

# The Future of Food Banking

**Brian Greene** 

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#### **Origins of Food Banking**

When I first started in food banking some 30 years ago, the mission seemed simple: end hunger. We truly thought we could end hunger, at least on a day to day basis, and we could achieve this goal by channeling surplus food to the community through hunger relief charities like church pantries, soup kitchens, etc. Logically it seemed quite reasonable. The amount of surplus food in the US was many times greater than the amount of missing meals. The only challenge was logistics: how to route the surplus food to where it is most needed.

Of course, we knew this was not a long-term strategy. Food today does nothing to provide food tomorrow. But we thought that we could at least solve today's problem.

As it turned out, though, we were wrong. Despite continuous growth of output by food banks overs the years, the Census Bureau shows more hunger than when we started. How could that be? We were providing more and more food to people, how were there more and more people going hungry?

#### The Reality of Hunger and Food Insecurity

It's important to take a moment here to define two terms used often: hunger and food insecurity. Hunger refers to a personal, physical sensation of discomfort. Everyone has experienced hunger at some point- maybe you skipped breakfast because you were running late, or you've been too busy to go to the grocery store. Food insecurity, on the other hand, is defined as the lack of consistent access to enough nutritious food that would help to maintain a healthy lifestyle.<sup>2</sup> It is often associated with lack of financial resources and the consequences are further reaching than a simple discomfort.

After some research and surveying of our clients, we soon realized that people were having to make tough choices. We found that more than half of the households we served had to choose between paying for food or paying their rent/mortgage sometime in the previous year. Two-thirds had to choose between food or paying for medicine or between food and transportation. And nearly three-fourths between food and utilities.<sup>3</sup>

This discovery that people have to make tradeoffs blasts a big hole in the assumption that we can end hunger simply by providing food. There is a substitution effect at play here. The people we serve are forced to adjust their food budgets to accommodate other expenses. It turns out, hunger doesn't exist in a vacuum. We aren't just fighting a meal gap, we're fighting an income gap.

<sup>&</sup>lt;sup>1</sup> Measurements of hunger in the US with a consistent methodology did not start until 1995. In 1995 the Census Bureau estimated that 4.1% households experienced hunger at least part of the time. In 2015 the estimate is 5.0%, although the category was retitled "very low food security".

<sup>&</sup>lt;sup>2</sup>"Definitions of Food Security". 2018. United States Department of Agriculture, Economic Research Service. https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-us/definitions-of-foo-security.aspx <sup>3</sup> Feeding America. 2014. "Hunger in America 2014, National Report".

So how big is this income gap? The poverty threshold is calculated by the Census Bureau as the minimum income necessary to meet basic needs. According to the latest Income and Poverty in the United States (2016) report, the national poverty level for a family of four is \$24,563.<sup>4</sup> While the average family of four in poverty is actually below that level by a further \$10,505.<sup>5</sup>

That means that an average family of four is \$10,000 short of being able to meet the most basic of needs. Even if that family went to a food bank supported pantry once a month (which is not the norm) and received a box of food worth \$50 each time, that works out to be \$600 of food assistance a year. That \$600 doesn't even begin to cover the \$10.000 shortfall.

None of this is to say that food assistance doesn't help people. But it does show us that the need is far greater and more complex than we originally thought.

As big as food banking has grown, we are a small part of the food budget for our target population, and that budget shifts to accommodate other expenses. Food is just one of the basic needs that is not being met. Food is also, perhaps, the most flexible of those needs. Better to go hungry some days than homeless. Better to skip a meal than skip a day of work because you have no transportation. Better to eat unhealthy food because it's less expensive than eat nothing at all.

In the early days of food banking it was common to see ourselves in the calorie business. Since hunger was due to lack of calories, for hungry people, even "bad calories" seemed better than no calories. This, too, turned out to be far from true.

#### Intersections of Hunger and Health

A common myth we hear a lot is that an overweight person can't possibly be struggling with food insecurity. The data, it turns out, easily disproves this myth. In fact, the food insecure population has a significantly higher rate of obesity and diabetes than the food secure population. While hunger is episodic, obesity, Type II Diabetes and other nutrition related issues can be long term consequences of a poor diet. People who experience hunger, either occasionally or regularly, can become overweight (as well as suffer other ailments like diabetes).

I believe there are three reasons for this phenomenon. The first is the simple fact that nutritious food and eating a well-rounded, healthy diet is expensive. It is far cheaper to

<sup>&</sup>lt;sup>4</sup> Semega, Jessica L., Kayla R. Fontenot, and Melissa A. Kollar. 2016. "Income and Poverty in the United States: 2016". Current Population Reports. U.S. Census Bureau. 43.

<sup>&</sup>lt;sup>5</sup> Semega, et al. 19.

<sup>&</sup>lt;sup>6</sup> Pan, Liping, Bettylou Sherry, Rashid Njai, and Heidi M. Blanck. 2012. "Food Insecurity Is Associated With Obesity Among US Adults In 12 States". *Journal Of The Academy Of Nutrition And Dietetics* 112 (9): 1403-1409. doi:10.1016/j.jand.2012.06.011.

eat unhealthy, processed foods.<sup>7</sup> Studies have shown that families trying to get by on too little money extend their resources by focusing on foods higher in fats, carbs, sugars, and salts.

The second reason relates to difficulty in accessing nutritious food. Food deserts contribute to this cycle of poor nutrition for low-income families. Low-income families often live in low-income neighborhoods. Low-income neighborhoods often can't support the expensive infrastructure that would provide consistent and easy access to cost effective, nutritious food for all of those in the neighborhood.<sup>8</sup>

The final reason is one that we do-gooders generally fear admitting but may be the most powerful determinant of all. The people we serve, by definition, are not able to afford the "finer things" that in a wealthy society are on display all around them. But one readily available luxury that can make poverty not seem so bad is comfort food. A low-income parent is so often forced to say no to their children for many things the rest of us take for granted. After being forced, simply by economics, to say no so many times, in so many ways, when it comes to having the ability to say yes to a treat, it's often an easy yes. Also, it turns out, low quality, less nutritionally balanced food is heavily marketed towards low-income, black, and Hispanic populations. Also, it turns out, and Hispanic populations.

The fact is, people need help in achieving a healthy diet. This is why the distinction between food insecurity and hunger is so important. While we used to think of our challenge as solving hunger, a much larger problem is the consequences of nutritional compromises due to food insecurity. People don't just solve the gap by going hungry. They also solve it by eating poorly.

#### The Food Insecure Population

It's important to point out that hunger and food insecurity is not just an issue for families living in poverty. An estimated 58% of food-insecure individuals reside in households that earn more than 100% of the poverty line. 11 Two-thirds of food insecure households have at least one adult with a full-time job. 12 Low wage employment and assistance

<sup>&</sup>lt;sup>7</sup> Parker-Pope, Tara. 2007. "A High Price for Healthy Food". The New York Times. https://well.blogs.nytimes.com/2007/12/05/a-high-price-for-healthy-food/?r=0

<sup>&</sup>lt;sup>8</sup> Bitler, Marianne and Steven J. Haider. 2009. "An Economic View of Food Deserts in the United States". http://www.socsci.uci.edu/~mbitler/papers/2009-usda-finalreport.pdf

<sup>&</sup>lt;sup>9</sup> Fielding-Singh, Priya. 2017. "A Taste Of Inequality: Food's Symbolic Value Across The Socioeconomic Spectrum". *Sociological Science* 4: 424-448. doi:10.15195/v4.a17.

<sup>&</sup>lt;sup>10</sup> Gross, Renee, JD, Jennifer L. Harris, PhD, MBA, and Catherine Shehan, MS., et al. 2015. "Food advertising targeted to Hispanic and Black youth: Contributing to health disparities". Rudd Center for Food Policy & Obesity.

<sup>&</sup>lt;sup>11</sup> Coleman-Jensen, A., Rabbitt, M. P., Gregory, C., & Singh, A. 2017. Household Food Security in the United States in 2016. USDA ERS.

<sup>&</sup>lt;sup>12</sup> Feeding America.

programs that reduce as people earn more contribute greatly to hunger and food insecurity. And these problems are only getting worse.

# **Logistics with a Mission**

When you look at what food banks actually do, we are logistics companies. Logistics with a mission. As organizations that primarily channel surplus food through a network of nonprofit organizations, food banks are leverage opportunities. By pursuing surplus food (and other products), food banks are able to multiply the value of dollar donations. By collaborating with other organizations serving clients directly, food banks are again able to achieve more output for each dollar spent. When we apply our logistics capabilities along lines where we have leverage, food banks bring the most value to the table. Then it just becomes a question of how to maximize the impact of that value.

Failure to grasp what really makes food banks valuable can hinder their ability to really make a difference. Many food banks spend a large percentage of their budgets on purchasing unnecessary foods in an effort to provide their clients with the "whole plate" instead of focusing on filling the gaps in the plate. Additionally, food banks become tempted to focus on programs they operate as marginal side businesses versus truly supporting these partner programs as part of the mission.

As I see it, food banks should strategize to maximize along two lines.

- 1. Build the most powerful engine possible. Use the dollars we raise to distribute the highest nutritional and dollar value food (and nonfood) we can for our clients and programs that serve them.
- 2. Point that engine in the directions where it does the most net good. That probably means some combination of emergency assistance partnerships and "shorten the line" partnerships.

#### What Else Can We Do to Shorten the Line?

Houston Food Bank is well supported in the community and it is time we were more accountable for winning this fight. We have 92,000 plus volunteers, tens of thousands of donors, a network of 1,500 distribution partners and serve an estimated 800,000 people each year. And our distribution to area charities is huge. The raw dollar value we provide is about equal to that of the United Way and Houston Endowment

combined.<sup>13</sup> <sup>14</sup> I don't write that to brag, but to point out that neither would consider themselves effective just because they distributed their cash. Last year, Houston Food Bank provided over \$170,000,000 in food and nonfood items.<sup>15</sup> With all that behind us, can't we do better?

There are several directions available for us to consider as we look to capitalize on our strengths to shorten, or even end, the line:

- 1. We can advocate for significant public policy change.
- 2. We can work to better understand our clients and re-think what help means.
- 3. We can work to better engage our clients in developing change with them instead of for them.
- We can develop broad based coalitions and collaborative networks to help people easily get assistance for multiple aspects of their lives.
- 5. We can repurpose our food resources to support programs designed to help people achieve financial stability.
- 6. Something else- what?

# **Policy Change**

The combined output of every food bank in America is equivalent to only one twelfth of how much food is supplied by SNAP.<sup>16</sup> <sup>17</sup> Yet food banks are often seen as a viable or even preferable alternative to SNAP and other federal programs or anti-poverty measures. Many of the promotions for pantries and food banks have inadvertently encouraged this misconception. I have seen plenty of food drive advertisements with a picture of a can and the slogan, "Hunger has a solution."

Most food banks, including this one, have for years now included strong advocacy for SNAP, WIC and other nutrition programs as part of their overall efforts.

As I write above, food banks are just part of the solution. We cannot fully address the issues of hunger, food insecurity, and poverty on our own. We need buy-in and support

<sup>&</sup>lt;sup>13</sup> "The Houston Food Bank and Subsidiaries Consolidated Financial Statements and Independent Auditors' Report for the years ended June 30, 2017 and 2016". 2017. <a href="http://www.houstonfoodbank.org/wp-content/uploads/2018/02/finance\_auditorsreport2017.pdf">http://www.houstonfoodbank.org/wp-content/uploads/2018/02/finance\_auditorsreport2017.pdf</a>

<sup>&</sup>lt;sup>14</sup> "United Way of Greater Houston Financial Statements and Independent Auditors' Report for the years ended March 31, 2017 and 2016". 2017. <a href="https://www.unitedwayhouston.org/assets/uploads/documents/17-United-Way-FS.pdf">https://www.unitedwayhouston.org/assets/uploads/documents/17-United-Way-FS.pdf</a>

<sup>&</sup>lt;sup>15</sup> "The Houston Food Bank and Subsidiaries Consolidated Financial Statements and Independent Auditors' Report for the years ended June 30, 2017 and 2016".

<sup>&</sup>lt;sup>16</sup> "2017 Feeding America Annual Report". 2017. Feeding America. <a href="http://www.feedingamerica.org/about-us/financials/2017-feeding-america-annual-report.pdf">http://www.feedingamerica.org/about-us/financials/2017-feeding-america-annual-report.pdf</a>

<sup>&</sup>lt;sup>17</sup> "Supplemental Nutrition Assistance Program". <a href="https://fns-prod.azureedge.net/sites/default/files/pd/34SNAPmonthly.pdf">https://fns-prod.azureedge.net/sites/default/files/pd/34SNAPmonthly.pdf</a>

from higher levels, from state and/ or federal policies and federal programs that provide additional help and support to our clients.

Compared to many other non-profits, what we do is considered fairly uncontroversial. The majority of people support our goal of providing food to people. After all, who doesn't think everyone deserves to eat? Where it gets tricky, though, is at the policy level. The same people who have no issue running a food drive for us, might scoff at the idea of any kind of federal assistance for our clients- be it for food or funds. So, as a result, in order to keep our donors happy, are we doing enough to advocate for our clients, are we doing the most good for the people we serve if we only speak up within our safe space (nutrition programs, for example)?

#### **Understand our Clients**

One of the challenges food banks have always faced is that we are surprisingly removed from the people who benefit from our services. A consequence of serving almost a million people per year through collaborations with over a thousand other organizations is that we don't actually know the people we serve very well. But it is now more feasible to collect and use data to better and more fully understand what is really happening in the lives of the people we serve. Like many food banks, Houston Food Bank is investing in client data tracking that will go across member agencies and other partnerships (like education and health care). How will our work change with greater understanding?

#### **Work with Our Clients**

A common criticism for charities is that they often don't really work with their target population to develop solutions that the people being served feel would work best for them. Instead, outsiders are making the decisions, writing the script on how they will help, not necessarily how they will best help. Food banks are particularly guilty of this. Yes, we've had focus groups and done survey work, but how would our work look if it was designed with input from our target population? How would our results change if the people we serve were more engaged as agents of change rather than just recipients?

#### **Coalitions and Collaborations**

There are 23,000 nonprofit organizations in the Houston area. The charitable sector is incredibly disjointed and generally difficult for clients to navigate, especially those who would benefit from more than one initiative. Which is probably a lot.

Houston Food Bank already has developed a strong expertise in collaboration but almost always on a two party rather than multi-party basis. Collective-impact style work, where organizations across 3 or more fields work together to achieve mutually

determined goals is much more difficult to start and keep going but may achieve better results than our current mode.

It is also worth noting that as we collaborate with more organizations outside direct hunger work, our role as a leader needs to change. For instance, health care organizations and educational institutions are unlikely to, and probably shouldn't, consider us as experts in what they can do to have more impact. If we believe winning the fight against hunger means addressing the root causes for which other great Houston area organizations have expertise and programming, then we may need to shape our goals based on how we serve the goals of other organizations rather than starting with how we see the problem and solutions.

# Food as a Catalyst for Long-Term Change

The concept of Houston Food Bank's Food for Change initiative is to use food to directly support programming designed to change outcomes for our target population; to help them find their way to becoming food secure. Food is supplied in such a way as to incent and enable people to engage in programming such as job training, financial literacy, education, health, and housing. The food is supplied as long as the person remains in their program.

The food scholarship is an example. A food scholarship is an attempt to provide enough food assistance through shopping-style scholarship pantries to enable students to complete certificate or degree programs. We are currently testing with community colleges offering middle skills certificate programs (welding, HVAC repair and medical technician) with the goal to increase the graduation rates for these programs.

Food for Change fights food insecurity not by tackling food insecurity head on but by using our resources to support initiatives that will stabilize lives, leading to long-term reductions in food insecurity.

#### The Starfish Story

There is a touching story often told about a child tossing beached starfish back in the ocean one at a time. When a man points out that given how many thousands of starfish there are on the beach, her efforts won't make a difference. The child tosses another one in and says it made a difference to that one.

And we all say aw, that's sweet. How true.

I hate that story. It deceives us into thinking that saving one out of thousands is somehow good enough. What I'd rather hear is how that girl got her hands on a bucket

loader and started making a difference at the scale appropriate to how much need there really is.

But we tell stories like this because as experienced fundraisers, we know that the sweet story of a difference for one is how you win resources. It is how you motivate. It is how you persuade. But it also misleads us given that we have built our own giant bucket loaders. We should not be satisfied with one out of thousands. We surely don't have to be.

# **Our Challenge**

According to the Census Bureau, there are 1.1 million people struggling with food insecurity in the 18 counties served by Houston Food Bank. What do we do to meaningfully change that? In what direction(s) do we point this powerful engine we call food banking to make a difference worthy of the need and our potential.

That is our challenge.

<sup>&</sup>lt;sup>18</sup> "Map The Meal Gap". 2018. *Feeding America*. http://map.feedingamerica.org/county/2016/overall/texas/organization/houston-food-bank