



Isolation and effects on public service delivery for poverty eradication: Civil society policy responses to chronic poverty in Malawi

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Background

Poverty in Malawi is still deep, wide and severe. Out of the population of 12.3 million, 6.8 million are living below the poverty line, representing 52 percent². On the other hand, 22 percent are living in ultra poverty, representing as many as 2.7 million Malawians. This also means that about one in five people cannot afford to meet the daily recommended food requirements.

Malawi is divided into three geopolitical regions: the South region, Centre region and the North region. In terms of spatial dimensions of poverty, the highest proportions of poor people are rural inhabitants of the southernmost and northernmost parts of the country, while the centre is relatively less poor.

The spatial dimensions in terms of the rural-urban divide reveal that urban areas have much lower percentages of people below the poverty line, and they also have the lowest share of ultra poverty. In contrast, as many as one third of the rural population in the South region and one quarter of the rural population in the North region live below the ultra poverty line. The worst poverty in Malawi is concentrated in rural areas in the South and North region, while the Central region is better off.

While progress towards the Millennium Development Goals (MDGs) is mixed, and the goal of halving poverty by 2015 is apparently unattainable, the Government of Malawi is consolidating strategies for fighting poverty. After the phasing out of the Malawi Poverty Reduction Strategy Paper (MPRSP) in 2005, a new policy has since been adopted called the Malawi Growth and Development Strategy (MGDS).

This paper considers some strategies under construction for containing chronic poverty through social protection interventions. The paper also focuses on isolation from public services such as health facilities, road infrastructure, and many more, and how their availability or unavailability affect people's perceptions of public service delivery. These are findings from the Service Delivery Satisfaction Survey (SDSS) carried out by the civil society under the Malawi Economic Justice Network (MEJN).

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² The Integrated Household Survey (I H S 2), 2005.

Chronic Poverty and Spatial Poverty Traps

Chronic poverty in Malawi is also described as extreme poverty. These two terms relate to ultra poverty although not all people in chronic poverty can be said to be ultra poor since ultra poverty mainly relates to the about 250,000 that are also labour constrained³. These include the elderly and the chronically sick.

The extreme poor are people often characterised by low levels of endowments (few private assets, limited access to public goods and services, and weak social capital) as well as few opportunities for advancement. Such extreme poverty is in contrast with transient poverty where individuals and households are likely to graduate out of poverty. However, the situation in Malawi indicates that the majority of the ultra poor are also in chronic destitution.

Isolation from public services has a bearing on the magnitude of poverty in Malawi. Community variables generally show that households in communities with better infrastructures have lower probabilities of being ultra poor. Such infrastructures include having:

- Health facilities e.g. a clinic
- Financial institutions e.g. banks
- Markets that operate on a daily basis as opposed to seasonal markets
- A trading centre or being a *Boma* (district administrative centre).

In addition, living in a community with a market for agricultural produce and farm inputs is a key determinant of poverty in Malawi. Communities near depots of the Agricultural Development and Marketing Corporation (ADMARC) are associated with lower levels of ultra poverty. In terms of road infrastructure, households in communities with a tarmac or asphalt road are less likely to be ultra poor.

Based on the determinants of poverty analysis⁴, the probability that a household will be poor (or may become poor) is higher for households with limited access to public services, few economic opportunities, and relatively poor access to roads and markets. In addition, geographical regional location is also important, with households living in the rural south and North regions relatively more likely to be poor than their Centre region counterparts. This spatial dimension reveals the traps in which people are entangled on account of differences in opportunities.

The other spatial poverty trap relates to the notion that the chronically poor are less likely to engage in riskier ventures with higher returns. More remote rural households in Malawi, especially those that have longer travel times to the nearest trading centre, and those that do not have a tarmac road have fewer opportunities for income growth.

The ultra poor have limited access to markets or to traders, have less access to credit, high transport costs for crops and also have low demand for non-agricultural services. Such a scenario leads to higher poverty. This also means that the ultra poor in Malawi do not engage in high risk (yet high return) economic activities, leading to their being stuck in the poverty trap.

³ Draft Social Protection Policy (2007) for Malawi

⁴ Malawi Poverty and Vulnerability Assessment 2006

Access to roads, transport and distance from markets

Overall, access to roads and transport services is low in Malawi. Urban communities, most of which have roads with tar or asphalt, experience much higher levels of access. One-third of urban roads are asphalt compared to only 13 percent of rural roads. In addition, rural communities in Malawi are on average located 20 kms from a tarmac road, and this distance is about 40 kms higher on average in the North region.

Roads in urban areas are passable for most of the year (10 to 11 months) compared to rural roads for only 4 months. In the North, roads are passable for only 5 months by minibus the whole year; in the South it is less than 8 months. This highlights the fact that many communities are extremely isolated from the rest of the country for a greater part of the year thereby pushing people further into poverty traps.

Most communities are also situated far away from the nearest *Boma* (district administrative centre) or trading centre thereby restricting economic opportunities and reducing the chance of escaping poverty traps. According to the modelling of the determinants of poverty⁵, distance from markets is an important factor. Households located in a *Boma* have a higher per capita consumption by 16 percent. If the household is located more than 30 minutes away from the *Boma*, the household's level of per capita consumption will be lower by at least 3.5 percent. This effect is greater in the North region of Malawi.

In terms of communication, the ability to communicate with communities outside one's own is limited in Malawi, especially for rural communities. Less than 1 percent of households have a working landline telephone and only about 3 percent have someone in the household who has a cellular phone. Poor households effectively have no telephone access. Overall, only 0.2 percent of rural households have a land line and 0.9 percent of rural households have a cellular phone. In addition, three quarters of all rural communities have to travel more than 2 kms to find a place to make a telephone call, ranging from 67 percent of communities in the South region to over 80 percent in the Central region

Strategies for Coping with Chronic Spatial Poverty Traps

This section outlines strategies that poor households in Malawi are using to mitigate the impact of the spatial poverty traps. These strategies depend on access to land, labour, capital and or knowledge. It must be recognised well in advance that some of the chronically poor may be unable to benefit from productivity enhancing safety nets and therefore need a great deal of welfare transfers like cash transfers in the case of the elderly and the chronically ill.

In the context of Malawi, one of the mitigating actions would include income diversification especially through crop diversification. However this depends on availability of capital to support diversification and is likely to be compromised by lack of markets. On the other hand, large urban and rural households who have non-farming income sources are more likely to diversify into income from enterprises, mainly retail or wholesale trading.

⁵ Also documented in Murkhejee and Benson (2003).

Poorer rural households in Malawi do rely on wage/salary income (21 percent of Households)⁶, but are even more likely to have some income from *ganyu*⁷ (68 percent). Among the poorest rural households, total *ganyu* earnings comprise almost 9 percent of their total household consumption.

Another strategy for coping with spatial poverty traps among the poorest in Malawi is through relocation of household members or migration. Migration is a means for seeking new economic opportunities. Remittances from migrants serve as insurance from shocks, and have an important redistributive and protective role in Malawi. However it is difficult to identify remittances from migrants beyond pension and investment income.

Formal and informal insurance also provide households with effective cushions from the impact of poverty. However, formal insurance is quite rare in Malawi. Less than one percent of the population purchase insurance. Informal insurance, on the other hand, exists in Malawi, although unavailability of data restricts proper assessment of its scope. Informal insurance include group based schemes for funeral expenses.

Responses by households can include strategies that will enable the household to survive the crisis without disintegration or significant damage or cost. These include getting assistance from family and neighbours, accessing free food and obtaining a loan from an employer. Other strategies include spending cash savings, selling assets on, cutting back on consumption, and increasing labour supply. Borrowing or receiving assistance from NGOs and religious institutions is normally associated with serious illness of household members.

The ex post responses highlighted above have an effect of blocking people into the poverty trap and make households more prone to future risks. Selling of productive assets entails that households can no longer participate in productive economic activities and they cannot take advantage of economic opportunities as they arise. Withdrawing children from school and reducing consumption, especially by young children, lead to the inter-generational transmission of poverty. In Malawi, students from poorer households are much more likely to experience temporary withdrawal from school.

Social Protection Measures for addressing chronic poverty

As a way of addressing poverty and vulnerability, the Government of Malawi developed the National Safety Nets Programme (NSNP) under the Malawi Poverty Reduction Strategy Paper (MPRSP). However, the programme did not achieve its intentions due to the lack of a coherent policy on safety nets, inadequate funding, and uncoordinated as well as short term interventions.

The Government therefore started taking steps to address the gaps by making social protection as an outstanding strategic component of the Malawi Growth and Development Strategy (MGDS) which is the successor of the MPRSP. To assist this process, a social protection policy is at draft stage.

The overall goal of the policy is reduce the ultra poverty rate of 22 percent to 10 percent by the year 2015. The key objectives include⁸:

⁶ IHS 2

⁷ Casual labour

⁸ Malawi Government Draft Social Protection Policy

- By 2015, raise a total of 200,000 households who are ultra poor and labour constrained above the ultra poverty line.
- By 2015, raise a total of 100,000 households with the capacity for labour above the ultra poverty line.
- By 2015, decrease by 50 percent the incidence of households slipping into ultra poverty.

The Government intends to achieve these objectives through provision of social welfare transfers for the labour-constrained, ultra poor households, and provision of employment and productivity enhancing interventions for ultra poor households with the capacity for labour. Other sets of interventions aim to protect the moderately poor households from falling into ultra poverty through the provision of loans, participation in public works programmes, and through skills training programmes.

However, civil society in Malawi recommends that the social protection interventions should incorporate lessons learnt from pilot projects on public works programmes, cash transfers and others. In addition, civil society recommends that Government should put extra emphasis on creating economic opportunities for the many people that are slightly below and above the poverty line.

It is further recommended that Government must continuously play its social welfare role and not abandon it through a minimalist social protection window. Finally, the overall position held by civil society in Malawi is that Government must not implement the social protection policy until it has put in place a national identification system which would help to improve identification and targeting of the ultra poor beneficiaries.

Malawi Civil Society Policy Responses

The Malawi Economic Justice Network (MEJN) works to promote participatory economic governance and poverty reduction. MEJN uses participatory budget and policy monitoring tools for collecting evidence for demanding accountability. One such tool is the Service Delivery Satisfaction Survey (SDSS) which is constructed to capture perceptions of users of public services from which policy recommendations are made. The SDSS confirms the spatial poverty traps in which the chronically poor are blocked and highlights areas where the Government is doing well to rescue the situation while pointing at areas that need concerted effort.

Highlights from the Service Delivery Satisfaction Survey

The first SDSS was carried out in 2003 as a way of monitoring implementation of the Malawi Poverty Reduction Strategy (MPRS). Although the Malawi government has developed the Malawi Growth and Development Strategy (MGDS) in consultation with its development partners including civil society, civil society efforts are still focused at promoting transparency in policy implementation as well as accountability in the use of public money. This document outlines findings and recommendations of the recent survey (SDSS III) conducted in 2006, and captures perceptions of the general public in the way public services have been delivered by the Government. The SDSS III focuses on Government's performance in selected areas of public expenditure called Protected Priority Expenditures (PPEs) and relate to the fiscal year starting from June 2005 to end of June 2006.

Findings from the surveys are considered alongside results of other budget monitoring exercises carried out by partner civil society networks specialising in the sectors of health (Malawi Health Equity Network), education (Civil Society Coalition for Quality Basic Education) and agriculture (Civil Society Agriculture Network).

Primary education in public schools

An overwhelming majority of the respondents reported having children at the nearest government primary school as confirmed by 93 % and 83 % of the rural and urban respondents respectively.

The minority 7 % in the rural areas and the corresponding 17 % in the urban areas who are not satisfied with the Free Primary Education (FPE) indicate that they are able to afford paying for alternative education service and therefore enrolled their children in private and missionary primary education institutions.

Provision of teaching and learning materials in primary schools is an important aspect for improving quality education. However, people are dissatisfied with the provision of the materials with only 30 %, 39 %, and 41 % being satisfied with the provision pens, exercise books, and textbooks respectively.

Lack of proper infrastructure and inadequate sanitation facilities are also some of the challenges impinging the delivery of quality basic education in Malawi. This specifically relates to the provision of teachers' houses and sanitary infrastructure such as latrines which scored poorly since the majority of the people were not satisfied and only 35 % of the respondents indicated satisfaction.

Decentralisation is crucial even in the education sector, through community participation in decision making and through actual involvement in development work. More people (74 %) in the rural areas are participating in primary school education development than in the urban areas where only 59 % of the respondents expressed having participated in primary school education development.

Public Health services

Public (Government) health facilities continue to be the main source of health service provision for the majority people in Malawi. Slightly more than 8 out of every 10 people rely on medical treatment from government health facilities followed by Government subsidised CHAM facilities at 13 % and the emerging private health service provider facilities at 4 %. However, proximity to a health facility also determines the preferences of the people.

On average, people walk a distance of 8 kilometres to get to the nearest health facility and this takes them almost one and a half hours. Some districts have longer distances and notable of these include Mzimba in the Northern Region (17 kilometres) and the lake district of Mangochi (13 kilometres) in the South.

Although health personnel in Malawi continue to work with lack of motivation and low levels of incentives, many people are satisfied with their dedication to duty as shown by 8 out of every 10 respondents. The majority of the people are also happy with the supply of drugs as confirmed by 72 % of the respondents. Current efforts to top up wages for health personnel deployed in difficult environments, and the on-going restructuring of the Central Medical Stores (CMS) could be responsible for the higher levels of satisfaction among members of the general public.

Agriculture

Agriculture is the main source of economic activity in Malawi. Adequate support to the sector is therefore prerequisite to attainment of food security, poverty reduction and general economic progress. However, as the SDSS III can reveal, Extension Services were not available as expected and this is shown by less than half of the respondents (only 46 %) indicating availability of the services. This is a fall from the SDSS II of the previous year where 57 % indicated availability of the extension services. Although this is the case, the majority of the lucky few farmers that accessed extension services found the information useful and applicable to their agricultural operations.

Contrary to earlier reformist pressures to privatise the Agricultural Development and Marketing Board (ADMARC) in early 2000, the agriculture marketing board continues to play a crucial role in the provision of farm inputs to the majority poor small scale farmers and farming families. ADMARC is also increasing in its importance as a provider of buying-points of farm produce where poor farmers are able to find a ready market for their produce. The SDSS III reveals that on average ADMARC depots were distributed within a 7.5 kilometre radius.

A majority of the people perceive ADMARC as an important food source (62 %) and also as the main supplier of seed (52 %). In addition, more than half of the respondents (52 %) indicate that ADMARC is an important outlet for accessing fertiliser as well as maize seed (52 %). However, satisfaction with the actual services provided by ADMARC was moderate as almost a third of the respondents complained about irregular stocking levels.

A considerably higher number of people (61 %) acknowledged receipt of Subsidised Fertiliser coupons with the majority of the beneficiaries (65 %) from the rural areas and the rest from the peri-urban areas. However, the main lesson revealed was that having a coupon did not necessarily mean accessing the fertiliser. Of the people that received the coupons, about 3 people in every 10 people (a staggering 36 %) could not afford purchasing the fertiliser while 21% could not access fertiliser due to long distances to the nearest stocks supplier. Other people (16 %) failed to access the fertiliser due to insufficient stocks. Despite these challenges, 83 % of coupon recipients reported increased yields.

Road Infrastructure and Water

The acceleration of economic growth and national development largely depends on the status of infrastructure in the country. While the poor conditions of roads has been a deterrent to investment and access by the farmers to markets, the majority people in the rural areas are more satisfied with the condition of bituminised (tarmac) roads than their urban counterparts (67.2%). The different levels of satisfaction could be explained by the fact that the only tarmac roads in the rural areas are main roads connecting districts, which are maintained frequently than the urban roads which are used often and that some of the roads connecting townships and locations are seldom rehabilitated.

Maintenance and rehabilitation of the rural earth road network and the rural feeder roads is done by different players. The SDSS III reveals that 27 % of rural road maintenance was done by the District Assemblies. MASAF had an equally proportional share of the maintenance work (28 %) while the Public Works Programme (PWP) accounted for 25 % of the work done. The role of communities is also becoming increasingly recognised as they accounted for 11.5 % of the work through community self-mobilisation.

Poverty in Malawi continues to be deep and severe and the water sector is one of the areas where slow progress has been achieved over the years and thereby threatening the people's right to life considering the fact that water is indeed life. The responses from the people through the SDSS III continue to reveal critical lack of access to clean and safe water by the rural population. Only 57 % of the population has access to clean and safe water while a handful 14 % depends on tap water from protected springs. Some areas like Ntchisi have a majority of the people (57 %) depending on rivers as water source.

Good Governance

Citizen awareness and participation in policy decision making and implementation is key to participatory poverty reduction and is one of the central tenets of good governance. Contrary to this, awareness among community members of their roles in development even at the community level is critically limited. Only 32 % of the respondents had shown that they were aware of their role in community development. However, despite the knowledge, only 29 % had actually participated in development initiatives.

MASAF projects attracted the highest numbers of community participation. Of all the respondents, 20 % had participated in MASAF projects while a meagre 5 % took part in the public works (PWPs). Strengthening awareness activities and an increase in good governance programmes is a must considering that an overwhelming majority of the people (63 %) had not participated in any development project at local level.

While efforts at decentralisation are being enhanced, a considerable proportion (58 %) of the people was not yet aware of local assembly functions. The two functions of service provision and revenue collection were notably recognised by the few people who were aware of local assembly functions. Formulation of by-laws as a function of local assemblies was only known by an insignificant 1 % of the population.

As a way of spearheading empowerment of the people and entrenchment of democracy, it is constitutionally expected that the people shall be represented by assembly ward councillors. It is positive to note that the majority population in Malawi, represented by 74 % of respondents, acknowledged councillors' existence before the term of the councillors expired.

However, the people indicated moderate satisfaction with the performance of councillors with only 52 % of the respondents showing satisfaction. In addition, people in the urban areas were less satisfied with the performance of their councillors compared with their rural counterparts (42 % and 58 % respectively).

Public Safety and Security

Public safety and security remain key factors to development in Malawi. Institutions such as the Malawi Police Service are continuing to implement reforms that are geared at increasing safety and security levels in both the rural and urban areas. One in every four people in Malawi is more likely to experience crime as shown by the revelation that 25 % of respondents experienced crime within 6 months prior to the Survey (approximately July 2005 - January 2006). In addition, urban communities were more prone to crime (38 %) as compared to rural communities (24 %).

Not many people reported crime to police as confirmed by the findings that only 43 % of the respondents indicated having reported crime.

In terms of the type of crime that people experienced and crime frequency, the majority of the people (64 %) experienced theft, seconded by fights (19 %). Rape,

and domestic violence in its various forms, are also common (7 % and 6 % respectively).

The usefulness of the police is recognised by the people, as a considerable majority (67 percent) indicated. However, some people are concerned about delays by the police to respond to crime.

The role of the community policing initiative has received overwhelming support by the people. The majority of the people (73 percent) are satisfied and attribute crime reduction to the community policing initiative. The majority of urban dwellers (66 percent) also attribute crime reduction to the recently introduced Rapid Response System (telephone no. 997) by the Police.

Many people (75 percent of the respondents) have developed high confidence in the Police. This pertains more to people in the rural areas than in some crime infested urban areas where confidence in the police is lower.

The SDSS III findings show that people are satisfied with some services Government is providing and at the same time are dissatisfied with other services where the quality of public services is not yet meeting the expectations of the population. This emphasises the need to improve the quality of services being delivered to people apart from increasing related access, which has generally been perceived to be relatively higher. The report concludes by giving recommendations on possible areas of intervention to ensure that public services are used to better serve the needs of the beneficiaries in the end.

Recommendations

This section carries conclusions and specific recommendations that are designed to assist in the implementation of the MGDS and support improvements in public service delivery at the national and district level.

Access to basic education

- There is a critical need to redress the imbalance and improve quality provision of teaching and learning materials, building more houses for teachers including toilets as well as deploying more qualified teachers to rural areas.
- Government must improve the quality of education delivered to prevent creating a situation where children from poor households are subjected to low quality education, thereby perpetuating social inequalities in their adult years.

Access to Health Services

- Equitable access to health facilities and consistent drug supply combined with dedicated health personnel are important in the delivery of health services. As such, the government should consider allocating more personnel to health facilities.
- The government should honour its commitment to allocate 15% of its annual budget to the health sector as stipulated in the Abuja declaration.
- The health sector should strategise on how it can sustain its human and financial resources since most of its operations depend on donor support.
- Communities should be empowered to monitor illegal drug marketing and corruption
- Government should strive to maintain regular drug supplies

Agricultural extension services

- The critical shortage of extension services at grass root level frustrates poverty reduction interventions in the area of food security and all this points to the critical supply side constraint of extension workers on the ground. This need must be addressed urgently if the country is to attain food security at household level and to eventually improve the living standards of poor rural households.
- The Agriculture sector should strategise on how to motivate extension personnel through upgrading and logistical support.

Access to ADMARC facilities

- ADMARC plays a major role in the development through its distinct role it plays in the agricultural sector. The rural areas often have poor road infrastructure and private business operators do not thrive well thus limiting market access to smallholder farmers. It is of great importance that ADMARC should maintain and improve its operations so that it enhances development through agriculture.
- ADMARC depots should be regularly stocked throughout the year and the stocking should be according to seasonal requirements of both the rural and urban beneficiaries

Fertiliser Subsidy Programme

- There is a need for a complete redesigning of the coupon system in order to make targeting more efficient and reaching the majority of the targeted

beneficiaries. Similarly, there is a need to review and improve on logistical support in terms of stock deliveries and enhancing human resource capacities.

- Participation of people with political affiliations should be minimised as much as possible
- The Government should continue to strategically involve the private sector in the fertiliser distribution programme while at the same time not compromising the social role associated with the programme, with the commercial motives.

Roads and water infrastructures

- While it is commendable to note that some improvements in road infrastructure are underway, the impact on the welfare of the people is yet to be registered. The majority still walk long distances to trading centres and health centres. There is limited access to motorised forms of transport and Government needs to create an enabling environment for different players to invest in the development of motorised transport in the rural areas and empower the poor to access such forms of transportation.
- On water infrastructure, efforts should be made to improve the quality of safe water sources, ensuring that they are operational throughout the year and are producing quality water. Government must facilitate improvements in the construction of such water points.

Good Governance

- The majority of the people are not involved in any planning exercises or development project, leading to low levels of community ownership of development projects. Since the decentralisation policy was introduced to bring democracy closer to the people and to actively incorporate citizens' views and needs, Government must take a proactive role in making decentralisation a reality and take it out of mere rhetoric.
- The majority of citizens do not know any of the functions or roles of their local assemblies. The Government, civil society and other players must fast track civic education programmes and outreach activities. They must increase provision of necessary Information Education and Communication (IEC) materials tailored to enhance the levels of community understanding and to increase awareness, as these are prerequisite to meaningful citizen participation in public life.
- The majority of respondents knew their (former) local councillors personally but blamed him or her and the assembly for not fulfilling development needs of communities. People place a councillor, rightly, at the centre of development activities in their wards. Government must therefore ensure that local government elections are held as reasonably soon as possible. The elected ward councillors shall also need thorough orientation and training once elected.

Public Security

- Theft is the most common type of crime cited by many crime victims and it has been linked to issues of survival and other hardships imposed by the social fabric. Government must therefore adequately fund and strengthen preventive measures in crime. In the long term, Government should ensure a holistic approach to the social problem by raising their socio-economic standard through employment creation and participation in small and medium scale enterprises, among other suggestions.
- Other crimes reported that are worthy noting are assaults on women through either domestic violence or rape. Government must encourage and fund programmes for educating and promoting women rights to curtail the rampant violations and incidents of abuse before they quadruple to unprecedented levels.

Conclusion

Civil society in Malawi has a critical role to play in poverty eradication. The evidence generated can lead to impact if Government willingly accepts civil society as a partner in policy work. The current depth and severity of poverty in Malawi is prohibitive to any meaningful development and it is recommended that the Malawi government and its development partners should mobilise adequate financial and non financial resources to break down the barriers from the spatial poverty traps.