

INTRODUCTION

Malawi is a food-insecure country. Although many Malawians continue to farm in order to feed their own families, many cannot reliably meet the dietary needs of all their household members. The four quantitative poverty analyses for Malawi done since the late 1990s have shown consistently that between 50 and 55 percent of all Malawians have consumption levels below the poverty line, based on a basic-needs poverty line that is anchored to the recommended calorie requirements of individuals (Malawi, NSO and World Bank 2007b, 2018). These individuals do not have regular access to enough food to meet their dietary needs. Moreover, rural Malawians who are primarily engaged in farming are more likely to have deficient food consumption than the overall population.

Most of the 4 million households in Malawi farm to obtain an important share of the food they consume. Most farm on land that they received by virtue of being members of a local community, and use hand labor, few modern inputs, and traditional rainfed cropping practices. Production to meet their subsistence needs dominates their livelihood and cropping decisions. Less than a quarter of households produce crops principally for commercial sale. Almost no farming households specialize in the commercial production of nonfood crops, relying on the revenue obtained to buy their food. With most crops being rainfed, there is considerable year-to-year variability in production and, consequently, in the food security of households across the country. With increasing regularity, several hundred thousand households annually are identified as being vulnerable to acute food insecurity due to insufficient crop harvests that result from poor seasonal growing conditions (drought, flood, pests) and limited use of inputs, coupled with reliance on shrinking landholdings as the population continues to grow.

This persistent food insecurity at the individual and household levels strongly influences the policies pursued by the government. The legitimacy of

any government in Malawi is largely sustained by citizens' perception that it will be responsive to meeting the needs of the food insecure (Harrigan 2003; Chinsinga and Poulton 2014). In consequence, the government intervenes actively to ensure that food is available. This is generally done in a direct manner, including through providing subsidized fertilizer and improved seed for food crops to a significant share of smallholder farming households, restricting the export of food crops, intervening in agricultural markets by imposing a ceiling on rising food prices, providing vulnerable individuals who are able to work with short-term employment building or rehabilitating community assets (food- or cash-for-work programs), and distributing food aid during acute food insecurity crises.

However, these policies, though possibly necessary and certainly politically acceptable in the short run, are unlikely to result in a food-secure Malawi over the longer term. Achieving such a goal will require the agriculture sector to move away from a focus on production for food self-sufficiency at both household and national levels, and toward a market-centered, more concentrated and specialized sector that, nevertheless, will reliably serve the food needs of increasing numbers of Malawians working outside of the sector. This book provides a contextually informed analysis of what changes Malawians might seek in government policies, in farming systems across the country, in agricultural markets, and in the economies of both local communities and Malawi as a whole to ensure that an economic transformation occurs and all Malawians will have reliable access to the food they require.

Achieving Food Security and Rural Economic Transformation in Malawi

For Malawi to be food secure in the longer term will require a more productive, resilient, commercially oriented, and profitable agriculture sector. The view taken here is that a subsistence-oriented agriculture sector is neither going to assure Malawi's food security nor provide the economic growth necessary to propel a structural transformation of the economy, whether at the national level or within communities across the country. Economic transformation will mean that a much larger share of the population sustainably meets their household needs from livelihood activities other than farming.

In consequence, the approach to achieving sustained food security for Malawi over the longer term described in this book involves government-led efforts to develop a significantly more diversified and commercially oriented agriculture sector overall, with specialized, high-productivity farming

households supplying markets with the food and other agricultural products that the country needs. Farmers will focus on production of those commodities they can best produce profitably, rather than producing the wider range of farm products that their households consume.

As this transformation accelerates, most rural households will increasingly find that they can better meet their needs by pursuing nonfarm economic activities rather than low-productivity, subsistence-oriented farming. Some will find more remunerative livelihoods in urban centers, but many rural households will find it profitable to reduce their involvement in agriculture and to increase specialized production of goods and services for the local market. These goods and services are those that are labor-intensive, require limited capital in their production, and typically are not marketed outside of the local community—construction, building repair, and associated services; transport services; education, health, and other social services; furniture- and handicraft-making; food and beverage processing; and the like. Demand for these goods and services will be driven by the commercially oriented local farmers. As the income of these more productive local farm households grows, their consumption of locally produced goods and services will increase, in turn increasing the incomes of their neighbors who produce them. With sustained returns, many of the households producing such goods and services for the local market will expand their activities to serve wider markets, further increasing their income and, of interest here, better ensuring their access to food.

A critical part of this approach to improving food security for all Malawians will be strengthening food markets across the country—for both producers and consumers. Producers must be able to bring their output to sell in the market confident that they will obtain a remunerative price from a deep pool of traders and processors operating there. Correspondingly, traders should be able to draw upon a number of sources of supply, primarily through increased domestic production but also through wider sourcing from across eastern and southern Africa. And, as the principal measure of the success of such efforts to strengthen markets, consumers must find that they can go to the market at any time, certain that they will be able to purchase all of the food their households needs within an acceptable price range. Without reliable markets, subsistence farming, even at low levels of productivity, will remain the central livelihood strategy for many poor Malawian households, but few will see their welfare improve.

This book primarily focuses on improving access to food and transforming smallholder farming systems, agricultural markets, and the economies of

rural communities. However, the broader context for this rural development is one of structural transformation of Malawi's economy. The most effective incentives for the transformations in food, farming, and market systems considered here will emerge from a more vibrant economy in which subsistence farming activities are increasingly seen by most Malawians as a relatively poor option for meeting the welfare needs of their households. A larger dimension of the approach to food security sketched here is that many more Malawians will find remunerative work in the industry and service sectors of the economy and will increasingly feel that engaging in subsistence farming is no longer strategic for assuring the food needs of their households. Although the topic is not treated in depth, a discussion is presented toward the end of the book of the complementary investments needed to propel economic structural transformation in Malawi. This discussion includes the centrality of urban development to sustainable food security.

Scope of the Book

This book seeks to contribute to the achievement of a development vision for Malawi in which all individuals have access to the food they require. Although the text draws on a range of conceptual approaches to examine and address the issues relevant to this vision, it keeps the context-specific problems that Malawi faces at the center. This book chiefly seeks to better frame and seek solutions for Malawi. The set of development problems related to food security that must be addressed arise from specific features of Malawi's food systems, agricultural production patterns, and economic and historical context. However, the analyses presented and the policy recommendations offered are built from a broader conceptual understanding of food security, smallholder agriculture, rural economic development, and structural change in national economies.

The principal audience for this book is expected to be the broad set of engaged Malawian stakeholders seeking to design strategies to motivate social and economic change for achieving enduring food security and for developing agriculture and rural economies across the country so that the basic needs of all are met. Although the book presents a broad range of evidence from detailed objective research on food security, agriculture, and economic transformation in Malawi, it makes an effort to avoid an overly academic style in order to be of interest to a more general but nonetheless socially engaged audience concerned with the issues raised. More practically, assumptions on the

informational needs of three specific segments of such an audience guided its development:

- *Stakeholders* engaged in the design and implementation of policy and programs focused on significantly reducing food insecurity in Malawi and on fostering sustainable development in rural communities and in agriculture. Although this segment of the audience for the book includes many more individuals and organizations than the diverse members of the country's Agricultural Sector Working Group and the technical working groups on agriculture and food security that work under it, the book was developed to provide evidence and present policy options for debate by the members of these groups and the organizations they represent.
- *Students* in agricultural policy-focused courses at universities and colleges in Malawi, particularly Chancellor College and the Lilongwe University of Agriculture and Natural Resources.
- *Staff* of donor agencies and international nongovernmental organizations (NGOs) assigned to Malawi with responsibilities for agriculture or food security.

For these groups, this book provides a relatively accessible overview of the problem of food insecurity in Malawi and what agricultural and rural economic development strategies might be advanced to reduce the misery it causes.

However, the scope of the book's examination of the food insecurity challenge in Malawi is necessarily limited. The author has conducted a wide range of policy-relevant research on Malawi, covering topics including soil fertility management by smallholders, quantitative poverty analysis, and spatial patterns of human development and agricultural production, among others. So the book's content largely reflects this research. However, there are two areas of study that are crucial to achieving and sustaining food security, particularly at national level, for which there is limited discussion in this book.

First, the macroeconomic determinants of food security are not examined in any detail—no discussion is provided of the role that the fiscal, monetary, and exchange rate policies of the government of Malawi might play in alleviating food insecurity. Although some attention is paid to trade policies in the context of strengthening markets, this is not done in detail. Readers seeking guidance for how Malawi might more effectively manage these macroeconomic elements to improve food security will need to consult any number of

useful, if not Malawi-specific, guides for doing so (for example, Timmer 2015; Díaz-Bonilla 2015).

Second, the political feasibility of the various policy and program recommendations offered is not considered explicitly. The aim has been to provide contextually relevant solutions from a technical standpoint. Close observation of political debates and dynamics, as well as policy processes, in Malawi over many years contributes to the choice of policy and program recommendations presented. Consequently, their political feasibility is implicit in judging them to be worth offering, but it is not a defining feature. However, important barriers related to culture, language, and history prevent outside observers from developing a reliable understanding of how development priorities are set, policy decisions are made, and resources are allocated in Malawi and what determines the intended distribution of the benefits of those decisions among the citizens of the country. Consequently, in the text that follows, although many suggestions are made as to how a vision of a food-secure Malawi might be achieved, the political debates, strategies, and maneuvering through which any of the suggested actions will be realized are not considered closely.

The book's limitations in dealing with the full range of potential development strategies for Malawi's agriculture sector are also important to recognize. Because the book is organized around food security, it has a strong focus on the agriculture sector and its performance. However, as a consequence, food security is the principal performance indicator examined for the sector, not its aggregate economic production (sectoral gross domestic product, or GDP). Accordingly, little attention is paid to agriculture-sector development strategies that, though they may be important in terms of economic value-added or increasing the value of agricultural exports, are unlikely to directly improve the welfare of the many Malawian households that do some farming as part of their livelihoods. For example, specialized high-value agricultural commodity value chains for export or large-scale foreign direct investment in the sector may raise the aggregate value of production from Malawi's agriculture sector, but any food security rationales for promoting such subsectoral strategies are certain to be quite indirect. Moreover, such strategies will not directly contribute to broad transformation of the economies of rural Malawian communities. This is not to say that such agricultural development approaches do not have a place in efforts to transform the agriculture sector in Malawi. However, we should not expect them to contribute directly in a substantial manner to food security and increased economic opportunities for rural households.

Finally, though the book is primarily intended for a Malawian audience, nonetheless, readers with a particular interest in similar development

challenges around food insecurity, agricultural development, and economic transformation facing other low-income countries, particularly in Africa, will find insights here that are pertinent to those challenges. Certainly, several of Malawi's neighbors will find the challenges related to food insecurity that Malawi faces and suggestions for how they might best be addressed to be quite relevant to their own development context. More broadly, the many developing countries around the world that are trying to design effective development pathways to improve livelihoods for the large share of their populations that work in low-output, primarily subsistence-focused agriculture will find lessons presented here that can be adapted for their own specific context.

Organization of the Book

Food security at the household level and nationally is the central organizing theme for this book. Accordingly, Chapter 2 provides a conceptual overview of food security and then examines how burdensome food insecurity has been for Malawian households and the country as a whole in recent years. It also reviews the policies that have been advanced to realize sustainable food security in the country. Given the long-reigning policy view in Malawi that considers food security to be almost synonymous with agriculture, Chapter 3 provides a detailed discussion of the technical basis for and the social organization of agricultural production, followed by an overview of recent policy approaches to agricultural development in the country. The predominantly subsistence orientation of most of those who do any farming in Malawi suggests that the country's food markets are insufficiently robust to meet the food needs of all Malawian households at all times. Chapter 4 focuses on agricultural markets, examining the factors underlying their poor performance and recommending actions to improve them, including the role government could play in strengthening these markets so that they assure access to food for more Malawians.

Chapter 5 brings together the discussions of agriculture-sector performance and that of markets to explore an approach to agricultural development and rural economic transformation that focuses on the commercially oriented smallholder farmer. This approach is first examined conceptually before its feasibility is assessed empirically using recent household survey data. It is clear, given the scarcity of commercially oriented smallholder farming households, that such a strategy for agricultural and rural economic development will face serious challenges and that significant impact will take some time to achieve. However, no other approaches show potential to have as broad an impact on

transforming livelihoods within rural communities. Taking a broader look, Chapter 6 provides a brief discussion of the development goal of the structural transformation of the Malawian economy. The closing chapter, Chapter 7, summarizes the policy actions identified in the book that are needed to bring about sustainable food security in Malawi at both the national and household levels.