

# Economics of Malnutrition: Consequences and Cost

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## 1. Introduction

Globally and regionally, nutrient-rich foods are now more available and affordable than ever in human history, but there are still large gaps of unmet need. Within individual countries, there are consistent patterns of poor nutrition. Unfilled gaps are greatest for young women and children, as well as the poorest. Great opportunities therefore exist to improve the quality as well as the quantity of food supplies. The economics approach of studying malnutrition starts with individual choices, and ability to consume. Stunting - an impaired growth, that children experience from poor nutrition becomes cause for sheer wastage of human capability while being a burden on the economy. The costs of malnutrition have been studied to vary from 2 per cent to 16 per cent of GDP depending upon location and sector.

Since their emergence as nation states and consequently growing economies, the countries in the Indian subcontinent have also emerged as home to the highest stunting rates worldwide. In 2014, the percentage of children that were stunted in South Asian countries stood at a staggering 37%. While these numbers are alarming, India, Pakistan, Bangladesh and Sri Lanka hold the maximum number of these cases. Over the years, some improvement has been made, however, the progress is not linear across years. The reason for the lack of consistency can be directly correlated to cost effective investment. In 2016, eight leading economists, including five Nobel Laureates, in the Copenhagen Consensus, recommended priorities for confronting the top 10 global challenges. They ranked providing young children with micronutrients as the most cost-effective way to advance global welfare. Governments must invest in programs to prevent stunting or risk diminishing the impact of other investments in education, health and child protection. To accelerate global progress on nutrition, a movement is needed, driven by the countries that bear the greatest burden of stunting, supported by governments, international agencies, civil society, academia and the private sector, and made possible by communities themselves – a shared commitment to combat this terrible condition. This paper explains the importance of investment — both domestic and international — for mitigation of malnutrition; and makes a case for how cost-effective interventions could be less financial burden for the country while ensuring nutrition outcomes being improved on ground.

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