

Changing Food Habit in the Time of Food Price Volatility

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Presentation Outline

- About the study
- Macro Context
- Changes in local livelihood
- Changing food habit in time of food price volatility
- Views on processed and unsafe food
- Discussions

- **A longitudinal study:** 4 years (2012 – 2015), 23 communities in 10 countries (3 communities in Indonesia) - in collaboration with IDS and Oxfam
- Focuses on neglected social dimensions impacts -> Food price volatility is usually assessed through macro-economic indicators which often makes its micro level impacts on people day-to-day lives often escape people's attention

The key research questions it will address are:

- How do high and unpredictable food prices affect overall wellbeing and development in poor or vulnerable communities?

More specifically:

- How does FPV affect the essential day-to-day work of keeping families fed and cared for? and
- How well do the support systems on which people routinely rely – whether formal or informal – help people cope with sharp changes in food prices?

Research approach:

- Qualitative components:
Community case studies (KII, HH case studies, FGDs, researcher observation, special focus of the year)
- Quantitative components:
National and local FPV and food security data

Study Sites

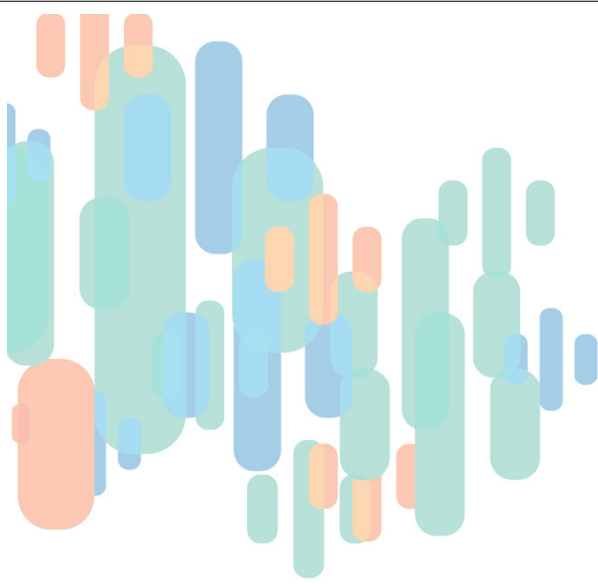
Cianjur (Desa Cibulakan) - a rice production area that located near to fast growing area of Kabupaten Cianjur, with agriculture as predominant type of livelihood

Banjar (Desa Simpang Empat) - one of the major rubber producer area in South Kalimantan, most of the people are rely their livelihood on rubber industry

Bekasi (Desa Gandasari) - located close to MM 2100 Industrial Park, and housed a lot of migrant workers working in that area

Respondent characteristics:

- Bekasi: industrial worker (mostly contract worker), casual worker, opening small stall, elderly whose livelihoods relied on money sent to them by their children; as well as those who still worked in the agricultural sector, doing small-scale crop farming on idle land owned by other people.
- Cianjur: farmers, casual workers doing seasonal farming and construction work, and paddy foragers (usually elderly people). There were also people who worked in non-agricultural jobs such as running small food stalls and making traditional crackers in home industry businesses, as well as those who had family members working abroad as migrant workers.
- Banjar: most household respondents relied on smallholder rubber plantations for their livelihoods, non-agricultural sector as food stall owners, prepared food vendors, on call maids, or cleaners



Food Price Volatility and Food Security: Macro Context

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National Policy on Food Security

Indonesia has demonstrated strong commitment towards overcoming hunger and malnutrition

“Food is the predominant fundamental human need, the fulfillment of which is a fundamental human right guaranteed by the 1945 Constitution of the Republic of Indonesia, which acknowledges it as a fundamental means for realizing quality human capital.”

“The state is responsible for ensuring food is available, accessible, and that the consumption of food is sufficient, safe, of good quality, and nutritionally balanced—at the national and regional levels in an equal way for individuals in all territories of the Unitary State of the Republic of Indonesia at all times by utilizing resources, institutions, and local culture.”



The GoI has stipulated a number of policies and programs to address the problem of food and nutrition security

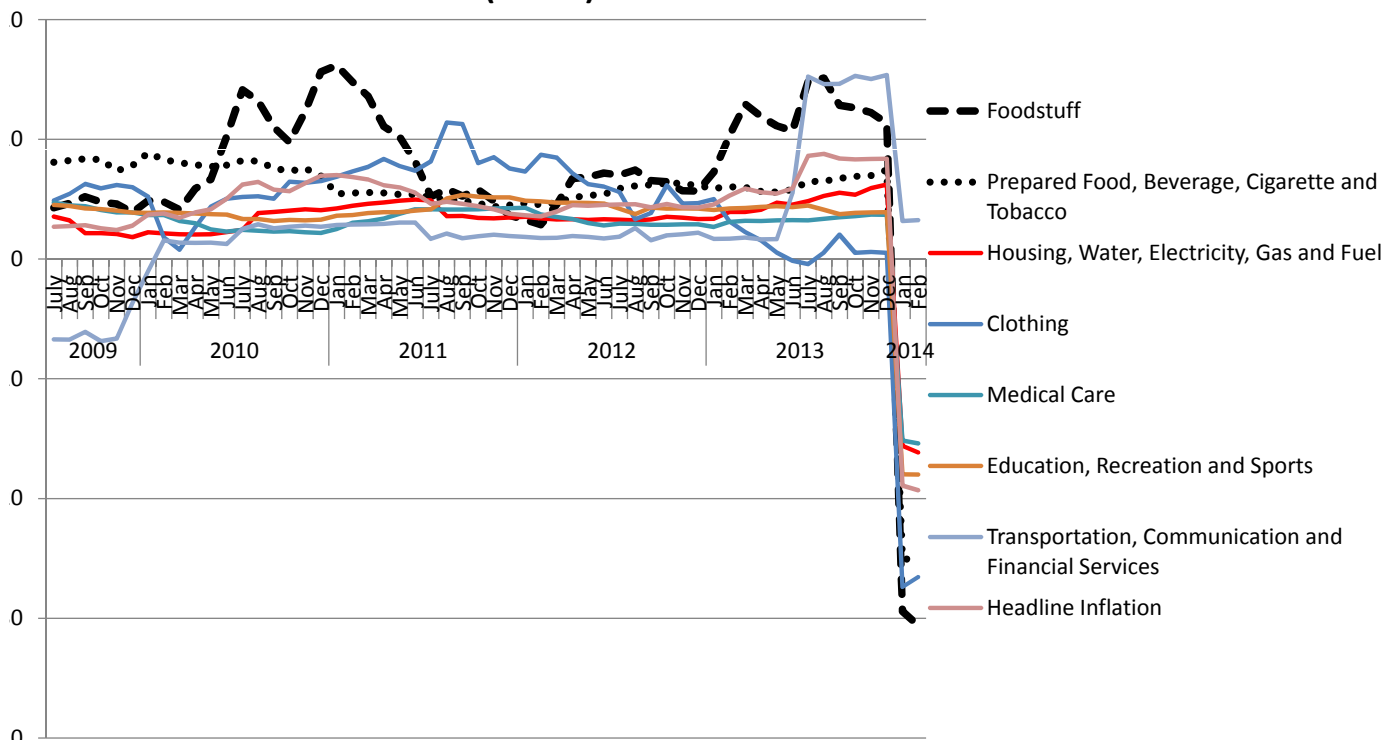
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General Trend on Price

Inflation Over the Past Years (YoY %)



Source: Central Bank of Indonesia

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Price volatility has become a new normal for people

- Religious festive
- Seasonal factor: crop failure
- International commodity price
- Energy policy
- Major Shocks:
 - 2007-2008, food crisis
 - 2009, global financial crisis
 - 2012, the central government's announcement of its plan to cut fuel subsidies. Even though the cuts did not eventuate, the announcement caused the prices of daily necessities to increase
 - 2013, the combined impact of fuel subsidy reduction that taken place approaching regular event of *lebaran* caused price hikes in daily necessities
 - 2014, reduction on subsidized fuel quota
- With largest portion of income spent for food, the more hike and volatile food price will significantly affect the ability of poor households to survive as well as to acquire appropriate food intake for their children.



Changes in Local Livelihood

- Work opportunity and income
 - Agricultural work became less feasible
 - Rapid land conversion, low quality product, low return high certainty
 - Industrial sector job
 - Women in paid work: main job, side job
 - Most occupations became less sustainable
 - Working contract, less working day (farm labor)
 - Informal sector job
 - Local business: competition
- Other cost of living: transportation, energy, school, production factors
- Natural and environment condition: dry season, pest attack
- 'Commodification' of care: food vendor, water refill vendor, laundry

Patterns in Food Price Changes at Community Level

Food Items	Bekasi			Cianjur			Banjar		
	2011-2012	2012-2013	2013-2014	2011-2012	2012-2013	2013-2014	2011-2012	2012-2013	2013-2014
e (per litre)	100.0%	7.1%	-6.7%	33.3%	8.3%	15.4%	0.0%	9.1%	0.0%
g (per piece)	n/a	50.0%	33.3%	n/a	13.3%	-100.0%	n/a	n/a	n/a
gs (per Kg)	14.3%	31.3%	-14.3%	30.8%	5.9%	11.1%	18.8%	5.3%	0.0%
npeh	100.0%	25.0%	20.0%	n/a	66.7%	-100.0%	100.0%	100.0%	0.0%
cken (per piece)	25.0%	-100.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n (ikan mas)	70.0%	47.1%	20.0%	n/a	n/a	n/a	n/a	n/a	n/a
n (ikan tongkol)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	33.3%	0.0%
chovies (per package)	100.0%	100.0%	-37.5%	60.0%	25.0%	20.0%	66.7%	40.0%	-100.0%
getables (per bunch)	100.0%	0.0%	100.0%	200.0%	33.3%	0.0%	25.0%	20.0%	-33.3%
allots (per Kg)	66.7%	250.0%	-28.6%	n/a	66.7%	-20.0%	n/a	400.0%	-100.0%
li peppers	92.3%	300.0%	-70.0%	n/a	n/a	n/a	n/a	140.0%	-100.0%
oking oil	26.3%	0.0%	-4.2%	36.8%	-23.1%	20.0%	56.3%	4.0%	-7.7%
gar (per Kg)	20.0%	0.0%	0.0%	-14.3%	16.7%	-14.3%	30.0%	-3.8%	-4.0%
tant noodles	50.0%	33.3%	0.0%	50.0%	33.3%	0.0%	44.4%	15.4%	0.0%

- Prices usually increase approaching Ramadhan and Ied Mubarak Holiday
- Major shocks led to price increase
- The price of products with high consumption rates experienced the greatest changes
- Food stalls and small grocery stores sold their products in smaller quantities or in packages, as well as reducing the sizes of existing packages
- Packets of pre-made seasoning (instant seasoning) and mono sodium glutamate (MSG) become a more favourable option in order to save money on spices.
- The impact of increases in chicken, beef, and fresh fish prices was not as significant as the impact of increases in the prices of *sembako* because they were rarely consumed
- Price of multi-graded products were different at each site, and could even differ at the same site
- Food shortage -> *tempeh*

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Changing Food Habit in Time of Food Price Volatility

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- Food price volatility:
 - Cooking has become more expensive and time more limited
 - Women are working more outside the home
- These changes have, in turn, transformed the way people are eating:
 - Low variety cooking
 - Cutting back on the quality and or quality of food
 - Gathering, growing, breeding
 - Switching to cheaper cooking methods
 - Lack attention on nutrition value
 - Low consumption of animal sourced protein
 - High carbo
 - Preserving food
 - **Eating more prepared and instant food**
 - Food stalls offer a range of items that can be bought in a flexible amounts. So, if people do not have much money, they can buy a small portion. In this way, they get more variety than they would at home
 - Breakfast
 - Instant noodle
 - Snacking habit -> especially children

"When I am not cooking (do not have money for cooking)... well I just give the children salt. Just eat rice with salt and they (the children) said they like it."
a mother in Cianjur 2014



Worrying Trend on the Changing Food Habit (1)

- Householders have increasingly turned to prepared and instant food, saving time from cooking and all the supporting activities such as shopping, preparing ingredients, washing dishes, heating the meal, as well as saving money
- Prepared and instant food is increasingly the answer to convenience, affordability and taste -> besides its durability, its price is less volatile and is sometimes cheaper
- The frequency and intensity of children snacking habits are increasing and it interplayed with the presence of more food stalls and local food vendors in their area
- Children buy snacks at home and school, all day from morning, afternoon, evening, and even at night
- Not only the children, the parents are also snacking even though not as much as children do.

"They (the children) ate many snacks, although it is not healthy, (it is still) been given, the important thing is they (the children) are not crying..."

"But what can I do, the child cried loudly. So I just let her (to buy snacks)..."

"Here, there are so many vendors, (and they will be available) up to midnight. They (the vendors) sell everything, foods, children's toys, anything is available, Bu. That 'cuankie' (meat balls soup) vendors always passing by, even until night."

(mothers in Bekasi, 2014)

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Worrying Trend on the Changing Food Habit (2)

- Children like snacks and parents need quick, yet affordable food

However,

- Packaged and prepared foods often contain high quantities of sugar, fats, trans fats, and salt
- They may be cooked in unsanitary conditions
- Excessive snacking also influences household finances.

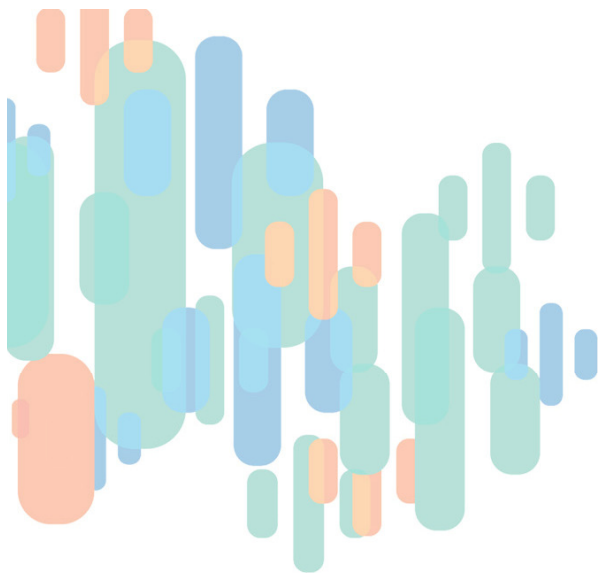
While each snack is cheap, the habit becomes expensive.

The habit erodes parents' ability to save money, even for the needs of these children in the future such as education

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- Increasing levels of consumption of prepared and instant food is a worrying trend for Indonesia because this newly middle income country is now facing the problem on nutrition:
 - As many as 19.6 percent of Indonesia children aged under five years were underweight, 21.1 percent had suffered wasting, and 37.2 percent stunting (Kementerian Kesehatan 2013).
 - High prevalence of children suffering anemia: 28.1 percent among children aged under 5 years and 29 percent among children aged 5 to 12 years (Kementerian Kesehatan 2013). These worrying undernutrition rates are coupled with overweight prevalence at 11.9 per cent among children under five years old.
 - Other countries in lower income groups than Indonesia have shown a relatively better nutrition performance, including the surrounding nations in South East Asia such as Phillipines and Vietnam (Bloem 2013; Chaparro et.al. 2014)
 - There has been a decrease in quality and diversity of national food consumption, indicated by a decline in the *skor Pola Pangan Harapan* (food diversity score) from 85.6 in 2011, 83.5 in 2012, and 81.4 in 2013—still far away from the target of 91.5 (Badan Ketahanan Pangan 2013)

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Views on Processed and Unsafe Foods

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- Many people are aware that there are risks from consuming prepared and instant foods
- Some pointed out that at least they do not get sick
- However, it also appears that the knowledge of some parents (on nutrition and food safety) in our sites is fairly limited

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Positive

'Sausage is healthy... because it is still delicious and has not yet expired. Crackers can be considered healthy... since they did not cause sickness. If you are still healthy after eating 'baslup' (meatball), it means the baslup was delicious and healthy. It is healthy if it is delicious. If the meat is good it is healthy. If it is not healthy it will not be delicious, so it will not be consumed,' 45 years old mother, Cianjur 2014.

'My grand child, when she cooks noodles she adds egg on top, so it is healthy since there is egg on it,' 54 year old grandmother, Bekasi, 2014.

'Alhamdulillah (thanks God), my kids have never been sick from eating snacks they bought from street vendors. They like chuankie (starchy meatballs), and never were ill from consuming it. They're healthy, thank God,' 42 year old mother, Bekasi 2014.

'Soup, it is healthy since it was made in kampong style... The important thing is, there are no flies. There is nutrition in 'pentol' (starchy meatball) even if only a little, as it is made of meat. Orange drink is healthy, as it contains vitamin C (it is said),' 39 year old mother, Banjar, 2014.

Negative

'Ice is not healthy because sometimes the water is not cooked. Most of children get stomachache (after they drink the ice).' 39 year old mother, Banjar 2014.

'It is true, Bu, our own cooking is better than buying snacks; when cooking ourselves we know what ingredients should be used; when buying snacks we do not know what the food is cooked with, what food coloring they used, maybe they used food preservative' Mother A, 34 years, Bekasi, 2014.

'They eat many snacks, although it is not healthy, we still give them; the important thing is they are not crying,' Mother B, 34 years, Bekasi, 2014.

'There are foods that use preservative, for example tofu. It looks healthy, but we do not know if it contains formalin or not,' Mother, 43 years, Cianjur, 2014.

'Childrens' snacks contain preservatives and that worries us. At times, we cannot control it, because they buy for themselves. They think it's more hip to buy such things in the kiosks,' women at focus group discussion in Cianjur, 2014

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- Food price volatility has contributed to changes in lifestyle that are widespread and longstanding
- Cooking has become more expensive and time more limited
- These changes have, in turn, transformed the way people are eating
- It requires a serious commitment from policy makers to really ensure the quality and safety of food available as well as to increase people's knowledge on nutrition

Terima Kasih



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