



Moving from Famine to Food Self-Sufficiency in Africa

Blessings Chinsinga

Introduction

A warm welcome to you all! My name is Blessings Chinsinga based at the Department of Political and Administrative Studies, Chancellor College, University of Malawi. I will be sharing with you Africa's attempts to tackle the question of persistent and chronic food insecurity with particular focus on Malawi's implementation of the ***Farm Input Subsidy Programme (FISP)***. The implementation of the FISP has transformed Malawi from being heavily dependent on either food aid or commercial food imports even during non-drought growing seasons to national self-food sufficiency. Malawi's success in moving from famine to food self-sufficiency has hit international headlines in the last few years. For example, in July 2009, ***the UK Guardian*** carried a piece arguing that "Africa's Green Revolution may be several steps nearer after a pioneering experiment in seed and fertilizer subsidies to smallholder farmers in Malawi" and in June 2010 ***the UN Secretary General*** praised Malawi saying "in a few short years Malawi has come from famine to feast: from food deficit to surplus: from food importing country to food exporting country".

FISP has enabled Malawi to produce enough food to feed itself without taking recourse to either food aid or commercial food imports. Since FISP was introduced in 2005, Malawi has consistently produced more than 500,000 metric tonnes of maize over and above its annual food requirements currently estimated at 2.9 million metric tonnes.

Malawi's case is quite important in international development circles for several reasons. Here I would like to particularly highlight and emphasize two factors: 1) the prominence of agriculture on the international development agenda; and 2) the place of national democratic aspirations in the dominant international development orthodoxy

First, agriculture is back on the international development agenda as a key strategy for achieving sustainable economic growth, poverty reduction and food security. In the African context, this is underscored by the African Heads of State and Government's (HSG) endorsement of ***the Comprehensive African Agriculture Development Programme (CAADP) over a decade ago in Maputo, Mozambique***. Through CAADP, African governments have committed to allocate at least a minimum of 10% of their annual budgets to the agricultural sector and aim at achieving 6% annual growth rate in the sector which is deemed as a critical threshold for agriculture to catalyze achievement of sustainable economic growth, poverty reduction and food security.

This commitment has been reinforced through the June 2014 Malabo Declaration in which the ***HSG*** have reiterated their commitment to CAADP. However, while there is somewhat consensus on the importance and role of agriculture in promoting economic growth, poverty reduction and food security, there is contentious debate about the best means of promoting agriculture development in Africa.

Second, the Malawi case raises a fundamental dilemma in relation to what should happen when national democratic development aspirations clash with development partners' policy prescriptions and priorities. This is particularly an important question since the rising demand for fertilizer subsidies across Africa is a direct result of the apparent failures of liberalized policies in supporting broad-based agricultural development, particularly sustainable intensification of staple crop production.

In sharing with you the Malawi's experience about moving from famine to self-sufficiency, I will proceed as follows. First, I will briefly provide the context that shaped the implementation of FISP including the package of inputs that is given to farmers. Second, I

will discuss the key elements of the FISP's success story in guaranteeing food security. Third, I will discuss some of the factors behind the success of FISP as well as highlight some potential threats to long-term sustainability of this success. Finally, I will offer very brief concluding reflections.

Origins of FISP

Existing efforts before FISP were not having the required impact on the country's food security situation. In the campaign trail for the May 2004 elections, the enduring chronic food security situation in the country generated a national consensus on introducing a subsidy scheme aimed at assisting farmers to enhance their productivity through access to improved seed and fertilizer.

The introduction of FISP was fiercely opposed by both bilateral and multilateral donors and other local actors such as the Economic Association of Malawi (ECAMA) as they feared the negative impacts such expenditure would have on the economy. During this period, Malawi was implementing a package of economic reforms on recommendation of the International Monetary Fund (IMF) and World Bank that among other things intended to substantially streamline public expenditure.

What is FISP?

- Targets almost half of farming families in rural Malawi
- Smallholder farmers generally get two 50kg bags of fertilizer, one for basal dressing and the other one for top dressing
- In addition to fertilizers, farmers also receive 5kg of improved maize seed and 2kg of legume seed.

These inputs are delivered to farmers through vouchers which they have to redeem at designated outlets. The use of vouchers is an attempt to make FISP smart in order to overcome the challenges (such as corruption and leakage) associated with implementation of conventional subsidies. Subsidies are smart if they are part of a broader productivity

enhancement programme, if they have a clear exit strategy, and more importantly, if they are carefully targeted at helping agents overcome market failures.

Success of FISP

In talking about the success of FISP, it is important to be mindful of the fact that subsidies are a heavily debated subject in the context of international development. This is inevitable since although there is consensus about the centrality of agriculture in Africa's development agenda, there are serious debates about the feasible strategies of doing so on a sustainable basis. In particular reference to the Malawi success story, it is important to note that there is a group of stakeholders who argue that the success cannot be fully attributed to the incremental impact of the use of improved seed and fertilizer but rather to the fact that FISP was implemented during a period that Malawi enjoyed several favourable consecutive rainfall seasons.

This debate notwithstanding, there is a very strong case to qualify the implementation of FISP a success. The success indicators for FISP are based on systematic and rigorous yearly evaluations as well as a wide-range of studies that have been undertaken by scholars from different disciplines although economists have tended to dominate.

The FISP measures of success can be distinguished into two broad categories. ***These are direct benefits to households and economy-wide benefits.***

Direct Benefits

The direct benefits are mainly attributed to the dramatic rise in the production of maize, the national staple, following the implementation of FISP during the 2005/06 growing season. In fact, regardless of which methodology is used, the conclusion is emphatically the same. FISP has increased food production both at the national and household level.

At the national level, maize production had stagnated at around 1.2 million metric tonnes before the introduction of the FISP. For seven years after the introduction of FISP, maize production at the national level rose to 2.6, 3.2, 3.8, 3.4, 3.8, 3.7 and 3.8 million between 2005 and 2012.

The positive effects of this increase in maize production at the national level have manifested themselves at the household level. Several studies have consistently shown that receipt of subsidized inputs increases the probability of households being net sellers rather than net buyers of maize. More specifically, in a study by Holden and Lunduka (2010), 66% and 69% of surveyed households reported improvements in household and community food security as a result of FISP. In this study households observed that higher quality food is readily available at prices they can afford even during very lean periods. Households do not have to switch to inferior foodstuffs such as *nsima* (thick porridge) made from maize husks during lean periods.

According to another study by Chirwa and colleagues in 2011, the results of a two-period panel study, pre and post FISP implementation, show that FISP has had a positive impact on schooling. This was further supported by Holden and Lunduka (2010) who reported that 65% of respondent households perceived that FISP has had a positive impact on school attendance. There is an increased primary school enrolment amongst school going age children and significant reduction in absenteeism amongst primary school going children from FISP beneficiary households.

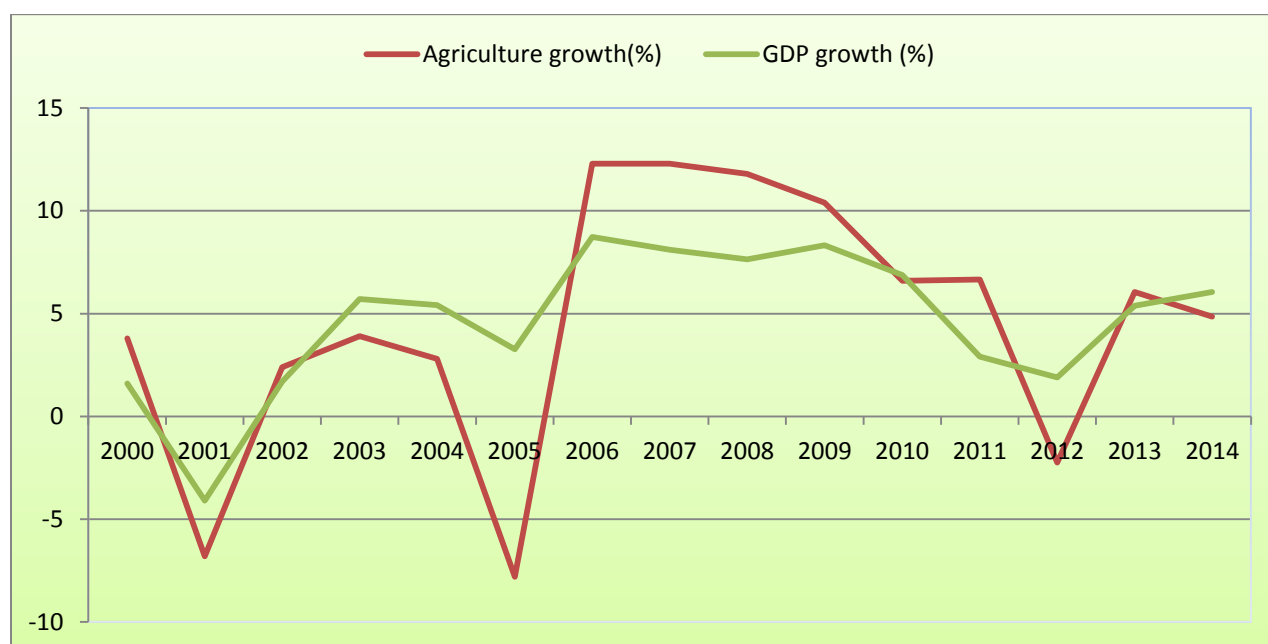
FISP has further had positive impact on nutrition and health. According to Chirwa and colleagues (2011), about 57% of households in 2004/05 growing season had children under-five years of age who were ill for two weeks before the survey but this fell to 49% in 2010/11. The results further showed that households that access to FISP for five or six consecutive years had healthier children than the rest.

This has translated in significant reduction in stunting among children in the country during the period of FISP implementation. Consequently, FISP might actually be producing an entire generation that might be more prosperous than the rest given the likelihood of long-term beneficial effects of increased adult height on earnings (Ward and Santos, 2010).

Economy-wide Benefits

The implementation of FISP has had several economy-wide benefits. As you will see in this figure (1), the agricultural sector has grown consistently except for the slump in 2012 since the implementation of FISP. This has helped overall economic growth in Malawi, although such a result should not be surprising since Malawi is a predominantly agrarian economy. Indeed, when the agricultural sector prospers, the economy prospers too and when it tumbles, the economy tumbles too.

Figure 1: Agricultural and GDP Growth in Malawi 2000-2014



Source: Computed from Reserve Bank of Malawi data

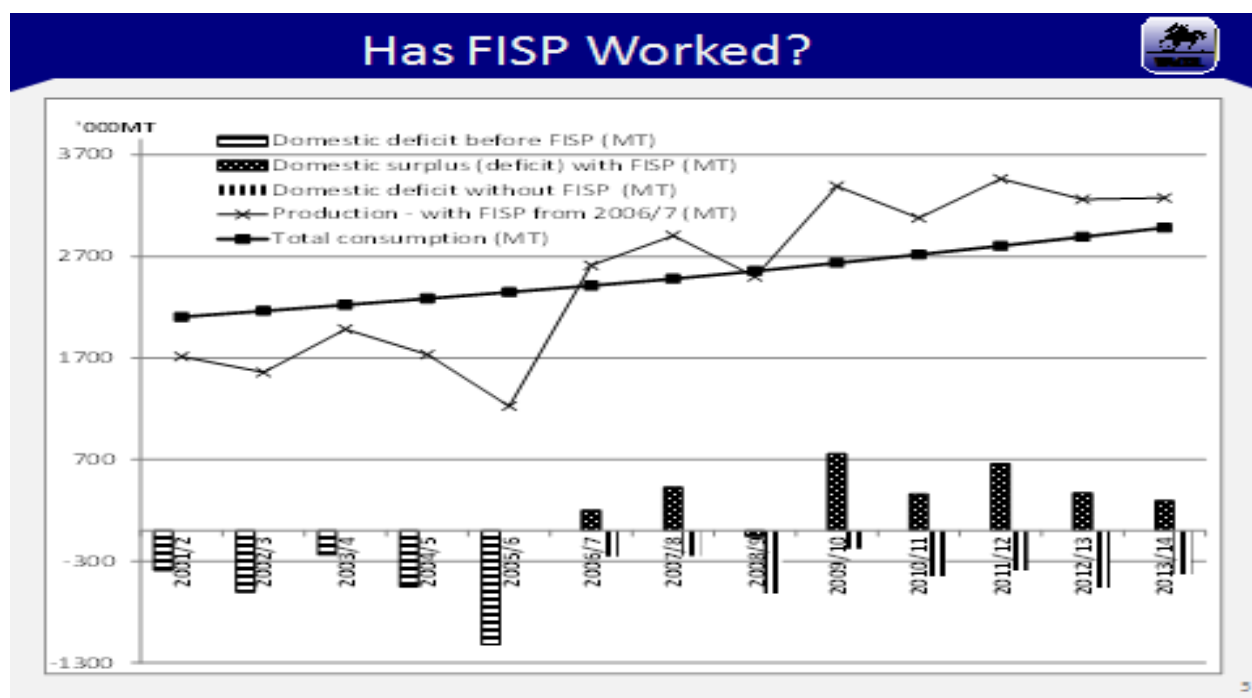
The positive impact of FISP is further confirmed by official statistics. Average economic growth in Malawi between 2000 and 2005 was reported at 1.7% as compared to 7.8% per annum in the FSIP period with the agricultural sector as an important driver of recent growth. Prior to FISP, agriculture sector GDP only grew by 2.1% compared to 10.3% per annum during the FISP period.

Several studies show that FISP has also had a positive impact on rural wages. ***Most poor households in rural Malawi rely on selling their labour-‘ganyu’- for survival usually at exploitative wages since they are often desperate to earn money to buy food.*** The

increased productivity of the national staple spurred by FISP has changed the working conditions for the rural poor. The high productivity has led to the reduction and stability in maize prices, making poor households less desperate for *ganyu* since they can afford maize at cheaper prices. As a result, this has led to a shift from price setting by buyers of *ganyu* to sellers of *ganyu*. According to Dorward and Chirwa (2012), there is evidence that wages for *ganyu* have increased by 50% or more in some rural areas.

I also wish to highlight yet another area of impact. Since FISP began to be implemented, Malawi has not resorted to heavy maize imports to deal with threats of food insecurity. In fact, during this period Malawi has exported maize to Kenya and Zimbabwe and even donated maize to Lesotho and Swaziland amounting to 10,000 metric tonnes for each. More importantly, as you will see in this figure (2), FISP has enabled Malawi to achieve some semblance of food security even in the wake of rapid population increase. This is an achievement that deserves our attention.

Figure 2: Has FISP Worked in Malawi?



Source: Chirwa, 2014

Indeed, the major improvement in food security is possibly FISP's greatest success because it is estimated that Malawi's population has grown by about 25% since the introduction of FISP in the 2005/06 growing season. Yet the level of subsidized inputs has essentially remained the same. The question is where has Malawi acquired the food to meet its consumption needs in the wake of rapid population increase if it has not resorted to heavy maize imports?

The debate whether FISP is a worthwhile investment or not has prompted stakeholders to carry-out several cost-benefit analyses. The results of these studies show that FISP has provided a good return on investment with scope for improved efficiency and effectiveness to make returns higher in future.

Accounting for the Success

The key question is: what factors led to the success of FISP? This question is very important because previously similar initiatives such as the Starter Pack (SP) and Targeted Input Programme (TIP) failed to break down the vicious cycle of food insecurity in Malawi.

The success of FISP can be attributed to two main factors: ***1) strong political commitment and 2) a willingness to learn from past implementation experiences.***

First, there was firm political leadership to ensure the implementation of FISP against the backdrop of fierce resistance coming from the influential donor community. Moreover, the leadership was determined to succeed given the centrality of food security in the country's electoral politics firmly underlined by the national consensus reflected in the campaign platforms of major political parties in the May 2004 elections. The 2004/05 food crisis further played a positive role in bringing together coalitions, networks and multi-stakeholder groups in Malawi to debate about possible feasible strategies for dealing with the problem of pervasive food insecurity on a sustainable basis.

Second, the success of FISP was further bolstered by a learning culture that has characterized the implementation of FISP. Lessons have been learnt with a great deal of flexibility to adapt and respond to changing circumstances. For instance, FISP has

experimented with the involvement of the private sector in the distribution of both seed and fertilizer which was intended to find the most efficient means of delivering the inputs to farmers. There have also been improvements in the targeting of FISP beneficiaries. From the beneficiaries being identified almost exclusively by village heads, they are now identified in open village meetings in order to minimize as much as possible the errors of inclusion and exclusion.

There have nonetheless been some challenges that have threatened to undermine the success story of FISP.

The implementation of FISP has tended to crowd out the focus on complementary investments such as research, extension and rural infrastructural development in the Ministry of Agriculture's investment portfolio yet these have proven vital to the transformation of agriculture on a sustainable basis especially in Asia. It is estimated that FISP takes up as much as 85% of the Ministry of Agriculture's budget in procurement of fertilizer and seed. This leaves almost nothing for complementary investments that could have made the productivity of FISP even greater. Several evaluations indicate that FISP has contributed to the increase in the productivity of maize from 1 to 2.5 tonnes per hectare but it can go up as high as 5 tonnes per hectare.

The FISP is very much seen as a lasting solution to Malawi's problem of food insecurity. Discussions about the possibility of scaling back the programme are fiercely resisted especially by politicians because they fear doing so would create a serious backlash among voters. It is even difficult to talk about redesigning the programme so that beneficiaries should graduate from depending on it after several years to ensure its sustainability. This is an issue of great importance since the concerns about the long-term fiscal sustainability of FISP are genuine. ***It is, however, important to note that most donors are fairly sympathetic to FISP now than when it was introduced in 2005 but would nonetheless like the government to consider all options that would enhance its overall efficiency and effectiveness including a clear exit strategy in the medium term.***

PAUSE

Conclusion

This talk has demonstrated that FISP has enabled Malawi to move from famine to food self-sufficiency. The evidence I have briefly presented shows that Malawi has not only succeeded to allocate a minimum of 10% of its annual budget to the agricultural sector but has also consistently achieved 6% growth rate considered as a critical threshold for achieving economic growth, poverty reduction and food security since the launch of FISP in the 2005/06 growing season. There are several indicators of success at the level of households and the economy as a whole. Nonetheless, some challenges still remain that could potentially undermine the success achieved by FISP thus far.

The Malawi FISP experiences raise several pertinent issues in international development. While international development prescriptions are useful, the Malawi experience shows that context matters. Without understanding the context, international norms, standards and practices cannot be effectively customized to bring about the desired changes. The domestication of international development norms, practice and standards can be further bolstered by strategic and dynamic leadership in the context of a learning culture.