once again, policies that encourage entrepreneurship may need to be accompanied by policies that protect the access of children to quality education, strengthen the decision-making power of women over the allocation of resources or improve access to essential services in urban settlements.

21 WM Cole 'Too much of a good thing? Economic growth and human rights, 1960 to 2010' (2017) 67 *Social Science Research* 72.

22 Dollar (n 20).

Another impact of economic growth is through the trickle-down impact of the improved circumstances of the less poor and the rich who are able to consume and invest more. This might increase domestic demand, especially for services such as domestic labour and recreation, and promote the growth of labour-intensive small and medium-sized businesses. As before, policies need to be found that maximise this benefit rather than those that result in elites using their economic and political power in a way that increases the exploitation and marginalisation of the poor. Such policies include minimum wages, unemployment insurance or compulsory pension funds for vulnerable jobs such as domestic workers and farm workers.

A direct way in which economic growth can assist the food insecure is if greater revenue is collected by the state through taxation on the expanded activity that can be used for increased social spending and on further improvements to infrastructure utilised for production and reproduction. With growth, such expenditure can be achieved without the cost of increasing the budget deficit. However, this may be difficult to realise under the auspices of neo-liberal policies that call for tax reform where these imply tax cuts rather than more efficient revenue collection. In order to realise this benefit, policies to foster private investment would need to focus on the provision of infrastructure or ensuring a secure investment regime rather than on the reduction of taxes.

Finally, it must be acknowledged that an indirect benefit for the poor will come about through a more general impact of the policies that have been adopted to promote growth. Stable prices, better access to the cheaper goods being imported, cheaper credit and reduced political instability and violence will be to the benefit of those who are poor.

The discussion so far suggests that the financial implications of a development plan such as the NDP are likely to place pressure on both macro-economic stability and the capacity of government for effective implementation. Further, micro-economic analysis, policy reforms and interventions are required if the poor are to improve their economic status. As already noted, these include interventions that improve the access of the poor to productive assets such as land reform, infrastructure and financial services, as well as measures that reduce the costs of production, including transaction and information costs. However, in many cases the implementation of such policies has been slow or incomplete and for others, the non-poor have largely captured the benefits. This in part is because the development of micro-economic policies to achieve food security rests on an inadequate knowledge base compared to that available for macro-economic policy for economic growth. In particular, the way in which markets in the food sector actually operate has received scant attention.

Ensuring that human rights are taken into account when introducing new micro-economic policies will require the collection and analysis

of data on how households and enterprises operate and manage scarce resources. This will also require that attention be directed towards the analysis of the micro-macro linkages to the achievement of food security so as to identify how households and enterprises react to macro-economic policy and the implications of their reactions for such policy.

4 The components of budgeting for human rights

The South African Constitution, together with the many international agreements on human rights that have been signed by the government, places a duty to use available resources to implement policies to protect, respect and fulfil these rights. However, human rights run the risk of becoming disassociated from the planning and negotiations over resources that are undertaken during the implementation of the NDP. A number of steps will assist in more closely aligning the allocation of resources to the achievement of human rights goals.

4.1 Diagnostic analysis

Appropriate tools are needed with which to measure the impact of policies on food and nutritional insecurity.²³ The preliminary step for the NDP was a situation analysis.²⁴ This can easily be extended to include a human rights dimension. An example is the poverty gap indicator that is reported by Stats SA,²⁵ which can be transformed into an estimate of the minimum cost of eliminating food poverty. Similar indicators can potentially be developed that measure other gaps in the provision of essential needs. The extent of such backlogs can be costed using local pricing structures yielding the total cost of achieving food security and adequate nutrition. This may be compared to the resources available, taking into account the different ways in which delivery can take place.

4.2 Identifying interventions and budget prioritisation

Having estimated the minimum cost of achieving food security, a reprioritisation of the national budget will be required. This will need to be complemented by interventions to improve the use of all spheres of government resources as well as the ability to provide incentives and impose sanctions.

Budgets are the principal instruments by which governments (and

23 FG Santeramo 'On the composite indicators for food security: Decisions matter!' (2015) 31 *Food Research International* 63.

24 National Planning Commission (NPC) *Diagnostic overview of the National Development Plan 2030* (2011b).

25 Statistics South Africa *Methodological report on rebasing of national poverty lines and development on pilot provincial poverty lines – Technical Report* (2015).

other agencies) raise and allocate financial resources. Budgets are also the means through which governments provide for (or neglect) basic necessities relating to human rights. As such, the government budget may be thought of as a political declaration of priorities and trade-offs and a record of planning and sequencing decisions concerning the reduction of poverty. Over recent years, the discourse on human rights has increasingly recognised the importance of looking at resource availability and, thus, budgets.

Budget allocations take place in two ways: direct expenditures made by the state on personnel, infrastructure, grants, subsidies and services, foregone income arising from tax breaks and other changes to revenue generation. The annual budget prepared by the government thus is a comprehensive statement of the implementation of its social and economic plans and how these have been prioritised.

Tracking the sources of money used in the budget as well as where it goes is a useful instrument for analysis concerned with food security and human rights. This allows the identification of those who benefit from public resources, as well as how they have benefited, and for how long. Tracking also allows for the identification of the direct and indirect costs of resource allocation decisions, including who is carrying the burden of direct and indirect taxation. Tracking has focused on specific issues, such as gender, the environment or children. Analyses of issue-based budgets such as children's budgets and women's budgets have been found to be extremely useful in identifying funding and policy gaps, areas of social spending that are relatively under-resourced, and as a means for advocacy and policy development.²⁶ Such budget analyses can pay particular attention to the vulnerable groups that have been identified as targets for assistance, as well as on issues that have been identified as of concern in terms of their implications for human rights.

Food security can be readily included in the analysis of government budgets as a way of depicting how its components relate to national priorities and their realisation. This is not a new suggestion, and Fundar²⁷ identifies the several advantages of including the analysis of government budgets for a human rights approach, including the following:

- It will add the technical strengths of budget work to the moral arguments of human rights.
- It will help to identify practical problems in funding and implementation and possible solutions to these.
- It will help assess whether government is using available resources

26 APRODEV 'Budgeting human rights: Join the efforts to budget human rights and development group association of protestant development organisations in Europe (2007) http://www.aprodev.net/main/files/budgeting_human_rights.pdf (accessed 23 October 2017). Elson (2002) on women's rights.

27 Fundar – Centro de Analisis e Investigacion 'International Budget Project and International Human Rights Internship Programme 2004. Dignity Counts: A guide to using budget analysis to advance human rights', http://www.iie.org/IHRIP/Dignity_Counts.pdf (accessed on 18 October 2017).

effectively and efficiently given the constraints that are faced.

- It can lead to proposals for interventions that could improve the protection, respect and fulfilment of human rights, including the cost of these interventions, for government and donor consideration.
- It can be used to strengthen advocacy with legislators, communities and other groupings.

Likewise, Fundar²⁸ argues that adding the human rights approach can assist with the analysis of budgets:

- by being a reminder that the ultimate goal is human welfare and long term human development;
- by providing a set of values against which budgets can be assessed;
- the approach can lend legitimacy to the budgets and their analysis because of widespread recognition of the need to look at issues of hunger, malnutrition and social justice;
- a human rights approach can assist in choosing between different budgetary and policy options;
- it can also strengthen the demand for transparency and accountability, of particular importance to the PRSP; and, finally
- a human rights approach has the potential to include more partners and thus have a greater impact.²⁹

There are several ways in which a food and nutrition analysis of the budget can be undertaken. Some form of participatory public expenditure review (PPER) that focuses on food security would be optimal. Moon suggests that a PPER can enhance budget accountability and will also be building more efficient consultation, both of which would be appropriate objectives from a human rights perspective.³⁰

4.3 Estimating the financial costs of achieving food security

Estimating the financial cost of the specific interventions that will contribute towards the reduction of poverty at a national level is complex. These costs vary depending upon the existing levels and form of deprivation; the capacity of the sphere of government responsible for implementation; and the cost structures that apply to the country in question. The unintended consequences of introducing interventions to improve food security and nutrition (and of not doing so) will also vary depending upon the macro-economic and socio-political environment, as will the costs of addressing these.

In addition to identifying interventions, the principle of the indivisibility of human rights may influence the sequencing and coverage of these

28 As above.

29 As above; UNFPA/UNIFEM *Budgeting for reproductive rights: Using gender responsive budgeting* resource pack (2006).

30 A Moon *PRSP: Budget process and participatory public expenditure reviews* (2004).

facilities. Thus, while a conventional approach to poverty reduction might sanction the delivery of a service to priority areas, a human rights approach might call for delivery to take place simultaneously, probably increasing the costs of provision in the short run.

4.5 Estimating social and economic benefits

Although the recognition of a human rights approach to food security should not be dependent upon economic benefits exceeding economic costs, there still is merit in quantifying the value added in adopting this approach. In addition to the direct benefits, the protection, respect and fulfilment of human rights are likely to contribute towards the promotion of national ownership.

The indirect costs of hunger and malnutrition are often overlooked, and addressing these will obviously bring about a beneficial change. Both may be economically costly. People who are uncertain as to whether they will be able to meet their food energy needs are unlikely to take risks with the resources that they have available, recognising the consequences if the investment does not yield a return. Hungry children are unlikely to perform well at school, and malnourished children and adults are likely to be susceptible to other forms of disease.

5 Public expenditure management for food security

Having described the steps involved in aligning the NDP more closely to a human rights approach, it remains to consider public expenditure management (PEM) actions that link plans to interventions. Fiscal and monetary policy and the annual budget are of particular importance.

5.1 Fiscal and monetary policy

Attention is increasingly being focused on how governments manage their resources. This shift partly reflects the importance that is now attached to issues of governance and the institutions that provide this governance. In addition, 'new' institutional economics have demonstrated the economic cost of a weak institutional structure.³¹ The change in donor preference from project-based funding to direct budget support has also necessitated an accompanying concern over how funds are managed.

The annual budget presented by the Minister of Finance is one of the most important financial management tools available to the South African government. When complemented by a public expenditure review, the

31 DC North 'The new institutional economics and Third World development' in J Harris et al (eds) *The new institutional economics and Third World development* (1995) 49.

allocation of resources and their subsequent use can be scrutinised. This shows which sectors and issues the government has prioritised.

Revenue generation is the complementary aspect of government expenditure and is also covered in the budget process. As with expenditure, the analysis of how a government obtains its resources can also be revealing. Taxation is the most obvious form of revenue generation and includes direct forms such as employee or company taxes and indirect taxes such as value added tax (VAT) or sales taxes. In the absence of zero-rated staples, the incidence of the latter tends to fall more heavily on those who are poor. Selective food taxes and rebates can also be used to try to manage consumer expenditure patterns. An example of this is the proposed sugar tax in South Africa.³²

Revenue is raised at different spheres of government, including provincial and municipal, and includes personal income, company and wealth taxes, as well as local taxes such as property rates or levies. Capital revenues such as rent received from the use of public property or interest received from investments are another possible source of income. As with subsidies, these might also reflect indirect transfers to the wealthy who may be able to make use of public resources at a cost that is below market value.

Public borrowings and domestic or international grants are additional ways in which revenue can be increased from external sources, though potentially at a high cost depending on the interest that would be payable. Government also generates 'extraordinary income' through the privatisation of public assets or the sale of rights such as for mineral, marine resources or tourism, or the sale of state-owned enterprises.

Although not directly related to expenditure management, monetary policies are also relevant. Adjusting interest rates in order to encourage investment, stimulate economic growth, soak up excess liquidity and slow the rate of inflation is a common strategy. Some countries, including South Africa, have opted for inflation targeting in order to encourage stable and predictable rates of price changes that will require further monetary adjustments in order to achieve their targets. A central bank that is independent, also as is the case in South Africa, might increase the risk that the monetary policies may facilitate or work against other initiatives being adopted by the government. This includes those directed at food security and the attainment of other human rights objectives.

These taxes, subsidies, regulations and publically-funded infrastructure have a direct and immediate impact upon the cost of food, the profits to be

32 Government of South Africa 'Budget speech 2016' Pretoria (2016), <http://www.treasury.gov.za/documents/national%20budget/2016/speech/speech.pdf> (accessed 13 August 2017); KD Brownell & TR Frieden 'Ounces of prevention: The public policy case for taxes on sugared beverages' (2009) 360 *New England Journal of Medicine* 1805.

made, and the response of those affected.³³ As a result, policies that affect food security are subject to lobbying, advocacy, collusion and other forms of influence.³⁴

5.2 Multi-year budgeting

The budgets prepared by different spheres of government are based on an annual cycle of needs identification, planning, sequencing, prioritisation and allocation. To take account of national strategies and global changes, budgets increasingly have to consider events beyond the annual cycle. These include macro-economic trends, longer-term revenue expectations and programmes and spending priorities. The Medium Term Expenditure Framework (MTEF) addresses this by including a multi-year time frame.³⁵ Government can use this as a planning tool to manage its expenditure over a longer time frame. MTEFs are ‘medium-term’ because their purpose is to provide planning and budgeting information on a prospective basis. In this way MTEF is also an important tool to be used to introduce human rights considerations into the government budgeting process.

The preparation and operation of the MTEF involve a number of components. The first step usually is a ‘top-down’ estimate of the financial and other resources available for public expenditure. This estimate must take account of the requirement of achieving and maintaining macro-economic stability and the options for external support. The second step comprises ‘bottom-up’ estimations of the cost of carrying out the existing and desired policies of the government. In this step, policies that might be desirable from a human rights perspective can be costed, along with the implications of meeting human rights principles such as progressive realisation and non-retrogression. To be effective, the MTEF must provide a framework that reconciles costs over time with revenues over time.

The MTEF has the advantage of being a rolling process that is repeated every year. In this way it is a tool that can reconcile the demands of policy making, planning and budgeting into a single document allowing decisions to be made about what is affordable, what must be prioritised and what different spheres of government and civil society demand. A properly-developed MTEF links the government’s priorities to a budgetary process that takes account of the public expenditure that is sustainable. It also highlights the trade-offs between the competing objectives of different parts of the government, the requirements of donors and the expectations of its citizens. Linking this to the expectations of a human rights approach can make the choices made by decision makers in the budget process

33 T Allan et al ‘The water-food-energy nexus: An introduction to nexus concepts and some conceptual and operational problems’ (2015) 31 *International Journal of Water Resources Development* 301.

34 M Nestle *Food politics: How the food industry influences nutrition and health* (2013).

35 By 2008, 132 countries in the world had adopted elements of MTEFs as one way of managing the use of public funds. See World Bank *Beyond the annual budget* (2013) 24.

more apparent. Finally, the MTEF has the longer-term advantage of linking budgets with the policy choices made, thereby making the desired outcomes more visible by increasing transparency, accountability, and the predictability of funding.

While the MTEF approach might initially appear technocratic, it is a way of ensuring that expenditure management is about appropriate policies in the medium term, rather than about cash management in the short term. Of particular relevance to a human rights approach, the MTEF is way of avoiding the situation where available revenue cash becomes the determining influence on public expenditure rather than the goals and objectives of government and the agreements to which it has committed. This is also a way in which government can monitor its adherence to principles of non-retrogression and indivisibility, as well as a resource for those that monitor the government allocation of resources.

6 Conclusion

The successful alignment of the NDP and human rights to achieve food security will ultimately depend upon how the trade-offs of alternative policies can be accommodated within the opportunities for revenue generation. Some sequencing may be necessary, perhaps starting with those issues that require the least debate. An example is the rights of children and the expectation that South Africa should be able to adequately feed and care for its children. From this point of departure, other targets can be identified and addressed, perhaps starting with those that relate to the rights of especially vulnerable groups, including women, the aged and people living with disabilities.

Nonetheless, achieving the greater alignment of the NDP goals regarding food security with the human rights approach presents a challenge. This in part is due to the complexity of the budget process in which the menu of desired interventions has to be balanced against the resources that are required for these interventions, and partly due to the complexity of food security itself. The human rights approach gives rise to its own constraints, including unreliable, inappropriate and inaccurate indicators of the status of rights, reconciling principles of indivisibility against the need for prioritisation, sequencing and temporal trade-offs. Unintended and undesirable consequences may result when litigation drives policy and strategy formulation rather than the observation of sound economic and planning principles.

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