

The limits of decentralised governance: the case of agriculture in Malawi

Decentralisation reforms and the new policy extension in Malawi held the promise of a stronger role for districts and lower levels in agricultural governance and increased plurality of agricultural service providers. Such potential is yet to be realised. There is an impasse with the decentralisation process and local government performance and interaction with other service providers face considerable institutional and operational challenges. Such challenges are compounded by the increasing politicisation of Malawian agriculture policy. In the absence of progress in decentralisation or in the development of a diversified and competitive supply of agricultural services, traditional leaders are, in some cases, emerging as progressive actors with capacity to mobilise people to agricultural activities in a developmental way.

This paper summarises the findings of three case-studies produced in Malawi which examine the Ministry of Agriculture's evolving roles, performance and relations with other players at the district level. Districts covered are Dedza, Thyolo and Rumphu (Box 1). The full case-study

reports are available at www.future-agricultures.org.uk.

The promise of decentralised governance and demand-drivenness and plurality in service provision

Decentralisation reforms, ongoing since 2000, have led to important institutional changes in government structures and decision-making processes at local level. District Assemblies were established as a legitimate centre of implementation of responsibilities for agricultural services at the local level, with the aim of improving efficiency, effectiveness and equity of development interventions, as well as promoting local participation and democracy.

In agriculture, such changes have placed a new emphasis on Ministry of Agriculture and Food Security (MoAFS)'s roles of coordination, facilitation and regulation of different players' activities at local level. District Agriculture Development Offices (DADO) were created, in each of Malawi's 28 districts, with the aim of making the district the focal point for planning and service delivery, further divided into 154

Extension Planning Areas (EPA) and into Sections, the latter being the lowest level of the MoAFS structure and the main point of service delivery to farmers – Figure 1.

The new extension policy, developed in line with the decentralisation process, proposes a bottom-up and participatory strategy for planning interventions and calls for demand-driven and pluralistic supply response to the wide range of extension needs. The policy proposes a middle-of-the-road alternative between paying for extension (privatisation) and the voucher system (conventional public provision) – individual farmers find extension workers to request services (the poorest are at disadvantage) and specifically created forums specify extension priorities and hold service to account for meeting these. These forums, created to implement the policy, extend down to the grass-roots level. District, Area and Village Stakeholder Panels were established and each of these brings together the diversity of agriculture sector players, including NGOs, farmer associations, smallholder farmers, traditional leaders and agri-businesses. The forums are expected

to coordinate the planning and delivery of service provision so that there is equitable distribution of services across districts; promote sharing of best practices, particularly with regard to modalities of service delivery; and provide inputs into possible proposals for consideration at the centre through district MoAFS offices, as conveners of these forums.

Challenges

Yet, evidence from three Malawian districts suggests that the potential for strengthening local governance and promoting demand-drivenness and plurality in service provision through decentralisation and the new extension policy have not yet materialised. There are factors constraining performance and influence of local government institutions and non-state actors are failing to emerge as sustainable, affordable and accountable service providers.

Public sector capacity constraints

Firstly, local government capacity to perform newly assigned functions is constrained by staffing shortages, the lack of incentives to retain

and motivate staff, and insufficient and unpredictable budgets. These problems are particularly acute below DADO level.

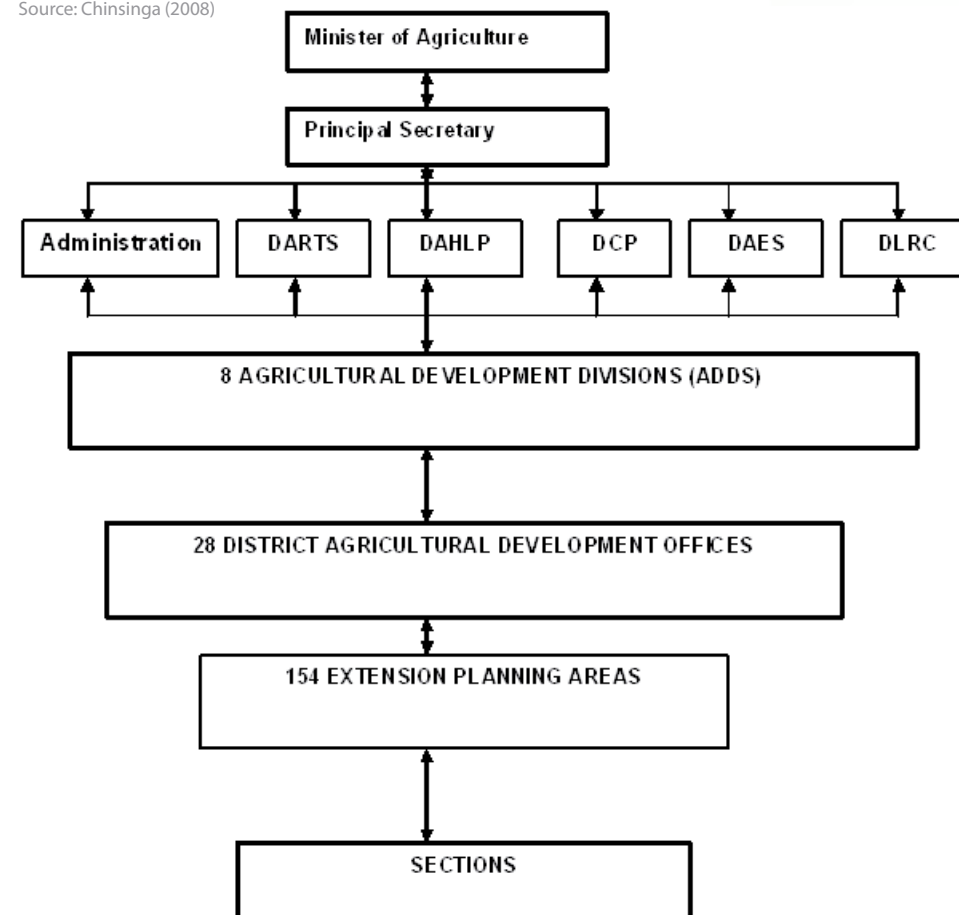
Personnel issues are a major challenge to operating capacity at local level. Many key positions are either vacant or filled by under-qualified staff. For instance, of the 169 EPA Sections in Dedza District, there are only 82 Agriculture Extension Development Officers to oversee service delivery. In Thyolo there are 56 Extension Officers for 142 EPA Sections, whereas in Rumphi

there are 37 Officers for 67 positions. Extension worker-farmer ratios are estimated at 1:1000 in Dedza and 1:3000 in Thyolo and Rumphi, against the recommended ratio of 1:500.

The staffing crisis stems from various causes, including: the HIV/AIDS pandemic, the closure and subsequent privatisation of the only accredited extension training institution in Malawi, and low pay and nearly absence of incentive mechanisms in the civil service. The privatisation of the Natural Resources College is looked at with

Figure 1: The Structure of Ministry of Agriculture and Food Security in Malawi

Source: Chinsinga (2008)



Box 1. Brief profile of selected Malawian districts

Dedza is located in the centre of the country in the middle altitude agro-ecological zone. Main crops cultivated in this district include maize, tobacco, beans and a wide range of horticultures. Livestock is also important although production has been in decline. Dedza is one of the leading maize and tobacco growing district. It is politically prominent district. The opposition leader, one of the leading advocates for the fertiliser subsidy programme, comes from here. He used his political clout in parliament to get the subsidy extended to benefit tobacco production in addition to maize. Rumphi district is located in northern Malawi, approximately 70km from Mzuzu, the northern region's commercial hub and 453km from Lilongwe, the capital city of Malawi. Located in the high to medium altitude agro-ecological zone, the main crops cultivated are maize and tobacco although farmers cultivate a wide range of other crops for both consumption and sale. Rumphi has a great potential for irrigated agriculture because it is endowed with several perennial rivers. It is home to the late Chakufwa Chihana, the most prominent politician in the region, since the transition serving as a king maker in the once heavily regionally fragmented polity. Thyolo is a southern district located in the high altitude ecological zone. Thyolo has for the most part a hilly terrain and experiences severe land constraints. It is one of the densely populated districts in Malawi and much of the cultivated arable land has been taken up by tea and coffee estates. Thyolo is also a major source of vegetables for the city of Blantyre. The President comes from Thyolo.

particular concern. It has turned the College into an elite institution, compromising future availability of extension workers in the public sector. Graduates look for opportunities to quickly recoup their investment in the NGO and private sectors that offer more attractive working conditions. Few are willing to take up a low paid public sector job in a remote rural area. There has also been a significant exodus towards NGOs and private sector by public extension workers with best qualifications and performance. Most of those who have not left supplement their meagre salaries by either working as extension consultants for NGOs or working in their own farms, to the detriment of their functions as public extension workers. The competition for extension workers is fierce but the huge salary differential indicates that the public sector is at

clear disadvantage – government field officers receive a monthly salary of about US\$ 90 whereas they can get up to US\$700 in the NGO and private sectors.

Low pay and lack of incentives in the public sector are also compromising the objectives of the demand-driven approach adopted by the new extension policy. The approach is leading to uneven access to extension services by farmers across districts. Farmers that belong to cooperatives and associations are better able to access such services as they can afford paying handouts to extension workers. Farmers' access is further biased in favour of those areas that have government or donor-sponsored projects or NGOs, as the projects of NGOs are able to facilitate demand for extension services for communities within their respective catchment



Photograph: Siphwe Sibeko, Reuters

Promising times for Malawian agriculture?

area. Hence, if not properly designed, demand-driven extension is likely to prejudice resource-poor farmers.

Local MoAFS performance is also handicapped by insufficient and unpredictable budgets. Also, funds are normally disbursed on a monthly basis, which makes it difficult to deal with the seasonal fluctuations in demand for agricultural services. Some recent improvements in the funding situation have been noticed, as MoAFS is a prioritised ministry since the introduction of the fertiliser subsidy programme in 2005/06. A disproportionate share of additional resources flowing into the Ministry have been, however, absorbed by administrative overheads for the subsidy programme whereas resource allocation into regular MoAFS activities has either remained stagnant or actually diminished.

Threats to policy coherence

Secondly, policy coherence is affected by dual accountability in local governance structures. Technical and financial lines of management are separated as DADOs report to both the MoAFS, for technical matters, and the Ministry of Local Government and Rural Development, for administrative matters. This dual accountability structure threatens to undermine coherence of decision-making and budget allocations. There is also a problem of coherence between local level priorities and the national level policy framework, in that priorities identified at the local level are frequently sidelined to give way to national level priorities sought for political benefit at the centre.

Lack of a significant alternative to the state

Thirdly, the public sector is still the dominant service provider in the sector. Private sector development is constrained by the lack of an enabling business environment. NGOs have a limited reach and lifespan and are, paradoxically, significantly dependent on MoAFS staff to

perform their activities, particularly extension. There are also questions raised about their legitimacy as accountability to farmers is limited. NGOs are essentially accountable to donors who fund their activities. Hence, despite its capacity constraints, the state is still the main and more reliable service provider for farmers and, according to farmers' perceptions, the sector would not be viable without a strong presence of the state.

Multi-stakeholder coordination failure

Fourthly, coordination across sector stakeholders and investments continues to be insufficient, often leading to unnecessary costs, duplication and inconsistencies.

Multi-stakeholder coordination has been targeted through various initiatives, some related to decentralisation reforms (e.g. creation of District Executive Committee) and the new extension policy (e.g. Stakeholder Panels). Most, however, are not functioning effectively due to lack of funding to support their operation (much needed, given the worryingly chronic culture of allowances within the civil service), lack of capacity to mobilise the right people (senior stakeholder representatives) to participate in such fora, and conflicting interests and competition between sector players.

The private sector has practically been left out most coordination initiatives, while interaction with NGOs is done largely on a bilateral basis, particularly on extension. NGOs are particularly suspicious about government-led coordination initiatives as they tend to perceive them as desperate attempts to tap onto NGO resources. As for coordination among NGOs operating in the sector, this has been constrained by the intense competition for donor funding and public sector extension workers and pressure to show the best results quickly. Attempts to strengthen dialogue and collaboration among NGOs, and avoid duplication of efforts, have failed to generate any tangible results. The

MoAFS is partly blamed for this, as it has failed to play a catalytic role. Therefore, interaction between stakeholders in agriculture continues to happen on an ad hoc basis and driven by particular needs at particular points in time.

Political resistance to decentralisation

Finally, and perhaps most significantly, the decentralisation process has stalled. Malawi has been without elected councillors since May 2005 and there have been several signs of recentralisation tendencies. There have been some fundamental amendments to the Local Government Act which suggest a complete reversal of the decentralization process. The implementation of stakeholder panels as a mechanism for rolling out the demand-driven provision of extension services has effectively stalled in the last two years. The fertiliser subsidy policy is by and large a centrally-driven initiative which is quite demanding to local staff and local resources – at the expense of routine activities, including the provision of extension services, water and soil conservation, as well as other locally defined priorities.

The revival of agriculture and contrasting perceptions on the role of the state vis-à-vis other players

The fertiliser subsidy is currently the dominant policy initiative in the agriculture sector in Malawi. Successive bumper harvests are attributed, at least by government officials, to the subsidy policy and this has given particular prominence to agriculture in national policy and politics, and has helped to revitalise the idea of a strong role for the state in granting access to input, credit and markets to farmers. Farmers, nostalgic of the 'golden age of Malawi's agriculture', during Dr Banda's regime, and the role played by ADMARC – a large parastatal providing farmers with agricultural inputs, extension and marketing services – are optimistic about

Box 2. Nostalgia for ADMARC

Malawian smallholder farmers are nostalgic for the period between 1980 and 1993 – before structural adjustment – which they see as a golden era in the agricultural development of Malawi. At that time, agricultural services were dominated by the parastatal organisation, ADMARC – the Agricultural Development and Marketing Corporation. ADMARC had an important role in supplying inputs and providing marketing and extension services to farmers. This made it easy for farmers to access inputs and provided them with a ready market for their produce. ADMARC's activities were substantially cut back as a result of structural adjustment reforms in the 1980s. Private traders have not stepped in to fill the gap, leaving farmers in these areas without any viable market outlets.

Box 3. The rise of 'political podium policies'

The agricultural sector is seen, by some observers, as being increasingly politicised since the introduction of the fertiliser subsidy programme. It has become regular practice for politicians, at the highest level, to announce publicly, often when speaking directly to farmers, policy measures that technocrats are not aware of, as they have not been discussed as part of the institutionalised planning and resource allocation exercise

getting a muscular presence of the state back in the sector (Box 2).

Other players look at this revival of the state in agriculture with concern. NGOs criticise the direct intervention approach and argue for a role of the state focused on policy, regulation and monitoring activities. But the NGOs view is in part driven by their own interests in the sector and the fact that they see Government as competition for the services they provide to farmers. The private sector claims that government has not been able to create the required

enabling conditions for agri-businesses to develop.

But farmers, or at least some of them, remain hopeful as President Mutharika's personal commitment and leadership of the agriculture sector is seen as following the lines of Dr Banda's regime. Others look with concern at the increasing politicisation of agricultural policies and the rise of what is described as 'political podium policies' (Box 3).

The revival of agriculture is essentially centrally driven and shaped by political motivations. The challenges discussed above imply that, for the time being, responses from local government are likely to be restrained and the role of other stakeholders expected to remain secondary. Yet, although farmers are sympathetic with having the state as the main service provider they are also aware and suspicious of underlying political motivations. Traditional authorities are seen, in this volatile context, as a developmental actor, concerned with the common good in the agricultural sector. This further challenges democratic decentralisation which aimed to decrease the powers of traditional chiefs and increase the power of elected officials. But does it reinforce or challenge recentralisation tendencies? In Rumphi district, where the levels of education of local chiefs are relatively high, chiefs are better able resist manipulation from politicians and act as a local 'progressive partner'. By drawing on both realms of tradition and modernity they are able to mobilise people for agricultural activities, and they do it without any quest for selfish political gains

Conclusion

Decentralisation reforms and the new extension policy offered opportunities to rethink the role of the state in agriculture. Decentralisation should have allowed more demand-driven and pluralistic service delivery, but the process is far from complete. To date, government has demonstrated little capacity or interest in

stepping beyond its historical role as provider of services, and so the coordination and facilitation of the sector remain thin. Farmers welcome however the revitalised support from the state to the sector. Yet, in a context of strong politicisation of agriculture, traditional leaders are, in some districts, looked upon as an alternative partner for promoting developmental objectives in the sector.

Sources: Chinsinga, B. (2008) 'Ministries of agriculture: structures, capacity and coordination at district level in Malawi: the cases of Dedza and Thyolo districts', FAC working paper.
Chinsinga, B. (2009) 'The political economy of ministry of agriculture at the district level: the case of Rumphu district', FAC working paper.

Acknowledgements:

This Policy Brief was written by **Blessings Chinsinga** and **Lidia Cabral** of the **Future Agricultures Consortium**. The series editor is David Hughes. Further information about this series of Policy Briefs at: www.future-agricultures.org

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FAC appreciates the support of the
UK Department for International Development (DfID)

