Global nutrition enhances productivity, boosts the economy, and creates stability at home and abroad, according to Dr. Lawrence Haddad, 2018 World Food Prize laureate and Executive Director of GAIN. In his keynote lecture, he emphasized that, at GAIN, “We are not champions of business, but we are champions of engaging with business. Unless you engage, there is no dialogue.”

The current state of all three forms of malnutrition—underweight, overweight or obese, and micronutrient deficiency—is unacceptable. With one in three people experiencing malnutrition, every country faces the damaging effects malnutrition has on country-level prosperity and security.

Although the current food system faces many challenges today, the private sector must be part of the solution to decrease malnutrition. Industry can play a more integral role in making nutrient-dense food more affordable and available to all populations; this means maximizing profits and prioritizing food and nutrition security and health. The CSIS Global Food Security Project event, Global Nutrition: An Opportunity for U.S. Foreign Policy and Business, was held on June 11, 2019, and consisted of a keynote lecture, armchair discussion, and audience questions.

Haddad began his presentation by holding a 16-ounce bottle of water, the approximate weight of the brain of a newborn. At age 2, the weight of the brain doubles (two bottles) and by the time a person reaches adulthood, their brain weighs three pounds (three bottles). This is why the period of the first 1,000 days of a child’s life, from conception to age 2, is the
WHY GOOD NUTRITION MAKES CENTS FOR BUSINESS

Lawrence Haddad, PhD, was named a 2018 World Food Prize laureate, along with David Nabarro, MD, for their individual and complementary world leadership in elevating maternal and child undernutrition to a priority issue within food security and international development. The World Food Prize often is referred to as the Nobel Prize for Food and Agriculture. After graduating with his PhD from Stanford University, Haddad held positions with organizations such as the London School of Economics, the Institute of Development Studies, and the International Food Policy Research Institute. In 2016, he became the executive director of the Global Alliance for Improved Nutrition (GAIN). In this position, he has become a leading voice and advocate for public-private engagement in global nutrition.

most critical period for brain development. Peak development for sensory pathways (i.e., vision and hearing) occurs three months before birth; language development is at its highest at seven or eight months; and, higher cognitive function development peaks at age 2. The brain requires adequate—and, even better, optimal—nutrition to develop to its full potential.

Undernutrition may result in wasting (low weight for height), stunting (low height for age), and micronutrient deficiencies (inadequate levels of required vitamins and minerals). These negative health outcomes impair brain development and function and may be irreversible. Good nutrition means people have the capacity to learn; good nutrition helps extend years in school; and good nutrition helps raise productivity. By eliminating undernutrition, Africa and Asia could increase their gross national product (GNP) by 11 percent, and Central America by 2 to 11 percent.¹ “[The economic impact of undernutrition is akin to] a global financial crisis every year,” Haddad explained. Improving nutrition could have economic benefits beyond increased GNP, such as higher wages ranging from 5 to 50 percent and making women 10 percent more likely to own their own businesses.

How Does Global Nutrition Affect the U.S. Economy?

India, Indonesia, Vietnam, and Thailand already are among the top 30 importers of food from the United States. Haddad explained that as the economies in these countries grow, by way of better nutritional outcomes, so will trade.

Regarding migration to the United States, the scientific evidence is mixed. Foreign aid raises incomes, which provides the financial means to emigrate. However, foreign aid also advances domestic services, leading to less emigration. Whether or not the scientific literature supports the lack of food being a leading cause of migration, we know anecdotally that connections between severe food insecurity and migration exist.

Food price is an indicator of the scarcity and competition of food in a specific location and is associated with conflict. Food price volatility and higher priced foods mean less food for infants, children, and adolescent women, who all have high nutrient needs. A 2015 study that examined 113 markets in 24 African states over 13 years found a 100 percent surge in food prices was associated with a 13 percent rise in the expected number of conflict events.\(^2\) Conflict and food prices also are reciprocal. Simply stated: higher food prices increase conflict, and conflict increases food prices. And conflict, regardless of location, should be of interest to everyone.

A contributing factor to food price volatility is climate change. Haddad noted during the armchair discussion that the connections between climate change and nutrition are profound and complex and not as simple as “meat or no meat.” Even fruits and vegetables that emit low greenhouse gas emissions may have high water and energy requirements. Every food item has different effects on the environment.

**Why the Health of America Matters**

Work productivity within the United States is a vital factor in the world economy and is affected by malnutrition. Although overweight and obesity rates are increasing across the globe, this form of malnutrition dominates among Americans. The leading risk factors that contribute to death and disability combined in the United States are high body-mass index, dietary risks, high fasting plasma glucose (linked to overconsumption of added sugar), high blood pressure (linked to excess salt intake), and high LDL cholesterol.\(^3\)

“What you eat—the nourishment you get—is a big deal in Ethiopia or India, and it’s a big deal in the United States as well,” Haddad remarked. He went on to add that the importance of brain development during the first 1,000 days does not just apply to children in the developing world but is paramount for all children worldwide.

While the United States is ranked first globally for overall competitiveness by the World Economic Forum, the health of the nation falls very short, with a ranking of 47. Health within this ranking is a pillar for human capital. In comparison, China is ranked 28th in global competitiveness overall but is higher in the health ranking than the United States at a ranking of 44th.

**The Way Forward for U.S. Businesses to Improve Nutrition**

For U.S. businesses, the regulatory environment is growing with the introduction of sugar taxes.\(^4\) Today, 35 countries have implemented a sugar tax, and 20 of them were introduced

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in the past four years. Haddad emphasized, “If you are involved in food production, this [regulation] is not going away. This regulatory swell is going to become a tidal wave. And, if you are a business, not only do you need to get ahead for the well-being of your own employees . . . you need to get ahead because this will hurt your business model.”

In addition to added regulations, millennials (those born between 1981 and 1996) are leading the demand for healthier food. A study by LEK Consulting found that millennials were more committed to purchasing foods that used words such as “natural,” “ethical,” “enhanced,” “less of,” and “alternative lifestyle.” The word that gained the most commitment from millennials was “natural,” which ironically is not defined and up to interpretation.

Nutrition research and implementation have a long and complicated history with industry. Because of some companies’ bad behavior (from past poor judgment in marketing high-sugar products to children to breaking the International Code of Marketing of Breast-Milk Substitutes [i.e., the WHO Code]), many nutrition stakeholders criticize and refuse to partner with industry. The WHO Code is an international framework introduced in 1981 that regulates the marketing of breast-milk substitutes. GAIN, along with other organizations, does not work with breast-milk substitute companies because of these violations.

Although some businesses involved in the food system contribute to malnutrition, a growing number of businesses are active participants in improving nutrition. Businesses range in scale across the food system, from the farmer to the retailer. Haddad stated that small and medium-sized enterprises (SMEs) are where many undernourished people receive their food. Currently, SMEs are not prioritized in their capacity to transform health.

Haddad, who has faced criticism from anti-industry advocates, emphasized, “Ending malnutrition is not just the right thing to do, it is the smart thing to do.”


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