



A Political Economy of Inclusion in Agricultural Intensification

Malawi Country Report

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January 2018

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"Agricultural intensification has been neither inevitable nor continuous in African farming systems. In some areas, intensification was halted or reversed by changing environmental or political and economic conditions; in others, it has occurred not as an adaptive response to population growth or commercialisation, but in the face of growing labour shortages and declining commercial activity. Such cases underscore the importance of studying farming as a dynamic social process. As farmers contend with social as well as environmental conditions, changes occur not only in what is produced and how much, but also in when work is done and by whom. Thus changes in cropping patterns and methods of cultivation are influenced by social factors which govern the timing as well as the amounts of labour devoted to farming, as well as the control of effort and output. Variations in the pace and/or direction of agricultural intensification are occasioned not only by exogenous events, such as war and peace, drought or flood, but also by changes in the production dynamics of particular crops" (Berry 1993: 189)

LIST OF FIGURES

Figure 2: Basic local government structures and relationships in practice, (O'Neill et al 2014).....	27
Figure 3: Monthly Funding for Agriculture Sector – Mangochi District Council (Mk, Million)	29

LIST OF TABLES

Table 1.1 Overview of Agricultural Evolution in Malawi	10
Table 3.1 - Power of Agricultural Actors at National and District Level	33

Contents

LIST OF FIGURES.....	iii
LIST OF TABLES.....	iii
LIST OF ACRONYMS	v
About Afrint IV/Papaya.....	vii
Afrint IV/Papaya - Political economy of inclusive agricultural intensification	vii
Executive Summary	1
INTRODUCTION	3
METHODOLOGY	5
AFRINT IV/PAPAYA PROJECT SITES IN MALAWI.....	5
CHAPTER 1	7
THE STRUCTURE AND EVOLUTION OF AGRICULTURE IN MALAWI	7
CHAPTER 2:.....	14
THE FORMAL AND INFORMAL RULES OF THE GAME.....	14
CHAPTER 3.....	30
INCENTIVES AND INTERACTIONS	30
CONCLUSION.....	36
REFERENCES	38

LIST OF ACRONYMS

ADMARC- Agricultural and Marketing Board

ADP - Agricultural Development Programme

ASWAP - Agriculture Sector Wide Approach

CAADP - Comprehensive African Agriculture Development Programme

CSO – Civil Society Organisation

DFID – Department for International Development

FAO – Food and Agriculture Organisation

FHH- Female Headed Households

FILP - Farm Input Loan Programme

FISP - Farm Input Subsidy Programme

GDP - Gross Domestic Product

GoM -Government of Malawi

HIV/AIDS – Human Immunodeficiency Virus/ Acquired Immunodeficiency Syndrome

IFAD – International Fund for Agricultural Development

KfW - German Economic Bank

LRD - Ladder for Rural Development

LUCSUS – Lund University Centre for Sustainability Studies

MCP - Malawi Congress Party

MGDS – Malawi Growth Development Strategies

MNYP - Malawi National Youth Policy

MoAFS - Ministry of Agriculture and Food Security

MoLYMPD - Ministry Labour, Youth and Manpower Development

MoYDS – Ministry of Youth, Development and Sports

MSC – Most Significant Change

MYP - Malawi Young Pioneers

NAP - National Agriculture Policy

NASFAM - National Association of Smallholder Farmers of Malawi

NGOs – Non-Governmental Organisations

NYCoM - National Youth Council of Malawi

RLEEP - Rural Livelihoods and Economic Enhancement Programme

SAIRLA - Sustainable Agricultural Intensification Research and Learning in Africa

TAs - Traditional Authorities

USAID – United States Agency for International Development

VDCs – Village Development Committees

VNRMC - Village Natural Resources Management Committees

About Afrint IV/Papaya

Afrint IV/Papaya - Political economy of inclusive agricultural intensification

Afrint IV/Papaya – Equity and Institutions in Sustainable African Intensification is a research project funded by DFID through Wye and Greenwich University and implemented by the Department of Human Geography at Lund University in cooperation with the University of Malawi, Sokoine University of Agriculture, the University of Zambia and LUCSUS. The aim of the project is to analyze patterns of smallholder intensification in Zambia, Tanzania and Malawi from a sustainability perspective with attention to: (a) gender and youth; and (b) the ways existing rural institutions could be enabled and incentivized to improve equity given prevailing policies, norms and structures.

The project is comprised of four research questions:

Research Question 1 – *To what extent has intensification of smallholder agriculture in Zambia, Malawi and Tanzania 2002-2013 led to soil degradation and poor land management?*

Research Question 2 – *To what extent and how is the relationship between intensification and soil degradation/land management mediated by gender and age?*

Research Question 3 – *To what extent and how has intensification reconfigured intra-household relations in terms of gender and age?*

Research Question 4 – *What is the role of local institutions in creating sustainable intensification? How can these roles be improved to increase equity?*

This work stream sets out to answer question 4.

Afrint IV/Papaya is an integral part of SAIRLA – Sustainable Agricultural Intensification Research and Learning in Africa. An initiative comprised of six research projects as well as national and regional learning alliances aimed at providing a forum for mutual learning and for increasing joint policy influence. For more information about Afrint IV/Papaya see www.agriAfrint IV/Papaya.com

Executive Summary

This report presents a brief political economy of agriculture in Malawi, with a specific focus on the concept of inclusive and sustainable intensification, and is undertaken as a background working paper for *Afrint IV/Papaya- Equity and Institutions in Sustainable African intensification*. The Afrint IV/Papaya project frames equity as an exploration of the experience of the identity categories of *women* and *youth*. This report does consider these groups, but we argue that to restrict an analysis of power and institutions to these groups is mistaken, given the critical dimension that a class analysis continues to play in agricultural dynamics. In this paper we do not engage with what defines 'sustainable African intensification' but rather trace the dynamics of agriculture in Malawi, in order to assess the power and politics at play in shaping agricultural outcomes.

Chapter 1 sets out an analysis of the key actors, structural dynamics and outcomes in Malawian agriculture from the pre-colonial to the present.

It is necessary to note that pre-colonial customary systems of land tenure and production were not automatically patriarchal, as they are sometimes characterised. Colonial policy sought to envelope and manage the pre-existing systems, and in doing so also imposed patriarchal and individualised legal frameworks imported from Europe. Hence, multiple systems of land access, allocation, and rights exist in a complex duality that continues to shape agricultural outcomes. The history of Malawi shows a differentiated pattern of agriculture, with the development of large commercial estates producing for export, alongside small-scale farmers cultivating food crops. The structure persisted and was extended under the era of Hastings Banda, and has continuing consequences for the structural dynamics of agriculture. Plot sizes in Malawi are small and declining, and the economy remains dominated by agricultural production. With increasing liberalisation, state assets were privatised and the state was encouraged to withdraw from subsidising production and markets. However, particularly since famine in 2001/2, subsidies to support small-holder maize production were reintroduced, and have evolved since that period, consuming most of state spending on agriculture. This is the most significant feature of the state involvement in agriculture, and it necessarily has to be a prime point of engagement in considering sustainable intensification in agriculture.

Post 2007, there is a clear and growing interest by donors in agriculture, and particularly in encouraging foreign investment, favouring large-scale outgrower schemes. Donor interventions and NGOs significantly influence aspects of government policy, and in doing so create policies that are contradictory, and often unimplemented in practice by institutions without adequate capacity. Sustainability of intensification is given some attention in policy- with some focus on Conservation Agriculture, but this is not a consistent focus.

At the present time, a growing middle class and elite is increasingly interested in agriculture and is rapidly acquiring land, but agriculture remains a risky and uncertain business. Inequality is growing, and this is the most critical concern for inclusion. The Malawian economy has few other sources of employment beyond agriculture, so the poorest may be most at risk of exploitation in relation to losing access to land, and having their labour exploited.

Chapter 2 explores the formal and informal 'rules of the game'. A political economy analysis that only considers the policies that are described in interviews with elites, or in donor funded documents is inevitably incomplete. In Malawi, the gap between policy on paper and implementation is vast: to the extent that policy often exists as a narrative 'collective fantasy' concocted by the mutual interests of donors, civil servants and political elites. Local government and institutions charged with policy implementation are ill-equipped to do so, lacking human capacity, resources and authority. Resource allocation remain heavily centralised despite an advanced policy of decentralisation.

Where agricultural intervention does exist, then elite capture at all levels, is a frequent issue, as is illustrated in the example of the Farm Input Subsidy Programme (FISP). Traditional Authorities and resource allocation committees are frequent sites of elite capture and potential exploitation. Elite capture may have a gender dimension but requires explicit consideration of class. This also applies fundamentally to land policy, where land titling and formalisation may have made it easier for the poorest farmers to be dispossessed of land. A poorer man is very much more disadvantaged than a wealthier woman in this regard.

One potential way to address this gap between policy and practice is to work with the reality of current politics and institutional capacity, as suggested in a problem-driven iterative adaptation approach (See Andrew et al 2013).

Chapter 3 considers incentives and interactions in relation to agricultural dynamics in Malawi. To a substantial extent, an analysis of these reinforces the conclusions of chapter 2. Policy frameworks are dominated by an aid-driven donor discourse, except for the politically important FISP. State investment in agriculture, beyond FISP, remains limited. Private finance is often unaffordable to the small farmer and outgrower schemes have disappointed many of those involved, and in some cases decreased local food security. Elite and commercial interests are favoured in legal and investment frameworks and in the everyday business of institutions. Markets remain exploitative, hard to access, and unreliable for the small farmer. Exploitation and dispossession of resources are the dominant trends.

In conclusion, we assert that agriculture is getting less inclusive in Malawi, but this exclusion is heavily class-based with complexities of age, gender and ethnicity being played out in specific contexts. Engaging with the politics and impacts of FISP and tackling the gap between policy and practice will be essential elements of attempting to address counteract current trends.

INTRODUCTION

Afrint IV/Papaya research focuses on the concept of sustainable intensification of agriculture. This refers mainly to increasing the intensity of agricultural production on existing land holdings, rather than the extensive cultivation of new land areas. As populations increase, this extends pressure on land holdings and therefore necessitates the intensification of production (Boserup, 1965). For this to be sustainable (Tiffen et al, 1994), and ultimately for it to play a role in agricultural transformation, then intensification also needs to be inclusive.

Inclusivity refers to incorporation of specific societal groups based on, for example, ethnicity, gender, class, age and disability and so on. For Afrint IV/Papaya, we solely consider gender (in this case referring not only to the relations between men and women, but mainly to women) and youth. Youth is defined according to the conventions adopted in each country.

Agricultural policy and agricultural support institutions can play a key role in shaping and driving how agriculture evolves and ultimately transforms. At the macro level, national governments are responsible for agricultural policy, but are influenced through dialogue and support of development partners. Therefore, development partners and governments have a responsibility for creating an enabling context of macro policy that supports inclusive agricultural intensification.

At a more meso-level, sub-national agricultural institutions and actors (including extension services, farmer organisations, traders, investors in contract farming, input suppliers and local authorities who control land tenure systems) are some of the most important mediators that determine the extent to which agricultural policies contribute to equity in ongoing intensification processes. The resources and capabilities present at the meso-level have a critical role in enabling policy and strategy to be implemented. Where resource and capability gaps are present, then the gap between stated policy and practice can be wide. At the micro level, we need to understand how policies are interpreted, implemented and how farmers experience agricultural support. We also need to understand where customary arrangements e.g. on water and land access, or social norms operate alongside more formalised institutions.

Our point of departure in this endeavor is recent interest in the extent to which and how state/party/business relationships contribute to economic transformation and poverty reduction. Many competing concepts describe relationships between elites and citizens which can lead to 'developmental' success. In essence, this research agenda is a quest to understand a country's political economy. Here we use a simple definition of this contested term: for Afrint IV/Papaya, political economy analysis refers to how elite groups in a society (based on ideology, class ethnicity, kinship, patronage or collective economic interests) compete for and use resources, rents and power. In relation to agricultural intensification, political economy analysis focuses on how productivity gains influence this competition for and use of resources, rents and power. Thus, the key issue for this stream of work is to understand whether such changes in competition between elite groups associated with agricultural intensification lead to the inclusion/exclusion of women and youth.

The incentives, opportunities and obstacles for local actors in promoting (or discouraging) equity are related to both the political economy of local development processes and a range of often conflicting national policies and programmes. Institutional change processes may lead to either inclusionary or exclusionary tendencies. National-level policies impinging on local institutions and their role in sustainable intensification include not just agricultural policies, but also climate, employment and other relevant policies. They also include issues of market regulation and support.

The political economy of inclusive agricultural intensification component of the research involves analyses of district-level praxis and national-level policies for agricultural intensification with specific attention to their implications for gender and youth.

It employs a three-lens approach looking at:

- (a) Mapping the organisational actors (who does what?)
- (b) The formal and informal rules of the game in which they operate (how are things supposed to work and how do they work in practice);
- (c) The differing incentives and interactions among actors (what are the dynamics of the actors working on agriculture?).

The political economy analysis will thus provide the basis for an informed and pragmatic dialogue with decision makers and civil society based on an in-depth understanding of who the decision makers are and what spaces exist for processes that address potential policy conflicts and channel attention to the equity implications of investments in agricultural intensification. These will be integral to Afrint IV/Papaya's engagement in SAIRLA's National Learning Alliances.

METHODOLOGY

Political economy analysis entails multiple methods of data collection, to triangulate many perspectives, and to map particular contexts. It aims to provide a reasoned explanation for how a current situation comes to be as it is. It therefore requires understanding of how change happened, who influenced it and what outcomes it has led to. The nature of institutions and how they shape change is particularly key to this.

This report draws on several sources of data:

1. A literature review concerning the political economy of agriculture, with a focus on the nature of institutions and evidence on the dynamics of inclusion. This review covers published academic studies, as well as grey literature.
2. Interviews with 15 national level stakeholders from within government, CSOs and donor-led initiatives. Interviewees are anonymised in this report and were undertaken by Anna Mdee in January 2018. In addition, we draw on interviews conducted for PhD research by Michael Chasukwa in 2016.
3. Afrint IV/Papaya district-level Outcome Mapping workshops which obtained an overview of how extension services, farmer organisations, traders, investors in contract farming, input suppliers and local authorities who control land tenure systems are engaging with gender and youth.
4. District-level interviews with stakeholders identified through the Outcome Mapping workshops. This aspect of the research is combined with in-depth interviews with civil society actors advocating for greater equity using a Most Significant Change (MSC) method to explore how to best identify entry points for effective influence. Interviewees remain anonymous to encourage openness in responses.

It is important to recognise the limitations for the timeframe for this study. The period of fieldwork was limited to seven days. This is very short for an in-depth political economy analysis.

AFRINT IV/PAPAYA PROJECT SITES IN MALAWI

DEDZA

Agricultural lands occupy 48% of the total land area in the Dedza district, found in the Central portion of Malawi. Soils found in the district are fairly fertile yet vulnerable due to soil erosion. Major crops grown include maize, beans, groundnuts, soybeans, potatoes, sweet potatoes cassava and rice while, minor crops include but not limited to: pigeon peas, field peas sorghum, and ground beans. The horticultural crops grown include citrus fruits, bananas, cabbage, and other leaf vegetables (Dedza District Council, 20122012). Rainfall in the district is erratic and is a huge contributing factor to lower production of maize and drying out of crops in the district. The district also depends on the Farmer Input Subsidy Programme (FISP) to subsidise its production levels. The district produces more potatoes than maize due to the high market demand, but maize has a higher area cultivated per year than other crops in the district.

Projects like the Input for Asset Under Irrigation, Rural Livelihoods and Agriculture Development (2005-15) assisted farmers in the district with assets and inputs, such as maize seed and a bag of urea. The \$40 million project sponsored by the World Bank aimed at increasing agricultural productivity among poor rural households, by providing an integrated package of support that covers irrigation, irrigation advisory services, marketing and post-harvest assets and services, and (ii) strengthen recipient institutional capacity for long-term irrigation development⁵. Non-state Actors and NGOs working in the crop production/agriculture in the district includes; Total Land Care, Catholic Development Commission of Malawi (*Soil and Water Conservation, Livestock production*), United Purpose (*Food security, decentralization, environment, Disaster risk reduction/management, water and sanitation*) and World Vision (*Food security, Water and Sanitation, Disaster Risk Reduction/Management*). More information about local actors and their involvement in agriculture intensification in the district are available in the district workshop report.

NTCHISI

Ntchisi District's population is mainly composed of subsistence farmers, growing soya, groundnuts, maize, cassava, peas, beans, potatoes and sorghum. With a total population less than 200,000 (as at 2008 census), poverty rate in the district is one of the highest recorded in Malawi. The district lacks basic infrastructure and facilities like portable drinking water and has one of the worst road networks in Malawi. Only 40% of the district have access to portable water, in addition to higher malnutrition rates. Household income also is very low, increasing households' vulnerability to poverty. Most farmers in the district do engage in crop and livestock production and few engage in small scale businesses. Diversification in income generating activities is also considered very low (Mpherere ADP Assessment report 2006:10) in Ntchisi district, signifying the importance of agriculture intensification and diversification in the district. Low economic situation in the district has been attributed to the following;

1. Low prices of farm produce due to limited competitive prices
2. Limited employment opportunities
3. Lack of value added products (no agro-processing industries in the district)
4. Dishonesty among middlemen, traders and vendors who purchase from farmers/farm-gates
5. Lack of access to farm inputs and inadequate agricultural extension
6. Small land holding sizes

National projects such as the Rural Livelihoods and Economic Enhancement Programme (RLEEP) works in the district to mobilise and strengthen farmer groups to enhance productivity and access to markets. The project works in collaboration with other Non-state actors like the Ladder for Rural Development (LRD) by engaging farmer clubs to improve potato production and marketing.

⁵ <http://projects.worldbank.org/P084148/irrigation-rural-livelihoods-agricultural-development-project?lang=en>

CHAPTER 1

THE STRUCTURE AND EVOLUTION OF AGRICULTURE IN MALAWI

This section explores the macro level structure and dynamics of change in agriculture in Malawi. To understand processes of inclusion and exclusion, it is necessary to analyse the evolution of agricultural policy, practice and outcomes. Simply to focus on actors who explicitly work on the inclusion of women and youth would be mistaken. Current initiatives which emphasise the inclusion of women and youth can sometimes make blanket assumptions about how gender relations or age categories operate in society, and in our case in relation to agriculture. However, the use of these categories needs to be understood in relation to the wider dynamics of structural change.

Malawi is recognized as one of the poorest countries in the world (World Bank Data, 2017), with the economy heavily dependent on agriculture (mainly subsistence for most of the population) accompanied with less diversification of crops. Maize remains the number one staple crop of the land-locked Southern African country. Agricultural intensification and diversification that benefits the whole population is a need expressed by all stakeholders.

In Malawi, 75% of the populace live in rural areas and subsist on agriculture (predominantly maize production) with 50.7% living below the poverty line in 2011⁶. Farms in Malawi are characterised by small land holdings and the impact of climate change, unstable economy and policies has rendered most of the rural poor highly vulnerable. Over the years, the size of these farms has declined drastically to approximately 0.5ha per capita due to policies such as the 1967 Land Act that transferred land from the smallholder sector to the estate sector, and increase birth rates (Chinsinga, 2012).

Malawi's development is deeply rooted in agriculture and has been central in the quest in eradicating poverty, especially since the downfall of the manufacturing sector due to the impact of the structural adjustment programme. However, socio-economic factors like HIV/AIDS prevalence, high mortality rate, low diversification, low value-added agriculture (Chirwa and Dorward, 2013) and inequality (Malawi Government, Malawi National Gender Policy 12011) challenge the transformational potential of the agriculture-based economy.

Agriculture is the mainstay of the Malawi economy because of its contribution to Gross Domestic Product (GDP) and workforce. It contributes about 37 % of GDP, accounts for 82.5 % of the foreign exchange earnings and employs about 80 per cent of the

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http://www.nsomalawi.mw/images/stories/data_on_line/general/malawi_in_figures/Malawi%20in%20Figures%202015.pdf

workforce. Agriculture is characterized by a dual structure consisting of commercial estates largely preoccupied with the growing of cash crops and a large smallholder sub-sector that is involved in mixed subsistence farming. More than 90 per cent of the rural population (2.5-3 million households) are smallholder farmers with customary land tenure. About 60 percent of the smallholder farmers are net buyers of maize while only 10 percent are net sellers. Smallholder farmers are characterized by cultivation of small and fragmented landholdings, with low yields, and are mainly subsistence-oriented. Over 80 % of the 2.4 million hectares cultivated by smallholder farmers is planted with maize. Approximately 25 percent of smallholder farmers cultivate less than 0.5 ha on average; 55 percent cultivate less than 1.0 ha; 31 percent cultivate between 1.0 and 2.0 ha; and 14 percent cultivate more than 2.0 ha. Despite being resource poor, smallholder farmers produce about 80 percent of Malawi's food and 20 percent of its agricultural exports. The estate land is mainly under freehold or leasehold tenure used to grow tobacco, tea, sugar and coffee. Tobacco is Malawi's largest export cash crop, accounting for over 50 per cent of export earnings, followed by tea and sugar. Malawi is able to produce around 3 million tonnes of maize, which is above the self-sufficiency level of 2.3 million tonnes. However, in poor seasons widespread food shortages are experienced. Many households with large families and small plots suffer chronic food insecurity and malnutrition (Chinsinga et al, 2013; Chinsinga, 2012; IFAD, 2011).

Malawi over the years has relied heavily on donor inputs in designing and implementing policy. The country's dependence on donor support is highly significant-known as one of the highest in Sub-Saharan Africa. On average, donors contribute about 40% of resources in the national budget. According to Sahely et al, (2005), donors financed up to 83 per cent of the development budget during the 2004/2005 fiscal year. Since independence in 1964, all four regimes that have come to power in Malawi have experienced suspension or withdrawal of foreign aid because of corruption, bad governance, violation of human rights and changes of policies on the part of donors.

Malawi's agriculture is dominated by two groups of cultivators; estate farmers and smallholder farmers. According to Ng'ong'ola (1986), estate farmers occupy leasehold or freehold and occupy holdings of at least 10 ha of land. Currently, 25% of Malawi's arable area are occupied by agricultural estates, most of these lands leased out in the early 1980s (Deininger et al., 2017). In 1988, there were a total of 4,100 estates (74 percent of which were burley estates) covering about 0.605 million ha. It remains one of the nations' main foreign exchange earners, though the exportation of cash crops such as tobacco, sugar, tea, Tung oil, coffee and macadamia nuts is increasing. About 3 million farm families cultivate about 70% of Malawi's arable land on a small scale (Tchale, 2009). They tend to hold customary rights to the land they cultivate. Among smallholder farmers, there is a huge gap between potential yields and actual yields obtained by smallholder farmers. According to Tchale (2009:103), "*potential yields for hybrid maize range from 5 to 8 tons per hectare, the average actual yields range from 1.5 to 2.5 tons and rarely exceed this*".

Diversification of agriculture remains a problem in Malawi, especially in regard to smallholder farmers. Peters and Kambewa (2007) argue that as land was transferred

from the smallholder sector to estate farming (with little compensation to smallholder farmers), smallholders were legally prohibited from cultivating cash crops such as burley tobacco, sugar and tea so as to prevent an oversupply of the market and poor-quality production. Smallholder farmers privileged to cultivate tobacco were given quotas (Chinsinga, 2012), with estate farms producing 80% of the tobacco for exports.

Table 1.1 Overview of Agricultural Evolution in Malawi

Era	Pre-colonial	Colonial era (1891-1963)	Statement of Development Policies (1971-1980)	Statements of Development (1986-1996)	Structural adjustment (1981-1996)	Malawi Poverty Reduction Strategy Paper 2000-2005	Malawi Growth Development Strategy I (2006-2010)	Malawi Growth Development Strategy II (2011-2016)	Malawi Growth Development Strategy III (being developed - 2018-2022)
Agricultural Policies	None	Land ordinances Thangata labour system	The National Rural Development Programme Special Crops Act (1963) Creation of ADMARC 1967 Land Act	Smallholder Agriculture Credit Administration Investment in Agricultural Research and Extension National Livestock Development Project National Rural Development Programme Rehabilitation of Smallholder Irrigation Schemes Special Crops Act	Market Liberalisation policies Price decontrol, Repealing of the Special Crops Act. Liberalisation of Agricultural Research and Extension Services	National Extension Policy	Agriculture Sector Wide Approach I (ASWAp I) Farm Input Subsidy Programme (FISP) Greenbelt Initiative	Agriculture Sector Wide Approach I (ASWAp II) National Agriculture Policy Framework National Irrigation Policy and Development Strategy Economic Recovery Plan Farm Input Subsidy Programme (FISP) Greenbelt Initiative National Export Strategy National Agriculture Policy	National Agriculture Policy National Irrigation Policy and Development Strategy Greenbelt Authority Farm Input Subsidy Programme
Key actors	Customary arrangements	Colonial Administration Traditional Chiefs Private (Colonial Settlers)	Government Elites (Politicians) Estate Owners Smallholders	Government Elites (Politicians) Estate Owners Smallholder	Private Sector Estate Owners Government Smallholders	Private Sector Estate Owners Government NGOs Smallholders	Private Sector Estate Owners Government CSOs Smallholders	Private Sector Estate Owners Government CSOs Smallholders	Private Sector Estate Owners Government (Elites) CSOs Smallholders

Agricultural outcomes		Increased productivity of cash crops Land inequalities growing	Increased Output by Smallholder Farmers Increased Agricultural Exports through Estate farming (Tobacco, Tea, Cotton) Increased land holding inequality between elites and poor because of Governments favour for Estate Farming for export production	Reduced productivity of smallholder farmer Decreased agricultural exports	Reduced scale of state service provision agriculture research and extension Increased competition between smallholder farmer and big estates (resources, market) Increased smallholder production of once restricted crop; burley tobacco.	Varied smallholder productivity Increased involvement of smallholder farmer in some cash crops (e.g tobacco)	Varied smallholder productivity	increased agricultural productivity, diversification and commercialization	Varied smallholder productivity
Inclusion of women and youth	Customary arrangements	Involved to exploit women and youth as labour providers (Thangata System) Patriarchal formal bureaucracy introduced through colonial rule.	Youth (Malawi Young Pioneer) Women (Chitukuko cha Mai M'Malawi) – small scale farming for political organisation	Youth (Malawi Young Pioneer) Women (Chitukuko cha Mai M'Malawi) – small scale farming for political organisation		Mushrooming of NGOs involving youth and women after referendum to democracy (in 1993) Dismantling of MYP and CCAM	Increased involvement of women and youth (on paper) Gender mainstreaming	Increased involvement of women and youth (on paper) Gender mainstreaming	Increased involvement of women and youth (on paper) Programmes like Malawi Agribusiness Youth Agriculture Programme (by Farmers Forum for Trade and Justice), Women Agribusiness Project (by Farmers Forum for Trade and Justice), Integrated Youth Development Programme (Malawi Government), National Youth Service (Malawi Government), Youth Start (by Opportunity International Bank of Malawi)

Authors own based on Ng'ong'ola (1986), Malawi Government (2016) Chinsinga (2017); Chinsinga and Chasukwa (2012)

Table 1 above charts the key actors, agricultural policies and outcomes, alongside an assessment of inclusion of women and youth. This allows us to identify lines of power, resource accumulation and control in relation to agricultural resources and the control of the land.

Control over the land has been a pre-occupation of the internal political and economic dynamics of Malawi since the creation of the colonial territory of Nyasaland. It remains the case five decades after independence (Chinsinga 2015). Colonisation imposed a bureaucratic patriarchal system of control, and overlaid and embedded the pre-existing ethnically based social systems (Mandala 1984). Settler agriculture resulted in the occupation of land, and exploited local labour including that of women and youth. This sets the foundation for the two modes of agriculture in Malawi: the commercial estate (10+ hectares) and the small plots of peasant farmers. This dualistic mode continues to dominate.

The Malawi Congress Party (MCP) ruled newly independent Malawi from 1964-1994 under President Hastings Banda. During the early part of the Kamuzu Banda era (1964-9), smallholder agriculture was promoted via an extension system, creation of infrastructure and a parastatal marketing board. However, the new political elite and parastatals moved into large scale estate expansion, with the provision of estate licences and loans being key forms of political patronage (Cammack & Kelsall 2010). Economic rents from smallholders were channelled into estate expansion and to cross subsidise maize consumer prices. From 1969-1979 manufacturing expanded at 7% pa and the service sector at 15% pa. Rents and assets were redistributed to those who were seen to be able to use them productively. In addition, food security was assured through fertiliser subsidies, high producer prices for maize and subsidised consumer prices (ibid). Cammack and Kelsall (2010) suggest that this era marks a period of 'developmental neo-patrimonialism' in Malawi.

The 1967 Land Act specifically perpetuated the colonial land tenure system, creating a dualistic land control structure. In addition, smallholders were forbidden from growing commercial crops such as tobacco. In 1971 the Agricultural and Marketing Board (ADMARC) was created as a Government marketing board for agricultural production in Malawi.

The political mobilisation of women and youth in agriculture was also encouraged, for example in the Malawi Young Pioneers (MYP). The MYP were the most significant youth mobilisation in this context, and created a national service spread across the country (Forster 1994; Chinsinga and Chasukwa, 2018).

The economic stagnation of the 1980s brought the wave of structural adjustment programmes to Malawi with the attendant rolling back of state control over the markets. Malawi was forced to cut subsidies to maize production and this led to increasing food insecurity and fluctuating prices. ADMARC was partially privatised. Pressure from donors, and the intervention of the Malawian Military led to the end of one party rule in 1994. The MYP were disbanded in 1993 by the Army, for fear that it had become a militia organisation and could also challenge for power.

However, the World Bank continued to interfere in the operations of ADMARC as they believed that its practice of purchasing maize as a reserve was a subsidy. The

politics of maize subsidy remains critical to understanding agriculture in Malawi to the present time.

Under the Presidency of Bakili Muluzi (1994-2004), the political space opened for neo-liberal reform, and a rise in the presence and influence of civil society organisations, alongside decentralisation to District Governments and formal engagement with Traditional Authorities (TAs). However, the removal of a long term political incumbent whose party is effectively the state is problematic. Cammack & Kelsall (2010) suggest that this brought an era of rent seeking from the state, for personal enrichment by the political class, for example with Muluzi operating a sugar cartel. The civil service was also weakened and decapacitated.

Donors played an increasing role in supporting the domestic expenditure of the government, but the multiplicity of donors caused incoherent and fragmented policy development. In relation to gender, the 1995 Beijing World Conference on Women ushers in the start of an era of rhetorical gender mainstreaming. Malawi in this era, also experienced a huge burden from the HIV/AIDS pandemic, to which an extensive literature notes the impact particularly on women (Anderson 2012)

In 2001/2 Malawi experienced famine. On the recommendation of the World Bank, it had insufficient maize reserves to respond quickly to escalating food shortages. The Government instituted the 'starter pack' scheme to get farmers back into maize production. This was the start of a new era of subsidy to maize production which consumes a considerable proportion of government expenditure.

The Presidencies of Dr Bingu Mutharika, Joyce Banda and now Peter Mutharika have continued to be tainted by state rent seeking for personal enrichment, but also considerable engagement with a wide range of external donors, and NGOs who heavily influence the policy agenda. Issues of gender and youth are mainstreamed into policy. Donors have also encouraged and funded commercialisation schemes in agriculture- such as the Green Belt Initiative. Chinsinga (2015) suggests that the land inequality issues have never been resolved as political will had been lacking, but this is also exacerbated through the new wave of commercial investments under the GBI (Chinsinga 2017).

The maize subsidy- now the Farmer Input Subsidy Programme is continuously evolving, but is seen as highly significant in maintaining the rural vote. This is critical in ensuring basic food security, but problematic as far as the broader transformation of agricultural livelihoods is concerned. We will return to this in more detail in the next chapter.

CHAPTER 2:

THE FORMAL AND INFORMAL RULES OF THE GAME

This section explores systems of agricultural support operating at national and district levels. In doing so it is necessary to identify formal policies and processes as they are stated, and also how they are implemented in practice. In many cases there is a significant gap between systems in theory and operation in practice. In addition, agricultural change is also mediated by informal institutions, such as customary ownership of land or social norms relating to women and youth. It is very important that social norms are not understood as fixed, uniform and unchanging. The key point for this section is that there may be multiple routes for individuals to navigate the creation of agricultural livelihoods.

In this section we consider five policies and programmes; (i) National Agricultural Policy and ASWAP, (ii) Farm Input Subsidy Programme, (iii) National Youth Policy and Youth Enterprise Development Fund/Malawi Enterprise Development Fund, (iv) Land Ownership, Greenbelt Initiative and Land Act, and (v) Local Governance and Accountability – Decentralisation Policy. This analysis shows that how policies and institutions operate in practice (rather than how they are described as working in formal documents) is critical to understanding how the Afrint IV/Papaya project might work with local institutions in seeking inclusive intensification.

i) The National Agricultural Policy – Policy Processes and Politics

The first National Agriculture Policy (NAP) in Malawi was launched in 2016 despite Malawi being a country whose economy is heavily dependent on agriculture. The goal of NAP is "...to achieve sustainable agricultural transformation that will result in significant growth of the agricultural sector, expanding incomes for farm households, improved food and nutrition security for all Malawians, and increased agricultural exports." (Malawi Government, 2016) To achieve this goal, NAP has six priority areas namely; (1) Sustainable Agricultural Production and Productivity, (2) Sustainable Irrigation Development, (3) Mechanisation of Agriculture, (4) Agricultural Market Development, Agro-processing and Value Addition, (5) Food and Nutrition Security, (6) Agricultural Risk Management, (7) Empowerment of Youth, Women and Vulnerable Groups in Agriculture, and (8) Institutional Development, Coordination and Capacity Strengthening. Formulation of NAP can be traced back to 2006 when the development partners led by Norway and the World Bank worked with the government to develop the Agricultural Development Programme (ADP). ADP was prompted by two main factors. The first reason was that led to formulation of NAP was the uncoordinated interventions and duplication of efforts between and among development partners in agriculture sector. An audit showed that there were over eighty development partners funding projects in agriculture sector that made it difficult to ensure a shared overall strategic direction for the sector to achieve the desired goals and objectives in the absence of an overall guiding policy framework (Reme and Mingu, 2011). The sector was further characterized by a multiplicity of several sub-sector policies, which, in some cases, were essentially contradictory to ensure coordinated efforts in the sector. The second reason for developing NAP was the introduction of the Farm Input Subsidy

Programme (FISP) in the 2005/06 growing season against fierce resistance of development partners who argued that it would undermine and reverse the country's progressive economic reform efforts. However, the programme proved hugely successful because for the first time in two decades the country was able to feed itself without recourse to food aid or commercial food imports. The ADP was propagated as a platform for donors and other stakeholders to systematically engage government on how it could implement the FISP not simply as a short term and quick fix to the twin problems of chronic food shortage and insecurity, but rather as a vehicle for progressive structural transformation of the agricultural sector (FAO, 2015).

Evidence in Practice

The agricultural policy processes were triggered by the Ministry of Agriculture and Food Security's (MoAFS) submission of the ASWAp for Cabinet endorsement. The agricultural policy processes are linked to the desire for Malawi to qualify for the Comprehensive African Agriculture Development Programme (CAADP) following some political pressure to speed up its ascension to this continental initiative. While the Cabinet endorsed the ASWAp, it observed that there was need for a national agricultural policy to serve as a reference point in the implementation of the wide range of activities in the sector. The policy processes should have followed the stages outlined in the national policy making architecture, but they did not. In the interviews (conducted by Chasukwa 2016), most stakeholders pointed out that the Principal Secretary in MoAFS initiated the policy process. Terms of Reference were developed, and a consultant was contracted to draft the policy for the 2011-2016 period.

When the draft policy was presented to Cabinet Office for endorsement, it was turned down on two main accounts. The Cabinet Office observed that the policy was not developed according to the format and specifications provided for by the Office of President and Cabinet. Second, there was lack of evidence to support that extensive consultations were undertaken, and that the development of the draft policy was informed by robust analytical work. The policy processes had to restart all over again in order address the observations of the Cabinet Office. The efforts to complete the policy was given a new lease of life following Malawi's signature to the G8 New Alliance for Food Security and Nutrition in 2012. The requirement is that a partner country must have a national agricultural policy.

The Political Economy of agricultural policy processes show that although MoAFS is the policy holder for the agricultural sector, it does not often set its own priorities. Priorities are set elsewhere due to the high political stakes in the sector. This is attributed to the fact that Malawi is a predominantly agrarian society where food security remains a key political issue. In fact, some scholars, for example, Smale and Jayne (2003), have argued that the politics of Malawi are the politics of maize. It has thus become a vital component of the social contract between the government and citizens. According to Sahely et al., (2005), the legitimacy of a government in Malawi greatly depends on whether it is able to provide maize to the people either through subsidized production or at market prices they can afford. This makes MoAFS priorities greatly amendable to political manipulation. Most stakeholders actually argued that the priorities of MoAFS would have been totally different had it been that it was

insulated from political influences, and carried out its mandate in accordance with existing evidence on the ground (FAO, 2015).

The policy processes are quite challenging in the agricultural sector because MoAFS often must attend to political initiatives, including from the highest level, whose primary goal is to raise the electoral profile of incumbents. Some of these initiatives include: 1) the Green Belt Initiative (GBI); 2) Hunger and Poverty Reduction Initiative; 3) One Cow a Family; 4) Legumes Production and Small Livestock Initiative; and 5) the Farm Input Loan Programme (FILP). While political initiatives are accompanied by some additional resource inflows, they are almost always tokenistic, which results in the realignment of resource utilization away from the initial priorities. Moreover, political priorities tend to dominate even in terms of budgets. For instance, ASWAp is biased in favour of two presidential programmes, FISP and GBI that take up to as much as 70 percent of the total budget for this sector-wide approach. Maize takes up to as much as 37 percent of proposed expenditure targeting the improvement of crops. However, if the remaining expenditures are distributed across all commodities, maize could account for nearly 70 percent of total agricultural expenditures (Chinsinga, 2014).

The NAP policy processes demonstrate that policies in Malawi involve multiple stakeholders, multiple arenas and multiple levels. This has significant implications for the level of coordination and coherence required to achieve the desired goals and objectives of any policy process. The level of complexity varies depending on the nature of the specific policy. The challenges demonstrate that policy and policy making is conditioned and shaped by the political, social and economic context, as well as historical factors. This emphasizes that policy processes in a particular realm can only be fully understood if placed in a proper context. It matters a great deal because grasping the constraints and opportunities in a particular context is critical since the success of policy processes is not only dependent on what to do but how to do it (Leftwich, 2012). It is also important to note that lack of internal sense of urgency to systematically address policy challenges within government. This implies that the government is not proactive when it comes to initiating processes leading to the development of relevant policy documents. Almost always, policy processes are a reaction to international pressures, and implemented on a project basis. Ministry or departmental led policy processes can be overshadowed by politically orientated policy pronouncements. There is often a sense of urgency to do something about these policy pronouncements since they may relate to political profiles for electoral purposes and are, usually, at the expense of other equally pressing policy processes and priorities

This view is consistently confirmed by interviewees during interviews with representatives from government, NGOs, academics and donors (off record comments by local staff) in January 2018.

"Aid is weakening everybody- we need to kick out the donors. There is so little capacity to implement the policies that are designed by them. In the end, the Districts just rely on NGOs to do anything." Comment from interview in January 2018.

ii) Farm Input Subsidy Programme

FISP, launched in 2005-06 growing year, is an initiative inspired by the movement on reviving the African Green Revolution. FISP targets smallholder farmers who have land but cannot afford to purchase farm inputs at the prevailing market prices. The cardinal objectives of the FISP include increasing agricultural production and ensuring food security by providing government-subsidized agricultural inputs to smallholding farmers. Specifically, the FISP has multiple stated objectives, including 1) increasing smallholder maize yields and overall production, 2) reducing poverty, 3) promoting food security, and enhancing rural incomes (Lunduka, 2014). Through a voucher system, smallholder farmers have access to subsidized one 50 kg bag of basal and top-dressing fertilizer, 5 kg of maize hybrid or Open Pollinated Variety seeds and 1 kg of legumes (soya or groundnuts). In cotton growing areas, smallholder farmers are also given cotton seeds. FISP has incrementally changed over years but the design, goals and inputs given to farmers has largely remained the same.

Identification of beneficiaries involves members of community in an open forum. In this regard, lived poverty in the eyes of members of the community is the main criterion for selection into FISP as beneficiaries. Other important aspects are possession of land and labour availability. Selection of beneficiaries is participatory as such villagers themselves participate in wealth ranking exercises as they know each other better. Being a community led exercise, Chiefs play a key role in selection of beneficiaries by being gate keepers. They confirm to bureaucrats that the selected candidates are indeed from his/her village (see also Andersson Djurfeldt et al. 2018).

Evidence in Practice

Policy theory and practice gaps are evident in the FISP originating from interface between formal and informal rules of the game. Evidence in practice suggests that policy theory and practice gaps are a result of dominance of informal institutions over formal institutions. Application of informal institutions is motivated by individual or collective interests that collide with objectives of public policies regarding pursuance of inclusive agricultural intensification.

FISP is also frustrating agricultural diversification agenda as part of inclusive agricultural intensification. The Government has focused much on Maize because of primacy of Maize in electoral politics. Food security in Malawi is equated to maize availability such that the Government puts lots of its energy and resources into making maize available at the cost of other crops. As much as ASWAP and National Agricultural Policy promote crop diversification and inclusive sustainable intensification to mitigate effects of climate change, it is difficult for this goal to be achieved when Government's flagship programme, FISP, does not include other crops on a large scale. For instance, tobacco, cotton and tubers are not always catered for in the programme. Legumes are mostly in short supply such that smallholder farmers sometimes do not use their coupons. Agriculture diversification agenda as part of inclusive agricultural intensification is also rhetorical when agrodealers that sell farm inputs deliberately do not stock the 'orphan inputs' because they are not profitable (confirmed in multiple interviews in 2018). In deal situation, agrodealers are supposed to provide comprehensive agricultural support system to farmers including provision of extension services and stocking a range agricultural inputs complementing those provided under

FISP. However, in practice this has turned out impossible because of commercialization of FISP and seasonality of agrodealers – most agrodealers emerge at the start of FISP and close business at the end of the programme. Furthermore, smallholder farmers in hard-to-reach areas are underserved because agrodealers do not find any business justification to operate in less lucrative areas. In these difficult-to-reach areas, women are systematically excluded in FISP because they fail to walk long distances to buy farm inputs even then they have vouchers. Under market liberalisation (which is the main aspect that donors in FISP champion), government finds it hard to force agrodealers operate in remote areas as well as regulating them in a way that they remain in business when FISP is closed. It is also difficult for government to regulate agrodealers and other suppliers in FISP because some are politically connected and represent interests of elites and political powers. It can be argued that FISP has national wide coverage but because of informal rules of the game, the programme pays specific attention to some areas that make commercial and political sense.

Interviews in Dedza District also highlight the dominance of the FISP programme in agricultural expenditure. With an annual income of 53 million kwacha (£53,000), 16 million (30%) is spent on the FISP.

"There is little left to do anything more than run the offices. There are supposed to be 169 extension workers here, but we only have 60, and we don't even have bicycles for the ones that we have." Jan 2018

"FISP does not benefit our farmers for the long term- much of it gets wasted at capital hill. Instead we need more attention to the market. I wish ADMARC would come back- I hear this from the farmers as well" District interview 2018

FISP also systematically side-lines the youth and women as beneficiaries in activities on inclusive agricultural intensification. One of the criterion for selecting beneficiaries is that an individual should have land that if given inputs, they can put into use immediately. In Malawi, the youth are rarely in possession of their own land hence not eligible to be beneficiaries. This was confirmed in an interview with a bureaucrat who indicated the youth in realistic terms are excluded because they *"...do not own their own piece of land and are energetic enough so much so that they can work to generate income to purchase on their own agricultural inputs at the market value."* FISP operates on the premise that the youth have adequate skills to make them competitive on the labour market and demand for their services exists which is an oversimplification of the reality. In addition to the youth being excluded from benefiting from FISP by the targeting criteria, they are also marginalized by the narrow focus of FISP. FISP narrows down to increase agricultural production of poor smallholders limited to growing of maize, groundnuts, soya and cotton. FISP does not extend to value addition and agri-business activities which happen to be of interest to the youth. The youth are hesitant to venture into the type of agriculture that is just limited to growing of crops because their living experience has not been encouraging. This hesitation was captured in an interview with one of the youths in Dedza, *"...it is time for us to leave our traditional understanding of farming as in growing of maize, groundnuts and soya is long overdue. We have seen our grandfathers and fathers growing maize but they have not been motivating enough going by what they used to*

get. Farming has only ended up being a source of their misery. We should aim higher than them and that's about going beyond their way of understanding and practicing farming."

Based on fieldwork by Chasukwa, FISP also entrenches patronage and clientelism to the disadvantage of inclusive agricultural intensification. State politics also finds its way into FISP whereby ruling party politicians influence decisions such that areas loyal to them have better access to services (quantity, more beneficiaries and served first) than areas where opposition parties dominate. Ruling party officials including and Members of Parliament (both from ruling and opposition parties) have been involved in scandals of being in possession of FISP coupons that are distributed to their supporters when vouchers are only supposed to be administered by bureaucrats. Coupons or vouchers are transported from districts from the Ministry of Agriculture and Food security (MoAFs) to the Local extension officers. Local traditional authorities, local authorities, MoAFs staff have been identified to be key actors in the distribution of the vouchers from village to village (Dorward and Chirwa, 2011). However, politicians hijack the distribution system mainly to serve their own political interests. Chiefs, as gatekeepers, also abuse their status by influencing the process. It is a widespread practice in FISP for chiefs to bulldoze inclusion of people that do not qualify for the programme. Youths and women are easy target because of lack of voice. Chiefs also settle scores with 'insubordinate' yet qualified subjects through FISP by blocking their selection. During fieldwork, it was learnt that during village meetings where selection of beneficiaries is done in an open format, show of hands, cheering and jeering are also taken as forms of approval and disapproval for one's inclusion and exclusion in FISP. It was interesting to note that sometimes the 'local elites' get approval from the crowd with deafening cheering as they mobilise support prior to the meeting. The 'local elites also 'buy' the crowd to jeering, hence disapproving, those that deserve to be in the programme. The practice is also common in MASF IV Public Works Programme whereby beneficiaries are also identified through open community meetings.

Interviews in Jan 2018 also suggest that an open market for the FISP vouchers exists whereby recipients sell the vouchers to merchants and larger farmers.

Again, there is a remarkable consistency in the view from interviewees in local government, donors, and NGOs that the FISP programme has become problematic due not only to political manipulation, but also for trapping smallholders in maize production. This is said to contribute to soil degradation and fertility decline.

iii) National Youth Policy and Youth Enterprise Development Fund/Malawi Enterprise Development Fund

The vision of Malawi National Youth Policy (MNYP) is to have an educated, healthy, well trained, cultured, vibrant and productive youth. The goal of the policy is to create an enabling environment for all young people to develop to their full potential in order to contribute significantly to personal and sustainable national development (Malawi Government, 2013:4). Related to inclusive agricultural intensification focusing on the youth, the MNYP outlines the following specific objectives; mainstreaming youth development agenda in all national development programmes, guiding the adequate

allocation and prudent use of resources (financial, human, and material) to youth programmes, mainstreaming gender equity and equality in all youth programmes, and providing for the establishment of multi-sectoral and multi-disciplinary institutional framework for coordination and implementation of youth programmes. The MNYP defines youth as “all persons from age 10 to 35 years regardless of their sex, race, education, culture, religion, economic, marital and physical status” (Malawi Government, 2013:2). The policy recognises multiple definitions of the youth such that the age of 1- to 35 years is not in definitive terms. The policy recognises other definitions to do with political, economic and social perspectives especially that social environments have their own specific problems, concerns, needs, and aspirations.

The implementation and coordination of the National Youth Policy is largely led by two main bodies namely the Ministry Labour, Youth and Manpower Development (MoLYMPD) and National Youth Council of Malawi (NYCoM). The Ministry operates within the broader framework of the government apparatus whereas NYCoM is a legal body established by the 1996 National Youth Council of Malawi Act. With regard to execution of the National Youth Policy, MoYDS is responsible for guiding and monitoring policy implementation and evaluation, being the central repository of all youth-related information, developing and providing guidelines for youth development and participation, building capacity of youth workers, youth participation structures and regulate their professional conduct, and providing direction to all relevant government and other stakeholders on mainstreaming of issues of young people in all national development frameworks (Malawi Government, 32013).

Evidence in Practice

The division of labour between MoLYMPD and NYCoM is meant to enhance effective and efficient management of affairs of the youth and increased attention to the youth. However, the expectations created by existence of MoLYMPD and NYCoM expectations have been compromised by institutional egos bordering on the policy and legal mandates. The two entities have often competed and challenged each other as to who is in a better position to handle affairs of the youth. To this effect, NYCoM has been a victim of ‘infantalization’ in quest by the MoLYMPD to capture and control wide base of resources. Overlaps in institutional design and ambiguity of roles for MoLYMPD and NYCoM have contributed to the competition between MoLYMPD and NYCoM. For instance, the National Youth Policy indicates that the MoLYMPD is mandated to develop and provide guidelines for youth development and participation whilst a similar responsibility is also assigned to NYCoM where it is required to develop and regulate implementation guidelines of youth activities by various youth organizations (Malawi Government, 32013). Because of the struggles between the two institutions, collaboration with other players holding a stake in youth matters has been affected. This is evident in several cases but particularly pronounced is the weak linkage between the National Youth Policy and agriculture. All MNYP six priority areas; [(1) education, science, technology and environment, (2) sports and culture, (3) health and nutrition, (4) social services and recreation, (5) youth participation and leadership, and (6) youth economic empowerment] none of them makes explicit linkages to the agriculture sector. The concern would be that the failure by the policy to close this gap and ensure linkage to agriculture “will make it fail achieve the intended goal of youth participation on key development circles” (Kamchacha (2012).

The major programme for the youth empowerment is YEDEF that was started in 2010 with an initial capital of MK 3 billion. YEDEF is a revolving credit fund whose beneficiaries are supposed to be within the age group of 18-35 years. YEDEF aims at supporting groups of the youth that have proven technical business skills as a means for them to earn independent livelihood and even create employment for fellow youths particularly in rural areas. YEDEF gives preference to groups with self-selected members and are assessed by MARDEF secretariat. Prominence YEDEF stand out as far as commitment of Government to address the problem of youth unemployment from whichever angle including agriculture. YEDEF offer an opportunity to young people to access capital which they cannot easily get from the commercial banks and money lending institutions.

However, success of YEDEF has been limited by political attachments and poor linkages to the driving sector of the economy, agriculture. YEDEF has been perceived as a mechanism of organizing the youth for easy capture. YEDEF beneficiaries have included adults, political party supporters and party officials. Under the Internal Operational Policies and Procedures of YEDEF, it is stated that all application forms would be collected from the MARDEF, District Youth Office and Traditional Authorities offices, and the fact that MP got hold of these forms the whole process was non-transparent and made a lot of young people doubt the whole process of scrutinizing the applications forms. Some of the beneficiaries use political capital and networks to access loans that otherwise they were not supposed to receive. Because of political connotations, YEDEF have had dismal performance as beneficiaries become reluctant to pay back the money. Before relaunching, YEDEF was suspended pending review because of poor recovery rate as beneficiaries thought *"...the loan was meant to be a thank you for all those that contributed to the landslide victory of the ruling party in 2009 presidential and parliamentary elections."* (interview with a bureaucrat-Chasukwa) In term of linkages to the key priority areas of the national policies, YEDEF have not fared well because the choices about endeavors to be embarked on by the youth after getting the money are left open and made by the individuals and groups themselves. As much as this is in the spirit of diversification, the outputs at the national level have been too much spread to be noticeable. Agriculture has tended to be one of the least chosen ventures by the youth largely because the youth have negative attitude towards agriculture (Chisinga and Chasukwa, 2012). In an interview with youthful non-farmer, it emerged that he is not into farming because *"...it is an outdated career not fit for young generation. If you tell us we go into Information Technology, Software Development and all these jobs that require much thinking but less sweating, we are ready to take up the challenge."* Interesting, fieldwork established that young farmers were into farming by default and given the choice they would quit. A young farmer indicated *"...I am not educated enough to get a decent job. I am stuck to farming because this is the best the world can to offer given with my education qualifications. I wish I could have my way out of farming."* Based on fieldwork, some programmes meant for including youth in agriculture do not work because of informal institutions and perceptions that the youth have on agriculture.

In the January 2018 fieldwork, there was some disagreement as to the views of youth on agriculture. As is observed in other countries in SSA, an increasing number of younger people (often graduates) and middle class professionals are starting to invest

in agriculture as a business. In addition, that many youth are interested in agriculture, but not the subsistence model used by their parents. However, they are often lacking capital resources in order to invest in more commercialized agriculture. Other interviewees maintained that most youth just want job and a town life.

In addition, a number of interviewees expressed that the education system (at all levels) was inadequate when it comes to agricultural development, with the focus being on theoretical rather than practical and experiential knowledge.

(iv) Land Act, Inclusivity and Greenbelt Initiative

The new Land Act 2017 made some significant changes in land governance including ownership. The law now under Section 8 vests all land in perpetuity in the Republic unlike in the old Land Act whereby all public land was vested in perpetuity in the President. Again, the previous land Act did not provide for registration of customary land as private land. Section 19 of the new land Act addresses this inadequacy by providing for registration of customary land in form of customary estate. Under the new law, an individual will now be able to own land in his/her own right thereby having a guaranteed tenure security. The new law also promotes inclusivity of land ownership such that an individual, either man or woman has the right to register customary land as the owner of the land which in turn can be used to create a lease or sub-lease. Minors (persons under the age of 18) and youths will also have the right to register as proprietors of customary estates in their own right – as provided for in section 108 (1) of the Registered Land Act. The new Land Laws provides for the establishment of Customary Land Committees for the management of customary land. In these committees, it is required that three members must be women. It is also required by law that membership of the customary land tribunals must have at least three female members out of the six. It is important to note that some chiefs are not in favour of the new law, particularly the establishment of Customary Land Committees and Tribunals because that takes away their influence in land governance.

Some of the land governance intricacies can be understood as operationalised in Greenbelt Initiative. Green Belt Initiative (GBI) came on the agricultural policy scene in 2009 with the overall intention of contributing towards the attainment of sustainable economic growth and development in line with the Malawi Growth Development Strategy.⁷ The GBI aims at reducing poverty, improving livelihood and sustainable food security at both household and national level through increased production and productivity of agricultural crops, livestock and fisheries.

GBI is implemented to consolidate the gains made from various policies and interventions by intensifying irrigation farming among others. In this regard, GBI is regarded to be a compliment of FISP in the context of irrigation farming. It was envisaged that initial 5 years of implementation, GBI will have increased area under sustainable irrigation farming using the available abundant water resources from 78 000 hectares to 1, 000, 000 hectares. In order to increase hectarage under irrigation

⁷ Since 2012, the overarching development policy is Malawi Growth and Development Strategy 11

farming, GBI adopted the strategy of encouraging contract farming and out-grower schemes and improved cooperation between value-chain stakeholders. The strategy adopted by GBI raises concerns on land large-scale acquisitions. GBI has the potential of facilitating land rush as it is indicated; "...the private investors will mainly use their own resources; however government will facilitate acquisition of land (lease or sublease) for the purpose and providing a conducive environment for investment where opportunity arises, out-grower schemes will be pursued where inputs will be provided to the smallholder farmers" (Malawi Government, 2010).

Evidence in Practice

GBI scores high on some aspects; foreign direct investment, foreign exchange, agriculture infrastructure development, and crop and economy diversification. However, technocrats are sceptical about GBI's promises because of problems regarding land governance including ownership, changes in land utilization, threat to food security and tenure systems as illustrated in sugarcane industry. Where smallholder farmers join sugarcane industry, most of them must commit much of their land to sugarcane growing if they are to gain some substantial revenue from selling of sugarcane by the end of the season. Change of land utilization is one of the major sources of conflict between sugar companies and smallholder farmers whereby villagers resist giving up their fertile land for expansion projects because it amounts to an invitation of hunger and weakening of livelihoods. In an interview (Chasukwa) with a key respondent, he indicated; "...I sympathize with the communities because if their land is used to grow sugarcane, they will struggle a lot getting food stuffs."

Land deals in GBI have also generated huge interest among NGOs because of land grabbing and ownership incidences. NGOs are providing legal advice to smallholders to defend their land by challenging some decisions in the court of law. In instances where land conflicts could be resolved through Alternative Dispute Resolutions (ADR), local NGOs have assisted smallholder farmers to put up plausible arguments in the negotiation and mediation processes and sometimes joining these out of court discussions as '*friends of the ADR*.' For instance in a land dispute between Dwangwa Cane Growers Limited and farmers from Kazilira dambo in Nkhotakota, the Church and Society Programme of Livingstonia Synod was approached by people from Kazilira dambo for their assistance in resisting land grabbing. An excerpt from a letter from Church and Society Programme of Livingstonia Synod to the Police outlines the allegations below:

(as) Church and Society Programme, a desk advocacy of the CCAP Synod of Livingstonia...we have received claims from 262 people from Kazilira dambo that the state using the Nkhunga Police chased people from their gardens, destroyed their crops, pulled down many houses and finally have illegally appropriated land belonging to them. The displaced people sought refuge in the Dwangwa CCAP Church. Our visit to the scene has revealed that the situation is indeed unbearable and unbelievable to have been activated by a government institution which has a duty to protect lives and property of the people. To support their claims, there is a court judgment in favour of our clients ordering compensation to be paid to land owners and restraining the assailant to the use of surface land. In view of all the allegations leveled above,

we humbly invite you to give the side of your story probably within a fortnight lest we recommend for legal action to mandated institution.⁸

Another issue that has strained the relationship between sugarcane companies and its smallholder farmers (out-growers) has been processes regarding how the fragmented plots fall into the hands of sugarcane companies as new 'landlords.' sugarcane companies expand their coverage by either being approached by the interested parties to have their land developed and subsequently being one of out-growers or sugarcane companies sells the idea to communities and those who are convinced express their interest to join them. Where the company has gone out looking for those interested to join as out-growers, much of the discussion and negotiations are done with chiefs on the understanding that they represent the interests of their subjects. The narrative is that it is strategically correct for the company to hold discussion and negotiation talks with chiefs because they are custodians of the customary land and the consent to have land leased is authorized by them. Contrary to the expectation that chiefs need to act in the best interest of their subjects and observe the policy and legal requirement that they have to consult their subjects before pending signature to any land deal, out-growers held the view that chiefs betrayed them by "...not doing consultations and where consultations were done, adequate information to make informed decisions was not given." (interview-Chasukwa)

Because chiefs have had limited contact with their subjects, in both approaches of accessing land, the sticky issue is that out-growers feel to have lost control of their land because the land is now largely managed by the company so is the sugarcane. This sentiment was expressed by an out-grower who observed; *"...I feel dumped by the company because there are many restrictions in this out-grower arrangement. I have to seek consent to do this and that on my own piece of land for they claim I have no expertise in sugarcane growing and they might end up making losses."* The feeling that out-growers have lost their land to sugarcane companies is aggravated by the fact that they are not allowed to get out of the contract with sugarcane companies until the companies recover the land development costs which takes the period of about 5 to 10 years. According to out-growers, the bond guiding the operations between the company and themselves is tantamount to land being leased only that "...the company cannot come in open about this. Otherwise, it is the company in control of our customary land and we have to live on their terms because penalties for non-observance of the bond conditions are even worse off than what we have now." The foregoing discussion points out that chiefs are entangled in a conflict between sugarcane companies and local smallholder farmers for failing to broker a winning deal. The conflicts also indicate that power dynamics and local level politics are critical aspects to pay attention to in land acquisition processes and often they work to the disadvantage of smallholder farmers who are usually not well informed about the details of the transactions. Von Braun and Meinzen-Dick (2009, p.2) make a similar observation that "...inequality in bargaining power is exacerbated when the smallholders whose land is being acquired for investment projects have no formal title to the land, but have been using it under customary tenure arrangements. Since the

⁸ Letter dated 8th December 2008 titled 'Displacement of Several People, Land Grabbing and Malicious Damage to Property by the Nkhunga Police'

state often formally owns the land, the poor run the risk of being pushed off the plot in favour of the investor, without consultation or compensation.”

Interviews in 2018 also confirm such observations and frustrations of outgrowers, particular when they become trapped in cycles of debt as they take inputs on credit.

Lastly, there have been conflicts among the members of the community themselves with some supporting the expansion drive of sugarcane companies with another camp opposing committing extra parcels of land for sugarcane cultivation. From the fieldwork of Chasukwa, it emerged that agrarian struggles among community members have emerged because of differences in land holding size, number of plots possessed by an individual/family and means of earning a living. The broad picture is that those with a big piece of land were willing to surrender their land for development under out-grower arrangements whilst those with small piece of land were reluctant to do so. Committing land for sugarcane growing worked to the advantage of those with big plots because of economies of scale as such they could earn enough to buy food and meet other necessities unlike those with small hectareage. Individuals with more than one plot with one of them being away from the earmarked area for development were ready to be out-growers because they would grow food crops in the other plot whereas those with just one plot were hesitant joining sugarcane companies because that threatened food security. Furthermore, community members with other means of survival and earning income in additional to farming on their piece of land were eager to dedicate their piece of land for sugarcane growing unlike those whose survival solely depended on farming on their own plot. Those with no extra means of survival were sceptical of cushioning mechanisms in case sugarcane growing business is not successful.

The discussion above indicates that there are splits and dilemmas in the coalescing of narratives and interests of different actors. Political powers agree with technocrats when land deals are instrumental for foreign exchanging and promotion of socio-economic development. However, technocrats may not be strategic partners of politicians because of their political interest for attainment of food security and facilitation of land grabs that land deals seem not to guarantee.

Debates on inclusivity in agriculture often focus on rights to land and accessibility of inputs for particular individuals. Many of the NGOs interviewed in Jan 2018 were targeting input and productive interventions at women, and gender is mainstreamed at a rhetorical level. What does this mean in practice? Much of the research in this area disaggregates agricultural production and practice on the basis of the sex of the household head. An interviewee confirms double counting households in surveys due to confusion about familial and kin relations. Interviewees uniformly confirm, to some degree this is linked the way that surveys interrogate the household. Farming is usually a collective undertaking, with wide range of diverse intra-familial arrangements for deciding how to go about this and how to share the benefits. In some parts of Malawi land inheritance is patrilineal, in other areas matrilineal. Simply giving women as individuals title to land, or inputs will not be transformational to unequal gender relations (see also Andersson Djurfeldt et al. 2018). A historical literature suggests that colonial bureaucracy introduced the gender and property norms of the Victorian United Kingdom and the capitalist mode of production that then overlaid a multiplicity

of customary arrangements to produce the current landscape of gender relations in Malawi (Mandala 1984). Therefore, gender relations and inclusion are far more complex than the standard donor discourse allows.

“My experience is that when we talk about mainstreaming youth and gender, we have to unpack these concepts. Representation does not become true mainstreaming. What do numbers tell us? We have to understand issues of access and control- can our monitoring really pick this up? Women will tell us in interviews that their husbands make the decisions, even if that is not the case. That is what they think that they should say” (Interview- January 2018).

(v) Local Governance and Accountability – Decentralisation Policy.

The hallmark of local governance and decentralisation in Malawi are local councils established by the Constitution, the Local Government Act (1998) and National Decentralisation Policy (1998). The key message in Local Government Act and National Decentralisation Policy is that power to make policy decisions is no longer in hands of appointed public officials at the Ministry but in hands of local communities. The Local Development Planning System Handbook produced by the Ministry of Local Government (2011), clearly states that local development planning system for local councils should involve several actors including local communities. Empowerment of local communities in local governance is reflected in four pillars of local development planning system, “district-focused, people-centred, bottom-up and participatory”. (Ministry of Local Government (2011, p.11) Development and governance interventions implemented by local councils and other actors at the district and community level have embraced the four principles of development planning and financing.

The district development planning system requires local councils to formulate interventions based on district development plans. The Ministry of Local Government indicates that district development plans are owned by people because the process of developing the plans is bottom-up, *“it is recognised that all planning begins at the community level. Project proposals are first developed by the grassroots level structures, with full evidence that a project proposal has been generated by the beneficiaries within the local government authority. Technical inputs into the proposals emerge during the appraisal phase-thus, towards the end of the process”* (Ministry of Local Government, 2011, p.11). The district development planning system ensures that planning and decision-making is participatory by creating platform for involvement of local people in all aspects of the development process.

Institutional structure relevant for Agriculture at the District council consists of the District Executive Committee (overall policy-making authority), Area Development Committee and Village Development Committee (coordination projects in their areas of jurisdiction), *District Agriculture Development Office* (overarching institution for all agriculture activities in a district responsible for planning and implementation of agricultural related activities in a district), *District Agriculture Stakeholder Panels, Area Stakeholder Panels and Village Stakeholder Panels* (District Stakeholder panels aggregate the priorities from various parts of a district into an actionable programme

for the sector whilst Area Stakeholder Panels and Village Stakeholder Panels coordinate agriculture activities within their respective areas of jurisdiction).

Evidence in Practice

Decentralisation in Malawi is recognised as being fragmented and incomplete in practice. Figure 2 shows how reporting is largely from the bottom up. Resource decentralisation is far from complete, whilst responsibilities have been pushed down the chain from central government (O'Neill et al 2014).

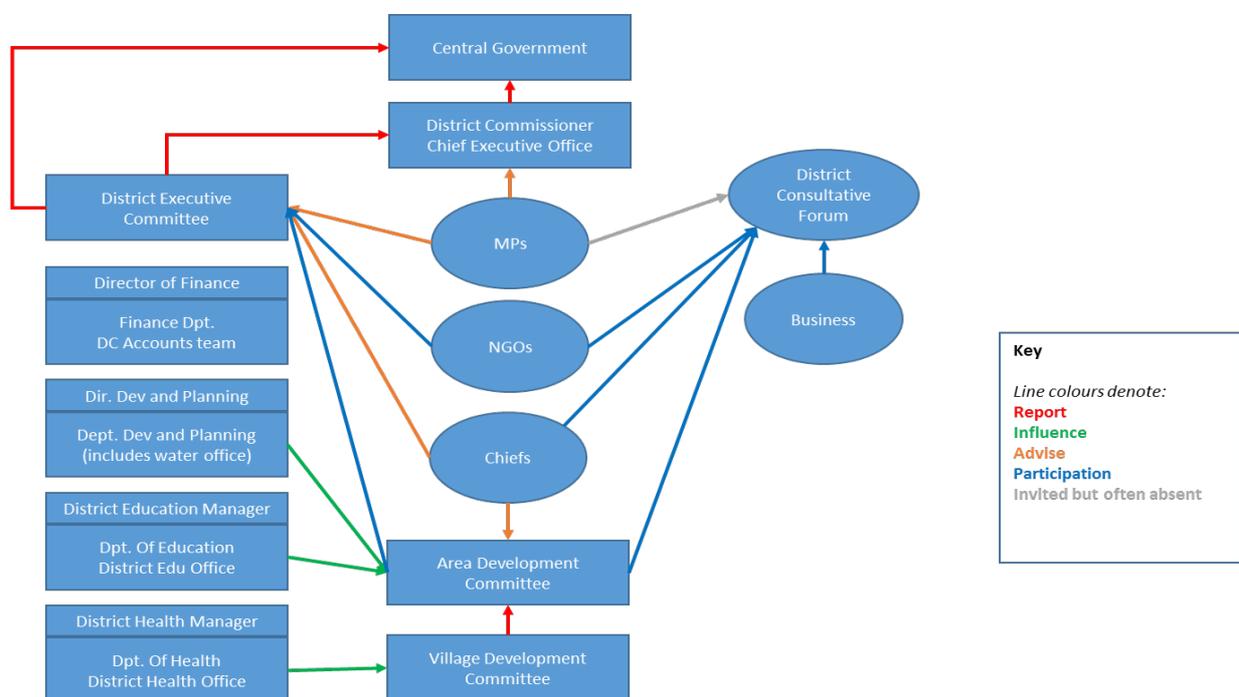


Figure 2: Basic local government structures and relationships in practice, (O'Neill et al 2014)

Agricultural policies are handled by multiple local institutions because of decentralization. Apparently, this has culminated into overlapping mandates and competition among various institutions dealing with issues of agricultural transformation. While the roles of various stakeholders are, at least, spelt out in the different manuals and policy guidelines such as District Development Planning System Handbook and Urban Development Planning System Handbook, the reality on the ground is totally different. The overlapping mandates are mainly attributed to real and perceived ambiguity of division of labour because of competition for resources. For instance, at the community level, competition exists between the VDC and Project Management Committees established by NGOs. Project Management Committees are well funded but not sanctioned by Decentralisation Policy whereas VDCs do not command good financial standing yet are mandated to managed projects at the local

level. The same competition for resources happens between Village Natural Resources Management Committees (VNRMC) and the VDCs over who is in-charge of natural resources management within the realm of climate change and sustainable agricultural intensification. The VNRMC is often perceived as subordinate to the VDC and most VDCs assert that it is their responsibility to oversee subordinate institutions especially if they are seen to be failing to discharge their duties. While VDCs see themselves as providing technical backstopping, VNRMCs perceive that as sheer interference with their responsibilities. The tension is particularly pronounced when there are some funded activities. For instance, ActionAid in Phalombe reported that a VDC demanded that they be trained ahead of VNRMCs arguing that it would not make sense to train first a lower level committee when the higher-level committee expected to provide oversight is not yet trained. Committees have sabotaged one another in trying to outpace each other for attention of NGOs and donors who provide resources and trainings.

Members of local structures managing agriculture projects serve in those committees as volunteers, at least this is what the policy states. The public script by members of local structures is also that they are only volunteers who wish their communities well hence provide their services for free when called to serve the community. However, the informal rule of the game is that members of the community serve in the communities in anticipation of satisfying their own interests – particularly building their own capacity. The challenge is that once trained and expected to contribute to effective implementation of agricultural activities, they start looking for paying jobs. Community committees are therefore only training institutions. The observation of a bureaucrat (interview with Chasukwa) in Dedza are quite illustrative of this challenge. He observed that “when you finish training community committees today you feel good that you have technical people on the ground who can implement activities. However, after six months you will notice that all trained members have joined NGOs as Field Officers. In practice, community committees are a nursery for building expertise for NGOs.”

Financial constraints experienced by district councils and community communities bring another story to informal rules of the game regarding management of inclusive agricultural intensification projects. In Malawi, CSOs have considerable financial influence over policies as compared to government departments and community committees at local level. Because of their financial muscle, NGOs bulldoze and bypass local councils. Most of the NGOs work directly with the local communities which is a concern to the district council because it is difficult for councils to synchronize interventions as the councils are not always fully aware of what is happening in their own areas of jurisdiction. The requirement is that NGOs should register with the district council in which they work but most of them do not observe this requirement. Councils still allow NGOs to operate in their districts even though these are flouting some procedures because they are in desperate need of resources that are injected into the district by NGOs. In this regard, councils even make use of their technical competence when they collaborate with NGOs to implement certain projects which are often outside their priority list of activities on agricultural intensification. The paradox is that while NGOs often have the financial capacity to implement interventions on agriculture and climate change, they often do not possess the requisite technical

competence to implement these interventions efficiently and effectively. Diagram below shows Monthly Central Government funding allocated to Mangochi District Council between July 2014 and April 2015.

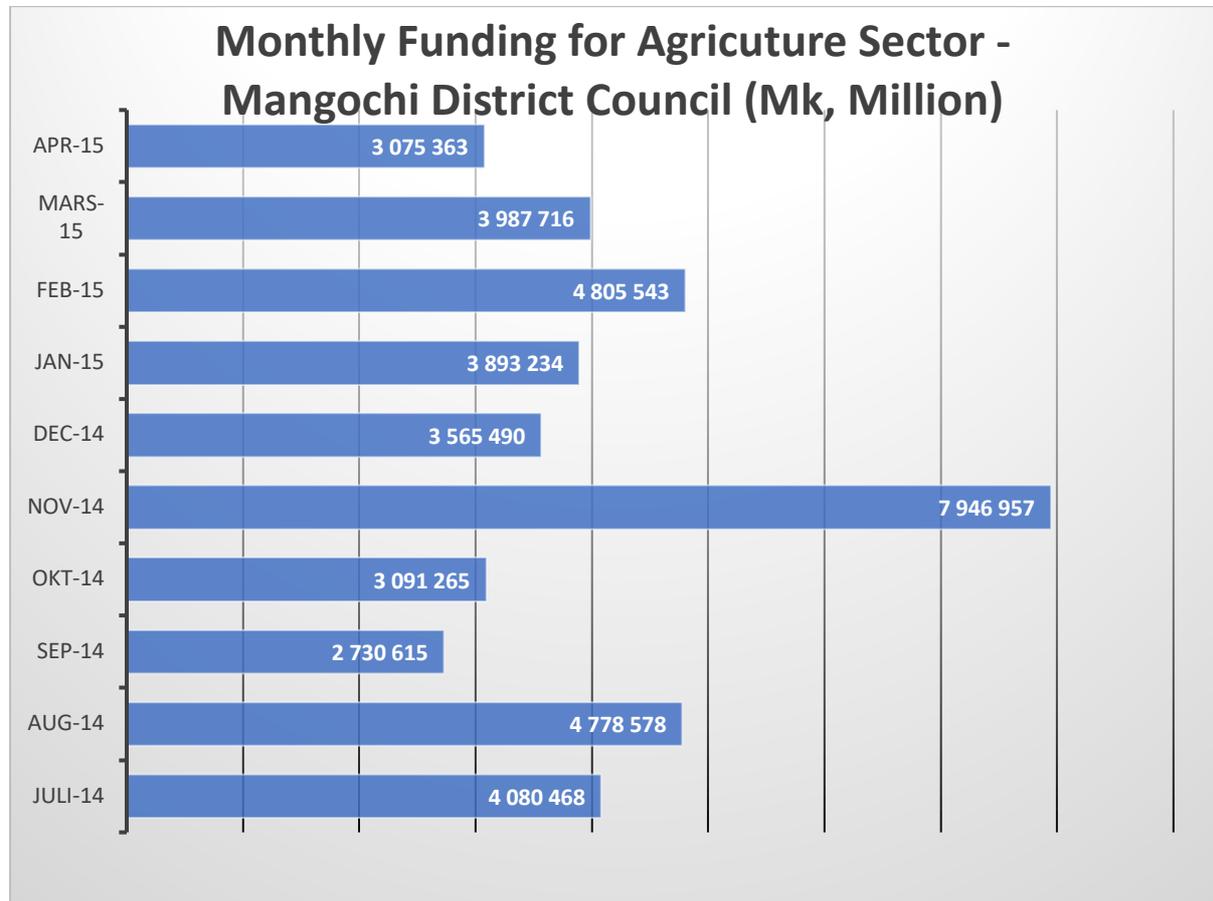


Figure 3: Monthly Funding for Agriculture Sector – Mangochi District Council (Mk, Million)

Compiled from data National Local Government Finance Committee Committee (2017)

Fieldwork confirmed that funds allocated to Mangochi Agriculture District Office are just enough to meet operational (administrative) costs. This means the Mangochi DADO must find means of meeting costs for technical projects. This is why the DADO collaborates with NGOs so that they are able to implement projects on agriculture even if they are not in their strategic and annual plans. This was also confirmed to be the case in Dedza (interviews 2018).

Interviews with NGOs (Jan 2018) confirm that they all perceive working with government as important for the longer-term sustainability of their initiatives. Whilst NGOs do make useful localised contributions and support the National Agricultural Policy (e.g. on the promotion of conservation agriculture) – they also recognised the limitations of their work on increasing production in the absence of good markets for agricultural products.

CHAPTER 3

INCENTIVES AND INTERACTIONS

In this section we consider the incentives and interactions for and between actors in agriculture. We consider the power dynamics between actors, in order to identify where opportunities for significant change might arise.

Government and finance institutions

Government has created institutional and policy frameworks to engage finance institutions in Agriculture. This is in realisation that Government has limited resources and most of resources in the Agriculture sector are allocated for one programme; FISP. The liberalisation that started with SAPs also still has effects on extent to which government can directly engage itself in reaching out to peasants without facing backlash from donors – Farm Input Subsidy Programme is a good example whereby Government just had to do it without consent of donors. Some of the policies and institutional arrangements to engage finance institutions include Greenbelt Initiative Holdings Limited, Malawi Seed Act, National Youth Policy, National Export Strategy. Government is committed to making agriculture investment work and attracting investors, as illustrated in Greenbelt Initiative Policy Document;

The large growers need vast acres of land for large scale production. Land has to be identified for them along the GBI and these have to be linked to banking institutions for inputs such as machinery, fertilizers, seeds, pesticides, labour, and cash. Large growers will have to engage in discussions with local assemblies to relocate villages for intensified farming by using heavy machinery. Irrigation schemes [will] be owned by large-scale commercial farmers and corporate companies [who]...will be responsible for developing and operating them. These will lease the land for a specified period of time as per the current land policy and thereafter determine their priority crops to produce and production strategies (GoM, 2009: iii-iv).

Finance institutions engaged in agriculture are attracted by commercial interests, which puts the government in dilemma as it is motivated by 'serving the nation.' Transactional costs are high, making large scale agricultural investment risky, as investors are not sure of profitable environment. Land governance, though a basic factor of production, is muddled with conflicts between investors and local communities. For instance in Thyolo, smallholder framers encroach tea estates. Legal disputes over land are also common in Nkhotakota and Nkhatabay district where there are sugarcane plantations.

Projects/interventions by finance institutions in agriculture often have criteria that excludes those that do not have financial ability to repay loans, of which many are youths and women. Access to loans/capital by youths and women is often assumed to be one of the barriers to agricultural investment. For instance, banks require that if they are to get loan as individuals, clients should produce a payslip of which many youth and women are unemployed. Mostly, loan repayments are made monthly yet for agriculture business (crop farming), it takes time to reap benefits. Most NGOs interviewed are promoting group based savings as a way of raising capital. However,

interviews with academics (Jan 2018) argue that such savings are limited in scale and ineffective.

Some agribusiness companies provide loans and/or farm inputs to smallholder farmers with a condition that they will sell the produce to them only. In this case, harvest becomes collateral for the farmers to get loans such that they are bonded to the loan/farm input provider. This practice is common in tobacco, cotton and legumes industry. The benefit of this arrangement is that smallholder farmers have loan/farm inputs that they otherwise would not have. That helps them remain in 'business.' However, a demerit is that farmers are at the mercy of loan/farm input providers with a contract that exploits them. Many times, prices are determined in advance which leaves them with no option of negotiation in case there is an alternative lucrative market. In a bad year of harvest, loan providers still find their way to exploit farmers such that farmers end up in debt. There is a clear case for government to intervene to protect farmers, but the market structure suggests collusion between political and business elites such that it is difficult to intervene. One measure that Government has set is to set minimum price for selling different commodities at the start of each year. In the absence of robust enforcement mechanisms, the minimum prices have always remained on paper with vendors buying even below the minimum price. Minimum prices would have worked if government itself was into buying commodities from farmers, but ADMARC- government parastatal – is sometimes cashless to buy from farmers and compete with vendors in a liberal market. Interviewees in Jan 2018 confirmed that the Government minimum pricing is rarely enforced and buyers hold all the power in the market relationship with poorer small holder farmers with immediate cash needs.

Donor Funded Projects and Incentives for Civil Society Actors

Donors are key players in Malawi's transformation agenda since they contribute about 40% of resources in the national budget. The main donors in agriculture in Malawi are DFID, European Union, Government of Flanders, Ireland, Norway, USAID and World Bank. For three consecutive years, agriculture has always been in top 5 sectors where aid goes; 2012-13 (7%), 2013-14 (12%) and 2014-15 (10%). In these three years, a total of USD 302 million of aid went to agriculture sector. Specifically, in 2014-15, top five development partners in agriculture were USAID (22%), European Union (21%), World Bank (19%), DFID (11%) and Norway (11%). For aid in agriculture in 2014-15, 79.12% were grants, 17.44% were loans and 3.44% was Technical Assistance (Malawi Government, 2015)

Reliance on donors puts Malawi on a tricky and unsustainable path of inclusive agricultural intensification. Like in any aid industry, donors can pull out on reasons not directly related to inclusive agriculture intensification (like generally poor governance). A good example is the 'natural death' of the Common Approach to Budget Support whereby disintegration of donors affected implementation of agriculture activities. Again, donors themselves are not a homogenous group in Malawi as they take different approaches to the same issue on inclusive agriculture intensification. Lack of policy coordination has led to competing narratives and interventions that confuse

communities who are ultimately policy consumers. Policy inconsistencies are common in climate change sector with donors divided on the use of organic and inorganic fertilisers, for instance.

Donors have finances but do not have adequate technical staff on the ground hence they use either governmental staff or NGOs. Donor funded projects circumvent public machinery and create parallel structures (as also discussed above). Donors have used off-budget aid modalities illustrating the observation that they bypass government structures making their interventions unsustainable. In 2012-13 and 2013-14, donors disbursed 61% and 55% of funds respectively in agriculture through off-budget modalities. In 2014-15, off-budget disbursement was as high as 73% of the funds in agriculture sector. (Malawi Government, 2015)). Many NGOs are involved in agriculture in Malawi complementing government's efforts. They are key players when it comes to service delivery at the local level since government is constrained in terms of resources.

However, NGOs and donors are also a challenge to implementing District Development Plans because they have their own preferences which maybe outside the plans approved by the council. NGOs in Malawi change their strategic goals depending on which sector is giving them money. For example, in the late 90s/early 2000s the focus was on HIV/AIDS, but now almost all NGOs have projects on environment and climate change because these are themes that are well funded. The implication is that NGOs have denied themselves an opportunity to develop expertise in a particular area over some time. There is also competition among the CSOs such that there are many agricultural 'networks' and 'networks within networks' hence it is difficult for policy influence and coordination.

The National Association of Smallholder Farmers of Malawi (NASFAM), one of the biggest smallholder farmers association has been very instrumental in championing gender and inclusiveness in agriculture in Malawi. With their broad aim of improving livelihoods for its members, NASFAM was instrumental in developing the Malawi 2002 Gender Policy. They are involved in "conducting annual Internal Gender Audits, dissemination of gender related information, holding periodic gender conferences and implementing adult literacy programmes that can serve as springboards to elected leadership positions" (Report by SACAU, 2013). There are 100,000 farmers in NASFAM, (based on a 2012 report), composed of 44 associations, 14 association management centres, 700 Group Action Committees and 1000 clubs. Women form 36% of this pyramid and range from 20-45% in the various clubs.

Interviewees (Jan 2018) suggested that NASFAM is gaining in voice in the Malawian policy context.

The following table 3 summarises the power and jurisdiction of different actors in agricultural initiatives in Malawi

Table 3.1 - Power of Agricultural Actors at National and District Level

Actor Power	Approval/policy formulation	Funding	Coordination / Technical Assistance/policy implementation	Seeking Funding
	Office of President and Cabinet Line Ministry District Executive Committee District Council	Development Partners NGOs (International and Local)	Ministry of Agriculture, Irrigation and Water Development District Agricultural Development Office District Council (Directorate of Planning and Development) District Agricultural Stakeholder Panel Village Agricultural Stakeholder Panel Area Development Committee Village Development Committee	Government ministries and departments Community based structures

Adapted from FAO (2015), Chinsinga and Chasukwa (2018)

Agricultural Markets

ADMARC represents state intervention in agricultural marketing. Established in 1971 to contribute to Malawian economy by enhancing agricultural productivity, serving rural communities with access to farm inputs and market and accessing the international market. As a government parastatal, ADMARC enjoyed a monopoly until Structural Adjustment Programmes that insisted in scaling down ADMARC in anticipation that private traders would fill in the gap – which has not effectively happened. ADMARC is still operational but is loss making and suffers political manipulation due to its operations in the maize market. ADMARC faces serious problems of elite capture.

The gap created by rolling back of the role of ADMARC has been filled up by many petty entrepreneurs / vendors and few elite big agro-dealers. Both big agro-dealers and small-scale vendors are seasonal and exploitative.

"Unscrupulous vendors ripped me off by offering me very poor prices for the produce. I never enjoyed the fruits of my labour. I made a huge loss and I swear, I could have closed shop if this was a grocery shop." Moffat Zimba, Daily Times, 8 January 2018.

NGOs trying to connect farmers to international market but not offering the market themselves. Some NGOs only provide technical assistance (forming cooperatives), which is common as they target 'software' interventions. Low quality of products is one of the constraints for entering the international market and exports are dominated by raw materials. Agro-processing is where governments and non-state actors need to pay attention to attract interest of youth in agriculture. Development partners such as African Development Bank are funding initiatives, through the Urban Development window under Local Development Fund.

More structured markets exist in the main export crops of tobacco, tea and sugar. The reason is that there are high stakes in these three industries because they are strategic crops bringing forex to Malawi and hence they are 'regularised.' Other structured markets are emerging in Malawi, for example, Auction Holdings Limited Commodity Exchange.

Some more structured markets are being proposed to enhance efficiency in agricultural marketing. For example, government is proposing introducing a Warehouse system through 'Warehouse Proceeds Act'. The Warehouse system will engage aggregators tasked to collect agricultural produce in whatever quantity, accumulate it and store it in designated warehouses. With the Warehouse system, government will identify local and international buyers for the crops stored in the warehouse. For proper regulation, aggregators will be licensed and allowed to go out to buy the commodities at a minimum price set by government. Two main interests in Warehouse system; (1) protecting farmers from exploiting and (2) government generating taxes.

"This will help government to know quantities in the warehouses, which will be constructed across the country. But, as of now, nobody knows where there are groundnuts or pigeon peas because everybody is doing on his or her own...The farmers will not be the ones looking for the market because there will be structured markets properly arranged that will actually collect commodities from across the country and deposit them into the warehouse or indeed certain farmers will deposit commodities on their own in the warehouse. Now you get a receipt to say I have put so much into the warehouse. Then you can use the receipt as collateral to access loans from banks and other financial institutions because the bank will now be assured that you cannot run away since you have put your commodities in a warehouse." (Joseph Chidanti, Chairperson of Parliamentary on Agriculture, Irrigation and Water Development, Daily Times, 9 January 2018)

Malawi is currently suffering from the prohibitive cost of imported inputs due to devaluations, poor road network across the country, unreliable national utilities and an unstable economic environment (Shumba, 2013). Large value added and manufacturing companies in the country are few and mainly centred on tobacco production (which companies like British American Tobacco, closed their operations in

the country some few years ago). Due to high levels of poverty and an expanding population, there is a rapid rate of deforestation and environmental degradation, resulting in loss of soil productivity due to erosion.

Public Investment in Infrastructure

Government has policies and programmes encouraging public agriculture investment, but these rely on the mantra of public-private partnership and attracting foreign investment in land and infrastructure. Most of projects on public investment infrastructure are in the irrigation sector. Such programmes included Greenbelt Holdings Limited and recently Shire Valley Irrigation Project funded by World Bank to the tune of USD 320 million. Both MGDS I and MGDS II (and draft MGDS III) indicate infrastructure as a key priority. In the Shire Valley Irrigation Project Phase I appraisal report, a subsidiary project under the Green Belt Initiative, inclusiveness and gender forms a key component of the core activities-“Develop a communication and gender strategies”. However, there is a huge underscore on technical strategies and strengthening institutional capacities. Though the appraisal report made little mention of youth and women being a priority, one can assume that the intention to prepare a gender strategy means a focus on vulnerable groups such as Female Headed Households (FHH) and youth. It is often unclear how such strategies play out in practice.

Research on irrigation in Malawi suggests such Irrigation Management Transfer schemes and commercial schemes are beset by problems and the benefits to smallholder farmers are overstated (Nkhoma and Mulwafu (2004) Harrison & Chiroro 2017).

This is confirmed in national and district level interviews.

CONCLUSION

This analysis of the political economy of agriculture in Malawi offers no easy answers to inclusive agricultural transformation.

Despite mainstreaming inclusive language in relation to youth and women in policy, the scale of activities being undertaken on this front are hardly transformational.

It is also debateable whether this approach to inclusion (primarily the reservation of spaces in committees and women's groups formed by NGO projects) is effective in transforming agriculture. It can be argued that women and youth will benefit from a strategic effort to transform small scale agriculture as a whole, through state-led investment, that addresses elite capture of resources, land, markets and incentives. Neither women nor youth are a unified category of persons with the same needs and interests. Committee and political reservations for women are likely to benefit elite and well-connected women who have far greater power than poor men (see Mdee 2008, or Tsikata 2016)

It is recommended that the Afrint IV/Papaya project considers the following critical issues:

Working with the policy-practice gap

There is a significant gap between stated agricultural policy and actual practice on the ground. Some evidence of Government-led initiatives is visible in fieldwork, but the scale is often limited. Donors are consistently mentioned as part of the problem in causing policy and practice fragmentation, and funding channeled through unsustainable project based intervention. Donors should also take time to understand local politics if their programmes are to make a difference regarding inclusive agriculture intensification. Whilst donors emphasise on formal rules of the game, implementation is according to informal rules of the game hence the need to understand the local context of politics. Informal rules of the game facilitate distribution of resources by patronage – largely practised at the national and local levels of government in Malawi.

Despite a rhetorical commitment to decentralisation, it is central government that holds the power to act on agricultural and inclusion issues, as local government actors have little power or resource to do so. Incentives for actors are uneven and largely relate to incoming projects- related to donors funding and therefore operating on limited timescales. Public investment in infrastructure is patchy and often reliant on attracting donor and private funds. It is also common for projects to have capture of resources by local elites (particularly Traditional Authorities and Chiefs in this context), and therefore a limited impact on more marginalised farmers.

Despite policy commitment to a transformational role for private actors. This research finds that private sectors contract farming is frequently mentioned as problematic and

exploitative by respondents. Contract farming may also be driving new processes of elite capital accumulation and land grab in the areas where this is practiced. Working with the realities of this policy-practice gap is essential for collaborative problem-solving.

Reforming and evolving FISP is critical to inclusive and sustainable agricultural intensification

The FISP takes a considerable amount of domestic agricultural spending. It has certainly contributed to smoothing food security in Malawi. However, it is little more than a sticking plaster compensating for the wound of unequal land distribution in the country. It has become a political necessity for the redistribution of resources, and of local level patronage, but it may be locking smallholders into an ultimately unsustainable cycle of maize production. The private sector-based provision of agro-inputs exacerbate this. Afrint IV/Papaya could form a platform for collaborative discussions of how FISP could support sustainable agricultural intensification.

Making agricultural intensification more inclusive is more than policy statements, women's groups and land titling.

There is no uniform gendered or youth experience, and policy statements on inclusion are vague and have little meaning in implementation. Women are seen as critical to agriculture, but the position of youth is more ambiguous. However- there are some educated urban youth who see agriculture as an investment opportunity- they have capital to invest.

Agriculture remains largely the business of the family unit, and inclusion initiatives must take this into account. Neither should the family unit be assumed to be nuclear and clearly defined. Land is not a purely individual asset, it is part of complex customary, legal and collective relationships, and land titling initiatives will not transform gender relations or youth access to land. Additionally, it is potentially harmful to treat all women or all youth as equally disadvantaged, as this underpins considerable opportunity for elite capture by more advantaged and well-connected members of these groups.

Going beyond representation to inclusive transformation requires differentiation to the specifics of the local context. A more explicitly class-based analysis of inclusion is required, particularly in the context of Malawi where a history of estate formation, and now the encouragement of investors, contrasts with the very small plots held by the majority of smallholder farmers.

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