'MAKING LESS LAST LONGER': INFORMAL SAFETY NETS IN MALAWI

IDS Discussion Paper 373*

Stephen Devereux**

ABSTRACT

Poor households in sub-Saharan Africa are of necessity adjusting to a bewildering array of radical changes in the policy environment within which they struggle to construct viable livelihoods. In Malawi these changes include the removal of fertiliser subsidies and massive currency devaluations, which have contributed to increasing food production deficits at both household and national levels and to rapidly rising prices for food, agricultural inputs and consumer goods. Poor households adjust to these production and income shocks in various ways, some of which involve searching for additional cash or food (from informal employment, borrowing, or gifts from relatives and friends), while others involve austerity measures (rationing food consumption, withdrawing children from school) that have negative implications for wellbeing. This paper examines the role of informal safety nets in providing protection against recent livelihood shocks in Malawi, drawing on secondary sources and a survey undertaken in rural and urban communities in the south of the country. A key finding is that informal transfers, either between rich and poor or among the poor themselves, appear to be declining over time, partly as a general consequence of commercialisation and partly because deepening poverty means that the economic basis for redistribution is contracting. This was particularly true in our rural survey, where people complained that in the absence of income-generating opportunities and with limited formal or informal support there is no alternative to severe austerity measures: 'making less last longer'. The paper concludes by arguing that policymakers concerned with providing assistance to Malawi's poor should consider 'productivity-enhancing safety nets', such as inputs-for-work to boost agricultural production, rather than food-for-work to compensate for production deficits.

* My thanks go to Milton Kutengule and Peter Matlon for their detailed comments on an earlier draft; to Christy Gladwin, Maxton Tsoka and Peter Mvula for research collaboration on the household survey; and to Martin Hebblethwaite, Terence Jones, Lawrence Kachikopa, Peter Kulemeka, Bob Leverington, Naresh Singh, Jim Smith and Kalindi Subbarao for stimulating working relationships in Malawi. This paper expands on work commissioned within a context of collaboration between the United Kingdom's Department for International Development (DFID) and the United Nations Development Programme (UNDP), and was financed by the Rural Livelihoods and Environment Division of DFID, under its global programme for collaboration with multilateral agencies. The views expressed in this paper are those of the author, and should not be taken to represent the views of DFID or of UNDP.

** Stephen Devereux is a Fellow at the Institute of Development Studies, University of Sussex

ISBN 1 85864 286 8

CONTENTS

TABLES

FIGURES

SUMMARY

Informal safety nets are defined in this paper as a subset of the range of coping strategies that people adopt in response to episodes of acute food insecurity. Conceptually, informal safety nets are one manifestation of 'social capital' or the 'moral economy'. They involve drawing on social networks – extended family, friends and neighbours, wealthy patrons – for assistance in times of need, either with or without expectations of reciprocity. Informal safety net transfers are non-market transactions which range from remittances of food or cash within families, to meal-sharing between neighbours or interest-free loans between friends, and gifts to beggars.

Empirical evidence from studies across sub-Saharan Africa suggests that traditional practices of 'vertical' redistribution (transfers from wealthier 'patrons' to poorer 'clients') are rapidly disappearing under processes of commercialisation. Today's wealthy farmers and traders are as likely to exploit the poor as to offer support during economic crises. 'Horizontal' redistributive practices (transfers between people of similar economic and social status) remain widespread but are highly vulnerable to covariate risk, a prime example being a drought that eliminates food production surpluses across an entire community. Since informal transfers are increasingly confined to extended family networks and neighbours within poor communities, any presumption that formal safety net interventions will simply displace well-functioning informal safety nets and create dependency on external assistance is unfounded.

'Coping strategies', including informal safety nets, are invoked in response to economic shocks and stresses. In rural areas of Malawi these include seasonality, regular droughts and floods, reductions in the size of landholdings caused by population pressure, and constrained access to agricultural inputs. The 1990s have seen Malawi shift from being nationally self-sufficient in maize in non-drought years to being in food deficit and dependent on food imports and food aid in most years. At the household level, this implies that smallholder households must obtain an increasing proportion of their staple food from the market, because household granaries run empty earlier than in the past; thus their dependence on cash incomes has also increased, often faster than opportunities to earn off-own-farm income have increased. At the same time, maize market liberalisation has seen maize prices rise rapidly in response to kwacha devaluations and rising import costs, increasing the economic stress on deficit producers and the market-dependent urban poor. In urban areas economic shocks are related mainly to rapidly rising costs of living, the most recent event being a 62 per cent devaluation of the Malawi kwacha in August 1998, which caused the prices of most basic commodities to double and undermined the profitability of the informal sector enterprises on which the urban poor depend.

Numerous studies of household coping strategies have been undertaken in Malawi in recent years, mostly at community level but sometimes at the regional or even at the national level. These studies confirm the predominance in rural areas of agricultural labour ('field *ganyu*') as both a regular source of livelihood and a coping strategy (through intensification) in difficult years. In urban areas, similar observations apply to informal sector employment. Attempts to quantify informal social safety nets have found that informal transfers are only a minor component of national income: according to national survey data, regular cash transfers accounted for just 0.9 per cent of total household income in 1993. But this aggregate figure

understates the value and importance of these income flows for vulnerable recipient households. Localised surveys have reported figures of 6.5 per cent in some districts and over 7 per cent in female-headed households, while a long-term study of a farming community in southern Malawi found that transfers contributed as much as 14 per cent of total income across all households. Methodological biases – not least the neglect in most surveys of in-kind transfers of food, fertiliser, clothes and unremunerated labour and childcare – suggest that the real value of informal transfers may be substantially higher than is revealed by these figures.

Where food transfers have been assessed, their average contribution is estimated at 4 to 5 per cent of annual consumption (2 to 3 weeks' worth of food) in recipient households, although these transfers rise in drought years and can reach up to half the households in a village at such times. The typical pattern of remittance flows in Africa – with food and other produce moving from villages to towns and cash plus commodities being sent to rural areas by urban family members – holds in Malawi, though the scale is lower than elsewhere because of Malawi's low level of urbanisation.

Overall, informal transfers might be declining, partly as a result of social and political change – Malawians characterise each other as more individualistic and less community-spirited these days, and democracy since 1994 has been associated with an erosion of law and order – and partly as a consequence of deepening poverty in both rural and urban areas, which curtails the ability of people to respond to requests for assistance from anyone other than close family. The famine literature shows that informal safety nets expand at first and then contract as a food crisis deepens; this evidence suggests that problems of poverty and food insecurity are becoming critical for increasing numbers of Malawians.

In March 1999 a survey was implemented for this report in urban Blantyre and rural Zomba by the University of Malawi. The methodology included structured questionnaires with two samples of over 100 households each, focus group discussions, and rapid appraisal techniques. The urban survey found that social networks are significant in Blantyre's informal settlements, with men engaged in mutual credit and piecework relationships with friends, and with women sharing food, meals and childcare responsibilities. However, the 60 per cent kwacha devaluation of August 1998 imposed heavy pressures on informal safety nets, with more people requesting assistance (cash gifts, soft loans or food), and less people able to meet these requests, than usual.

Somewhat against expectations, findings from the rural survey indicated that the scale and effectiveness of informal safety nets may be less in villages than in towns. Many more rural respondents had rationed or skipped meals in the last year; rural respondents had fewer income-generating opportunities to draw on, and more rural households were refused assistance from relatives and friends. Certainly, people are poorer and more food-insecure in rural southern Malawi than in Blantyre town, and the complaint that 'people are less able to help each other nowadays' was repeated again and again. Only 39 per cent of the rural sample had received any help (mostly in the form of small gifts of food from relatives), whereas 45 per cent of the urban sample had received assistance (often in the form of cash gifts or consumption loans from friends and neighbours).

This paper draws out from the evidence on coping strategies and informal safety nets some implications for the design of formal safety nets. Beneficiary assessments of public works projects in Malawi have found that these interventions do not compete with farming or *ganyu* if they are carefully designed and timed; thus, public works can be an effective and self-targeting safety net. But there are unresolved gender concerns: for example, men tend to monopolise cash-for-work projects while women are canalised into food-for-work. The paper makes a case for 'productivity-enhancing safety nets', where feasible, rather than pure consumption transfers: one example being inputs-for-work to boost *production*, instead of food-for-work to support *consumption* after harvests fail as a result of smallholders' inability to access fertilisers and seeds. Our rural survey confirmed that payment for labour on public works projects in fertiliser – especially, obviously, at planting time – was preferred by both men and women to payment either in food or cash. Finally, the paper argues that the 'sustainable livelihoods' framework could usefully be applied to the design of formal safety nets. Recognition of the need to develop all forms of capital in poor communities – including human capital and social capital – could lead to more innovative and relevant interventions than the narrow public works preoccupation with physical infrastructure. For example, social networks could be supported with assistance that is targeted not just to the growing number of orphans in Malawi but also to their carers.

1. INTRODUCTION

There is growing concern in the international community about the prospects facing Malawi in the coming decades. Landlocked and land-scarce, with little economic activity or potential outside agriculture, Malawi already has some of the world's worst economic and social indicators, and further deterioration seems inevitable as population pressure and the stratifying impacts of economic liberalisation measures intensify. During the 1990s, Malawi switched from national self-sufficiency in staple foodgrains to chronic dependence on food imports. In August 1998 a 62 per cent devaluation of the Malawi kwacha provoked riots in urban centres and caused prices of many essential commodities and services to double.

During 1998, the government of Malawi and a consortium of donors agreed on the need to implement a formal 'social safety net', targeted at the approximately 4 million Malawians identified by national survey data as living in absolute poverty, for a period of at least the next ten years. A number of research studies and policy papers were commissioned to inform the design of this institutionalised safety net. One fundamental question concerned the relationship between 'formal' and 'informal' safety nets: specifically, are household 'coping strategies' – including informal transfers – robust enough to provide sufficient support to Malawi's poor so that formal safety nets have only a limited and residual role to play?

This paper attempts to answer that question, first by summarising the state of knowledge on informal safety nets in Malawi through a review of the available literature, and second by reporting on a household survey undertaken for this study in southern Malawi in early 1999. The aim of the survey was to enhance understanding of the nature, extent and effectiveness of informal safety nets in Malawi: in particular, to assess their resilience in the face of livelihood shocks and to investigate trends in social networks and the 'moral economy' over time. The paper draws implications for the design and targeting of formal safety nets from these findings.

The structure of this paper is as follows. Section 2 reviews relevant theoretical and empirical literatures on livelihood strategies (accumulation, adaptation, coping and survival), with an emphasis on informal safety nets. Section 3 describes the livelihood shocks and stresses in Malawi with which poor and vulnerable groups are currently 'coping'. Section 4 summarises the state of knowledge on household 'coping strategies' in Malawi, first for the rural poor, then for the urban poor. Section 5 reports findings from our commissioned survey of informal safety nets in Blantyre town and rural Zomba. Section 6 reviews beneficiary perceptions of existing safety net interventions, such as public works projects, and argues for 'productivity-enhancing safety nets' with a sustainable livelihoods orientation, as an alternative to dependency-inducing consumption transfers. Section 7 concludes.

Two notes on terminology are necessary. First, the phrase 'informal safety nets' is defined narrowly in this paper, referring only to non-market transfers of goods and services between households. In this sense it is the 'private' analogue of public transfers, or 'formal safety nets'. However, 'informal safety nets' is also used by some writers to describe the full range of behavioural adjustments that people make when facing livelihood shocks and stresses, and this paper does also examine these behaviours by poor Malawians. Second, the language of the 'coping strategies' literature is used in this paper, because it is well understood and widely accepted, but with some reservations. 'Coping' seems a rather pejorative term for the complexity and diversity of behavioural adjustments that people make in times of hardship. At the same time it overstates the resilience of the poor. If people who are already malnourished are cutting their food consumption to one meal a day – as many Malawians routinely do during the (accurately named) 'hungry season' each year – in what sense are they 'coping'?

2. THEORIES AND CONCEPTS

2.1. Livelihoods, vulnerability and adaptation

Poor households everywhere survive by pursuing a mix of livelihood strategies that seek to increase their income flows and stocks of assets ('accumulation strategies'), to spread risk through livelihood adjustments or income diversification ('adaptive strategies'), to minimise the impacts of livelihood shocks ('coping strategies') and, *in extremis*, to prevent destitution and death ('survival strategies'). In reality, all livelihood strategies are better characterised as a continuum, rather than as discrete categories. Adaptation and accumulation strategies are often difficult to disentangle analytically, as are adaptation and coping. Davies (1996:35) defines *coping strategies* as 'short-term responses to unusual food stress' and *adaptation* as 'coping strategies which have become permanently incorporated into the normal cycle of activities'. So, crudely, coping strategies are responses to adverse events or shocks, while adaptive strategies are adjustments to adverse trends or processes. But this distinction is somewhat artificial and frequently breaks down in practice. There are broad differences between the extremes, though: accumulation and adaptation strategies are generally proactive and positive, while coping and survival strategies are reactive and defensive.

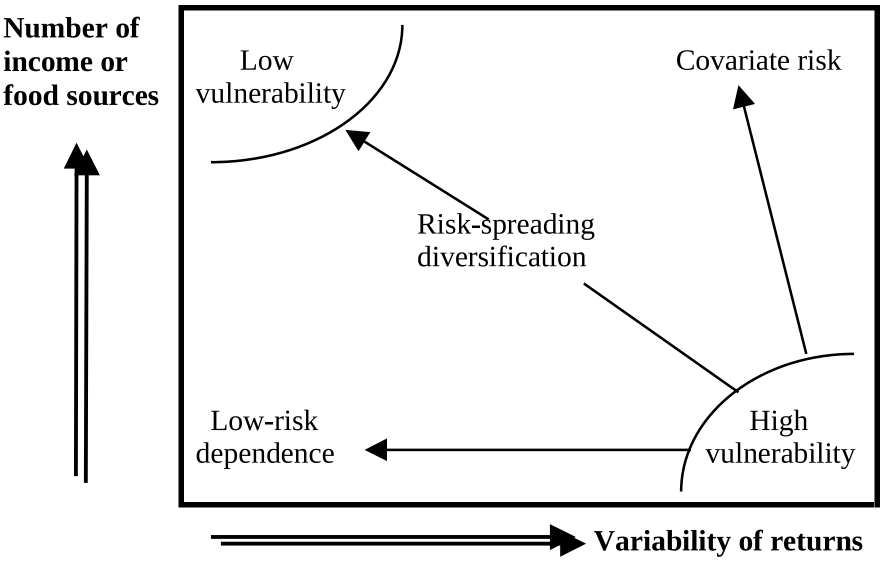
Survival strategies are invoked once coping strategies are exhausted, and reflect a *failure* to cope – one useful distinction sees coping behaviour as 'non-erosive disaccumulation' and survival behaviour as 'erosive disaccumulation' – but it is impossible to draw this line with any certainty or rigour. An analysis of livelihood strategies in Malawi's urban areas highlighted the problems involved in categorising behaviour as either 'coping' or 'survival': 'Another difficulty is the labelling of an action or response to a situation as a "survival mechanism". The use of this term implies a value judgement and no guidelines exist to assist in the decision of what is a survival mechanism and what is not' (Roe 1992b:94). Also, while the distinction between categories implies a *shift* from one set of behaviours to other (less preferred) behaviours, often it implies an *intensification* of 'normal' behaviours. For example, if a farmer routinely goes for *ganyu* (casual labour) every 'hungry season' because of chronic food production deficits, this should be characterised as an 'adaptive strategy', but if a particular harvest is so bad that her children also go for *ganyu*, this intensification of a normal behaviour is a 'coping strategy'.

Coping strategies are necessary because the poor, already subsisting on inadequate incomes, are exceptionally vulnerable to income shocks since they also lack asset buffers. However, vulnerability is a more complex concept than poverty, being determined partly by risk factors that are *generic* to groups of individuals or households who are linked either geographically or by some shared risk characteristic (joint 'exposure'), and partly by risk factors that are *specific* to each individual or household (idiosyncratic 'sensitivity' or 'resilience'). Although an entire community might face equal exposure to a threat such as a drought or a food price rise, resilience is differentially distributed across households depending on relative wealth (savings, asset holdings) and access to alternative income sources, including support from extended family and social networks.

Since variability is a crucial determinant of vulnerability it might seem logical for households to choose whichever economic activity available to them offers the lowest variability. However, variability itself is a composite variable, including the probability, frequency and severity of deviation from the 'norm' or average. Unpredictability causes people to adopt risk-spreading 'adaptive strategies' which might not maximise returns but instead minimise risk. There is no obvious solution to the problem of balancing one source of risk against another. Should a household adopt hybrid maize which might guarantees its food security for nine years out of ten but is subject to drought-induced crop failure once a decade? Or should it instead cultivate a cash crop like tobacco which generates profits in some years and losses in others, depending on unpredictable price movements which are outside the household's control? Not surprisingly, most poor households tend to favour a mixed strategy, pursuing two or more economic activities which offer variable returns, in an effort to reduce their vulnerability (see Figure 1).

A livelihood is highly vulnerable if it is constructed from a single source that yields variable or unpredictable returns (bottom right of Figure 1). This household should strive to reduce its vulnerability by finding less risky sources of income and food. Unfortunately, the option characterised as 'low-risk dependence' – which describes a livelihood specialised in a single but reliable source of food or income – is rarely available to the poor. A more common adaptive strategy is to diversify livelihood portfolios to spread risk. However, the danger in rural areas is that most alternatives to foodcrop cultivation – cash cropping, livestock rearing, agricultural labour – are equally vulnerable to rainfall failure, so that risk is not reduced by adding economic activities. (In the diagram this is a shift from 'high vulnerability' to 'covariate risk'.) The

Figure 1. Livelihood vulnerability and risk diversification



best option available is 'risk-spreading diversification', that is, moving towards the top left-hand corner by diversifying into several *non-correlated* sources of income or food. It is partly for this reason that households throughout Africa opt for 'split household' strategies, sending one or more members to town but retaining a base in the village so that harvest failures can be compensated for by income flows from urban relatives, or vice versa.

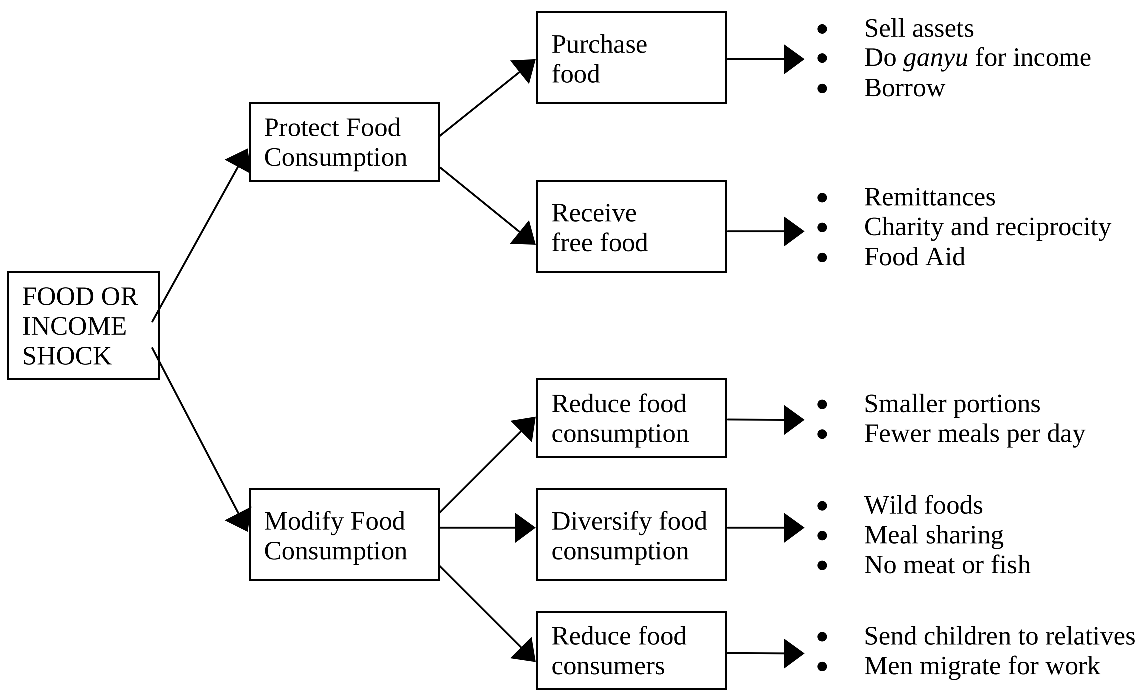
A recent review of thirty-three household surveys from eighteen African countries found that, on average, 45 per cent of rural household income derived from off-farm activities, even in 'subsistence' farming communities (Reardon 1997). Vulnerable households diversify their livelihood portfolios as a risk management strategy. They also invest in building social capital. It is precisely because of the high vulnerability of rural livelihoods in Africa and elsewhere that social networks perform such a vital insurance function, in the absence of formal safety nets or social security systems. On the other hand, where the providers of social support face the same livelihood risks as the recipients (for example, neighbouring farmers), social capital might not provide adequate risk insurance for the vulnerable poor. As will be seen, this observation is highly pertinent to the case of Malawi, where low urbanisation rates limit the ability of most rural households to cushion themselves against crop failures by means of remittances from family members working elsewhere.

2.2. Coping and survival strategies

People facing a food shortage make strategic decisions about how (and even whether) to bridge their consumption deficit. During the 1980s, a number of case studies from Africa and south Asia suggested a common pattern in the nature and sequence of coping and survival strategies adopted by rural people facing food crises. Corbett (1988) synthesised these studies and generalised a pattern of three discrete stages, each reflecting increasing desperation: insurance mechanisms (for example, savings), disposal of productive assets, and destitution behaviour (distress migration). This suggests that coping strategies are adopted in a predictable sequence, which is determined not only by the *effectiveness* of the strategy in terms of bridging the food gap, but also by the *cost* and *reversibility* of each action. Strategies that have little long-run cost are adopted first (such as drawing down savings and calling on remittances). Strategies with higher long-run costs that are difficult to reverse are adopted later (for example, selling the plough). Finally, survival strategies (migrating off the land) reflect economic destitution and a failure to cope.

The early literature on coping strategies suffered from a weakness shared by Sen's entitlement approach to poverty and famines – a failure to recognise consumption rationing as a routine austerity measure, reflecting an assumption that the first concern of hungry people is to raise or protect their food consumption. But de Waal (1989) observed people 'choosing hunger' rather than selling key productive assets during a famine in western Sudan, and even in non-famine contexts, smaller portions and cheaper diets are routinely used by the poor as an effective and relatively costless way of making limited resources go further. The contemporary literature on coping behaviour recognises that households facing food shortages are forced to trade off short-term consumption needs against longer-term economic viability. These trade-offs can be illustrated as a decision tree (see Figure 2) where the split between 'protecting' or 'modifying' food consumption reflects a harsh choice: whether to dispose of key productive assets and buy food today, or hold on to these assets and go hungry in order to protect future livelihood. These choices have profound implications for the household's immediate survival and future viability.

Figure 2. A categorisation of coping strategies



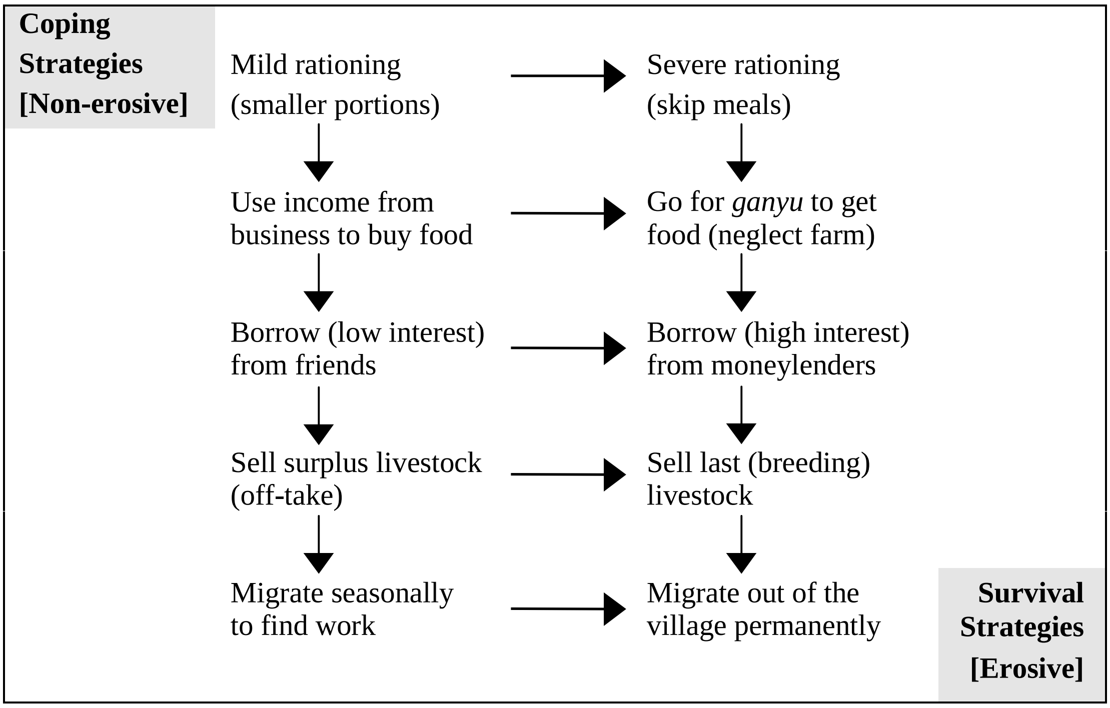
Source: Adapted from Devereux 1993:53

Davies (1996:19) distinguishes between a 'food first' definition of coping strategies, where these behaviours are 'designed to maximise immediate consumption' in situations of food scarcity, and a 'sustainable livelihood' definition, which sees coping strategies as 'designed to preserve livelihoods', which might incorporate food consumption rationing to protect future livelihoods. Another way of looking at this distinction is as a choice between 'erosive' and 'non-erosive' behaviour (de Waal 1989): strategies that drawon *additional* sources of food and income and so do not undermine livelihoods are 'non-erosive', while strategies that *deplete* the household's asset base and thereby undermine its future viability are 'erosive'. Seen in this light, a decision to ration consumption rather than sell assets to buy food is entirely rational.

This distinction is illustrated in Figure 3, which also reflects the existence of sequences *within* as well as *between* discrete strategies (Devereux 1993). The point at which any particular strategy is pursued to the extent that it becomes 'erosive' is objectively difficult to assess, but is related to the long-term cost and irreversibility of any action that is taken today.

The literature on coping strategies emerged out of a particular concern to understand how rural people survive during drought-induced famines. This specificity limits the applicability of this literature to the context of coping with food insecurity in Malawi, both because the situation in Malawi is less severe than famine and because the literature fails to consider some significant vulnerable groups, such as the urban poor. None the less, the general principles and patterns that the coping strategies literature highlights are centrally relevant to the discussion that follows.

Figure 3. Coping versus survival strategies



2.3. Informal safety nets

Informal safety nets are conceptualised here as a subset of coping strategies, describing only those strategies that involve drawing on support from other households. For this reason they are also quite distinct, and have been the focal point of considerable research and thinking for many decades. There is a powerful strand in development studies, going back at least to Scott's influential book *The Moral Economy of the Peasant* (Scott 1976), that depicts subsistence-oriented agrarian societies as bound together by affection and mutual self-interest in a complex web of support networks that serve to spread risk and to protect vulnerable members. Swift (1989) has defined the 'moral economy' as the full range of non-market redistributive mechanisms that are found within communities and occur mainly within extended families and kinship groups (clans and lineages).

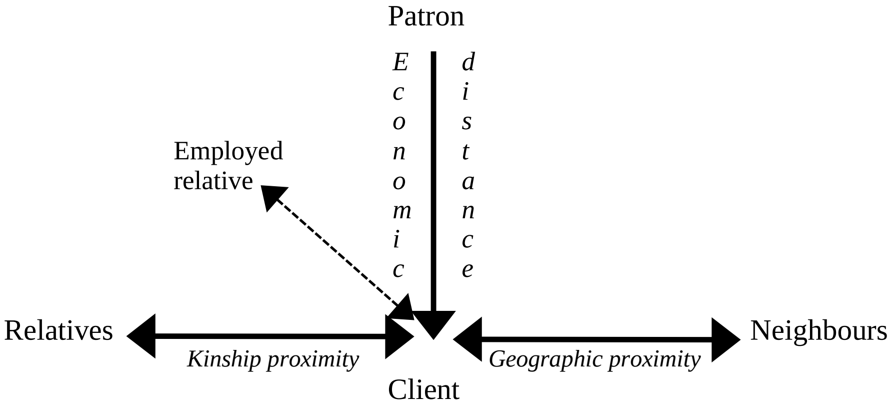
There is some blurring over the boundaries of the moral economy – clearly it should include transfers between friends and neighbours (such as loans made on concessional terms) but not transfers that are overtly exploitative (such as usurious moneylender loans) – but the line between assistance and exploitation is often difficult to draw. Moreover, as Davies (1996:37) points out, the 'moral economy' is not necessarily very 'moral': 'There is nothing intrinsically "welfarist" about the moral economy: indeed, it often engenders relations of subservience and dependence, which are indicators of structural vulnerability for the dependant, or of a source of entitlement for the "asset" holder.' Davies (1996:40) also criticises 'the erroneous assumption that the moral economy is an informal insurance system which provides a community safety net in times of stress, when in fact such relationships can be both extractive and exploitative and can become more so in periods of acute stress'.

During the early 1990s the moral economy (its positive features, at least) was appropriated by political scientists and economists and relabelled as 'social capital', defined as 'features of social organisation, such as networks, norms, and trust, that facilitate coordination for mutual benefit' (Putnam 1993:35–6). But social capital differs from other forms of capital in that it is 'intermediate': not itself a commodity, service or resource, but a network or channel through which commodities, services and resources might flow. Social capital is a means to an end, where the end is access to more immediate or tangible forms of capital, such as human capital (for example, labour to assist with farming), natural capital (for example, usufruct rights to land or trees), physical capital (such as farm implements or agricultural inputs) and financial capital (such as interest-free loans) (Dershem and Gzirishvili 1998:1835).

Informal safety nets can be incorporated within this rubric as one manifestation of the level of social capital obtaining in a community at a point in time.[1] Informal safety nets are dominated by redistributive transfers, which take two distinct forms: *vertical* (from richer to poorer households) and *horizontal* (between equally poor households). In general, vertical transfers are made for reasons of affection, duty, or patronage, and reciprocity is not expected, whereas horizontal transfers are often made to spread risk or smooth consumption over time, with the expectation that 'help' given now will be reciprocated when required in the future.

Figure 4 attempts to illustrate the distinction between vertical and horizontal redistribution. Vertical transfers occur between partners who are separated by economic and social distance – providers are wealthier

Figure 4. Horizontal and vertical redistribution



and enjoy higher social status than beneficiaries. Indeed, some of their exalted social status derives from their practice of extending patronage, depicted as a one-way flow of resources from 'patrons' to 'clients'. Horizontal redistribution occurs between partners whose relationship is characterised by kinship or residential proximity – relatives or neighbours who share similar economic and social status. An important exception arises when a family member succeeds in becoming relatively wealthy and remits income or commodities to poorer relatives: this is illustrated as 'employed relatives' who adopt an intermediate position between 'relatives' and 'patrons' because of their social proximity but economic distance. The arrow represents a two-way flow since reverse transfers are common; for example, urban employed family members may send cash and clothes to their natal village and receive food after harvest.

Adams (1993) found through careful monitoring of food disposal behaviour in poor Malian villages that farmers gave away as much as 20 per cent of their cereal harvests to others, about half as *zakkat* (obligatory religious contributions to Muslim clerics and destitutes) and half as voluntary gifts to relatives, friends and visitors. Adams (1993:45) also recorded numerous transfers of small quantities of condiments made daily between friends and neighbours – mostly women – as well as many cases of giving or sharing meals. During the hungry season, as many as 25 per cent of production deficit days in these households were covered by non-market transfers of food, with most families giving as well as receiving assistance. In difficult years, the extent of this redistribution increased in response to need, but in crisis years (mainly severe droughts) it contracted because generalised production failures left no surplus for redistribution.

In the recent literature on (formal) social safety nets, concern has been expressed that public transfers to the poor (such as food aid) might 'crowd out' private transfers, a possibility that would be inefficient and ineffective since the formal safety net would simply be replacing the informal safety net – if people can manage through their informal collective coping mechanisms why disrupt these with external interventions that have little net impact and might simply create dependency?[2] But this assumes that informal transfers are mainly vertical in nature, whereas the evidence from Africa reveals that they occur mainly among the poor – Adams's (1993) data on food-sharing among neighbours within poor West African villages and charity given by the poor to destitutes are typical rather than unusual. To the extent that informal transfers occur among the poor rather than from rich to poor, arguments against the need for public transfers based on their likely displacement of informal safety nets are weakened.

Informal safety nets might be expected to increase in significance during economic crises. Theorists of social capital argue that people 'invest' in building relationships partly so that they can drawn on these connections when they need assistance. 'During times of crisis and socio-economic change, kinship and community relations are vital to survival strategies in everyday life and adaptation to social change' (Dershem and Gzirishvili 1998:1828). Whether or not people are actually able to draw on these connections depends on the strength of these relationships, on the initial wealth of all parties involved, and on the nature of the risk that induces a request for help. Social capital is less effective among poor people (than, say, between poor 'clients' and a wealthy 'patron') because the poor have limited reserves to spare. If, moreover, entire social networks are subjected to generic shocks or covariate risks (such as a drought that affects all members of a tightly knit community more or less equivalently), then informal safety nets are likely to be least effective precisely when they are most needed.

More significantly, evidence is accumulating to suggest that the 'moral economy', at least as a system of social insurance at community level, might be dying out as rapidly as its economic analogue, the 'barter economy'. As monetisation and commoditisation spread to even the most isolated parts of the world, and as market exchanges supersede non-market transactions, so informal transfers appear to be contracting in scale and significance, being confined nowadays mostly to remittances within extended families, charity or *zakkat* to the 'deserving poor', and some residual cultural obligations of patronage by or tribute to village chiefs and elders. During the 1980s, many researchers even argued that poor communities throughout Africa and Asia were facing a period of heightened vulnerability during the transition from a 'moral' to a 'market' economy, since traditional social insurance mechanisms were being undermined before fully functioning efficient markets and state social security systems were in place.

Notwithstanding this general and gradual trend, informal safety nets do remain an important component in the basket of responses that households draw on in times of need. Moser (1998) has developed an 'asset vulnerability framework', which models a household's vulnerability as a function of the number, diversity and value of assets it owns. In this analytical framework, 'social capital' and 'household relations' are identified as two of the five categories of assets that households draw on to construct their livelihoods, and that poor households call on or draw down in times of stress (the other categories are 'labour', 'human capital', and 'productive assets'). 'Household relations' in fact refers to *intra*-household variables and describes changes in the composition and structure of households as well as their ability to pool income and other resources. 'Social capital', by contrast, looks at relations *between* households: 'a community itself can be considered an asset that reduces vulnerability' (Moser 1998:13). Moser highlights declining extended family and patron–client support systems as a major source of vulnerability for the poor, given their limited access to other categories of assets.

Moser's community-level research in urban settlements in Africa, Latin America and Eastern Europe revealed interesting patterns from which tentative generalisations can be drawn. First, the range of reciprocal links between (related and unrelated) neighbours is extremely broad, particularly among women, who routinely 'share food, water, cooking and childcare' (Moser 1998:13). Short-term consumption loans for food and to pay bills (for example, rent) are also very common among friends and relatives in urban settlements: perhaps more so than in rural areas, because of the highly commoditised nature of life in towns. However, the stock of social capital in any community is not static but is highly sensitive to external events: 'When households are coping, they support others. But when their assets are depleted, they cease to support the community. … economic crisis has pushed some households beyond the point at which they can sustain such reciprocity.'

Another finding of relevance to Malawi is that 'increasing levels of violence, perceived to be associated with economic crisis, have eroded social capital. ... The rising numbers of burglaries have eroded long-held reciprocal trust among neighbours and community members" (Moser 1998:14). Moser concludes that, where urban families and communities are 'breaking down', this not only reflects and exacerbates increasing social problems but also represents increased vulnerability for those affected, given that households and communities are not just social institutions but also intangible assets of immense economic importance to the poor, who have relatively few alternative assets to draw upon.

Like most coping strategies, calling on friends and relatives for assistance is usually an intensification of existing activities rather than a completely new and unusual behaviour. In the neat linear sequence posited by Frankenberger (1992) and others, 'begging' comes near the end of the line, presumably because of its high social costs, but 'borrow grain from kin' comes very early. Devereux (1993) suggests that a more nuanced gradation characterises this cluster of coping strategies (that is, informal safety nets), as it does others (such as sale of assets, dietary change, or alternative income sources). Instead of a one-dimensional linearity, coping strategies are adopted in multiple, iterative layers; several discrete strategies are adopted in parallel and each is pursued with increasing intensity at increasing cost or irreversibility as conditions deteriorate, until ameliorated by a positive countervailing event such as a good harvest or the delivery of food aid.

In this context, informal safety nets are little more than the intensive exploitation of 'normal' social relations within extended families and communities. Neighbours who occasionally lend sugar or salt are now asked for interest-free loans. The wealthy headman who extracts unpaid labour as tribute from community members is called upon to release some of his surplus grain to villagers who have no food. The brother who works as a cleaner in town and occasionally remits clothes is expected to bring a bag of maize next time he visits the village. In the coping strategies literature, and as Moser's research confirms, this drawing on social networks is seen as an effective mechanism for dealing with minor shocks and idiosyncratic risks (such as seasonality or illness respectively), but is not effective with severe shocks or covariate risks (such as a major drought). Except for households with strong connections to wealthy relatives or generous patrons, this is a coping strategy that offers limited relief and is fairly rapidly exhausted.

The fragility of informal safety nets in rural Africa is illustrated by the following anecdote from a study of 'informal social security systems' during the 1992 drought in Namibia. Discussions with villagers found a strong ethic of mutual support within drought-afflicted communities, as articulated in the statement: 'We are all one family,' which people made when asked whether and why households helped each other to cope with the effects of the drought. This same study also interviewed a government worker living in town who had provided help to his rural family before the drought, but stopped going to the village when the drought struck and sent no help at all, arguing that the demands for assistance had become overwhelming. 'But you are one family,' I reminded him. 'Yes, but your family can eat you!' he replied (Næraa *et al.* 1993).

3. THE CONTEXT OF COPING IN MALAWI

Before assessing how Malawians are coping we have to address the question 'Coping with what?' Our focus is on household food insecurity and poverty, so in this context adaptation strategies are invoked in response to a gradually deteriorating food security situation, whilst coping – and, in extreme cases, survival – strategies are responses to sudden shocks or threats. The economic shocks and stresses that Malawians face can be clustered into three groups:

1. processes – including steadily declining landholdings and soil fertility (in rural areas), and rising prices due to repeated devaluations (mainly in urban areas);
2. regular shocks – for example, seasonality, which is predictable in its cyclical occurrence but not in its severity;
3. random shocks – unpredictable events such as a drought or flood, or rapid price inflation following a currency devaluation.

Adaptive behaviours are responses to *processes* of change, while coping and survival strategies are reactions to *random shocks*. *Regular shocks* fall somewhere between these two: since seasonality is predictable, households have developed adaptive mechanisms such as going for *ganyu*, but coping strategies might be needed if a particular hungry season is unusually severe. Although the shocks and stresses identified here are *generic* (everyone is equally *exposed* to seasonality, drought, or devaluation), their effects are differentially distributed: they vary and are household-*specific* (each household has a unique *resilience* or ability to cope). As argued above, vulnerability is a function of two elements: exposure or risk and sensitivity or resilience.

Vulnerability to food insecurity can impinge on all sources of food – production, purchases, labour and (formal plus informal) transfers. (The only legal ways of acquiring food are to grow it, to buy it, to work for it, or to be given it.) These correspond roughly to Sen's four categories of 'entitlement' to food. Malawians face threats in all categories, but the two dominant sources of risk are *production* and the *market* (incorporating both food purchases and labour sale). The rural poor are affected most – but not only – by food production declines, while the urban poor are affected most by declining access to food through market purchases, which reflects falling incomes or employment as well as rising costs of living. Threats or risks can be either 'rapid-onset' shocks or 'slow-onset' processes (see Table 1). Informal transfers between households are affected by all other risks. To a limited extent, public or formal transfers are increasing in response to these threats, while the response of private transfers or informal safety nets is ambiguous, as will be seen.

Table 1. Selected food security risks in Malawi

<table>
<tr><th rowspan="2">Source of food</th><th colspan="2">Nature of risk</th></tr>
<tr><th>Slow-onset processes</th><th>Rapid-onset shocks</th></tr>
<tr><td>Production</td><td>Rural population growth:
• falling landholdings
• declining soil fertility
• rising landlessness</td><td>Drought or floods
Input price hikes:
• fertiliser subsidy removal
• exclusion from credit</td></tr>
<tr><td>Market</td><td>General food price inflation
Gradual decompression of the maize 'price band'</td><td>Major kwacha devaluation
Rapid food price rises
Retrenchment of workers</td></tr>
</table>

One analysis of food insecurity in Malawi, the World Food Programme (WFP) 'Vulnerability Assessment and Mapping' (VAM), divided Malawi's 154 Extension Planning Areas (EPAs) into five partially contiguous 'sphere of influence clusters', each dominated by a different primary livelihood activity and subject to distinct sources of risk (Morinière *et al.* 1996). The five clusters were as follows:

- **Maize-dominated cluster**: Covers 15 per cent of the national population and 34 EPAs, mostly in the central region. These are smallholder maize producers in areas where land pressure is not yet severe; uniquely, they derive the bulk of their food needs from own production.
- **Mixed agriculture cluster**: These 41 EPAs covering a further 15 per cent of the population are located mostly in the north. They also rely mainly on farming, but cultivate cash crops (tobacco, coffee, cotton) and other food crops (cassava, vegetables) in addition to maize.
- **IGA (Income-generating activity)-influenced cluster**: The largest cluster – 34 EPAs and 33 per cent of the population – this is the typical livelihood system of the densely populated south, where small landholdings and the relative absence of estates force people into a variety of petty income-earning activities off-farm to supplement inadequate food harvests.
- **Estate-influenced cluster:** This is the smallest cluster, comprising just 13 EPAs and 12 per cent of the population, but it is distinctive in terms of the importance that access to labour on the estates plays in contributing to the livelihoods of neighbouring smallholder households.
- **Urban influenced cluster**: Although only 12 EPAs fall within this cluster, so do the three cities of Lilongwe, Blantyre and Zomba, and 24 per cent of the national population is categorised as falling under the influence of the urban areas, which offer very different opportunities to the other (mainly rural) clusters.

The VAM methodology applies a number of potential indicators of vulnerability to the EPA clusters to determine which correlate best with recorded levels of three outcome indicators: 'poverty', 'food deficiency', and 'malnutrition'. One result of this exercise is the derivation of an index of 'composite vulnerability' for each EPA and each sphere-of-influence cluster. These results indicate that the IGA cluster is the most vulnerable of the five, having the worst levels of both poverty and food deficiency. This is followed by the 'urban' cluster, which has the worst malnutrition indicators, then by the 'mixed' cluster.[3] The 'estate' cluster is the second-least vulnerable, and the 'maize' cluster the least vulnerable of the five, though the 'maize' EPAs have the second-worst levels of malnutrition in Malawi. So the picture is not uniform or one-dimensional, either between or within the five clusters. Some of the most vulnerable EPAs fall within the least vulnerable 'maize' cluster, for instance (Morinière *et al.* 1996:20).[4]

This raises an unexplained contradiction, namely that the maize cluster (paradoxically) exhibits the second-worst malnutrition outcomes despite producing 30 per cent above the national average food in kcal/day terms. This being so, further increases in maize production seem unlikely to reduce malnutrition; the causes of and solutions to this dilemma must surely lie elsewhere. One explanation might be that smallholders in these EPAs treat maize as both a food crop and a cash crop, and sell more than they should, nutritionally speaking. This effect was observed in a study of maize commercialisation in neighbouring southern Tanzania: as maize production increased in response to price incentives, so did market supplies – and so did malnutrition in 'surplus' maize-producing households (Geier 1995).

The VAM report finds a number of variables to be significantly correlated with vulnerability to poverty, food insecurity or malnutrition in each of the five 'sphere of influence clusters'. The main generic risk factor in the *maize cluster* is agricultural drought, vulnerability to which is determined by a number of household-specific characteristics, related to crop production (landholding, planting of drought-resistant crops); adverse demographics (small household size, female headship) resulting in constrained access to labour, credit and inputs; and restricted access to markets (long distances to traders, which increases vulnerability by limiting produce sales – or raising transaction costs – and inhibiting food purchases at reasonable prices). In the other rural clusters (*mixed*, *estate* and *IGA*), agricultural production and demographic variables are important determinants of vulnerability but so are variables related to off-farm incomes (number of income sources, proportion of livelihood derived from each source). Finally, in the *urban* cluster, important determinants of vulnerability include human capital (education levels) and market integration (food prices and food price seasonality).

3.1. Livelihood shocks and stresses in rural areas

Rural livelihood systems in Malawi are dominated by agriculture, with most food and income derived from smallholder or estate production and agricultural labour ('field *ganyu*'). Shocks and stresses to rural livelihoods are dominated by threats to agricultural production, either rapid-onset shocks like drought or flood, or slow-onset processes like population pressure on arable land. Large parts of Malawi are subject to periodic droughts – three significant droughts have struck in the 1990s – while areas such as the Lower Shire Valley regularly experience flooding which destroys crops and precipitates food crises. Underlying these shocks are Malthusian and environmental processes, dominated by high rates of population growth which are responsible for falling landholdings, declining soil fertility, and rising landlessness. This is well documented and will not be detailed here.

Falling somewhere between shocks and processes is constrained access to agricultural inputs during the 1990s, associated with rapid removal of fertiliser price subsidies and of subsidised credit provision. Although structural adjustment has been implemented in Malawi since 1981, one academic commented that there has recently been an acceleration: *'At first structural adjustment was implemented gradually, but in recent years we have had a number of sudden shocks – heavy devaluations, heavy maize price rises and rapid input price rises.'*[5]

Focus group discussions with smallholders revealed trends in farming practices that can be labelled 'agricultural involution'. As inputs become increasingly unaffordable to the majority, farmers with access to livestock are switching from chemical fertilisers to organic manure, while others without access to livestock are regressing from plough to hoe cultivation. 'Some farmers indicated that they can no longer use implements like a ridger, plough and ox-cart but instead they rely on the hoe' (Mthindi *et al.* 1998:23). As the cost of living escalates, even urban residents are turning to farming, or intensifying their farming activities, in order to reduce their dependence on purchased grain. *'We must farm so that we can feed ourselves and not buy food when prices are too high. With no employment you must farm.'*[6]

Villagers feel that their inability to afford fertilisers since subsidies were fully removed in the 1994/95 season 'is a major factor contributing to their food insecurity' (QUIM 1998:viii). A teacher from Zomba complained that his annual salary increment of 10 per cent in July 1998 was insufficient to cover the dramatic maize and fertiliser price rises after August. In the 1997/98 season he purchased two bags of fertiliser and harvested four bags of maize, but in 1998 he could not afford any fertiliser and he expects to harvest only two bags of maize in 1999. *'Under the previous government my maize would last until December because fertiliser was cheaper and we could afford to apply it but now fertiliser is very expensive and we have to grow maize without fertiliser so the harvest is much less – it lasts only until August.'*

Also, since the collapse of the Smallholder Agricultural Credit Association in 1994, relatively few poor smallholders have secured access to seasonal input credit. Although the private sector in the form of the Malawi Rural Finance Corporation, Norsk Hydro and others are providing agricultural credit, strict eligibility criteria are used (for example, the MRFC lends only to farmers who never defaulted on SACA loans;[7] Norsk Hydro extends fertiliser on credit only to registered tobacco growers), so that the poorest farmers are mostly excluded (Devereux 1997:12).

The 1990s have seen significant changes in cropping patterns in Malawi. Food production has been steadily undermined during the course of agricultural liberalisation. Although smallholder area planted to maize has fallen during the 1990s, and the area planted to other crops – notably tobacco – has increased (with little overall change),[8] the motivation underlying most farmers' cropping decisions remains to achieve household food security. Mataya *et al* (1998:36) argue, however, that crop diversification is not occurring fast enough to reflect relative costs of and returns to food and non-food crops. Two explanations are offered, one 'cultural' and one economic: (1) A 'traditional' belief that food security implies self-sufficiency, specifically in maize. (2) 'Lack of a developed market in many areas which forces most smallholders to revert to food crop production as a means of sustenance, completely overturning the notion that an individual can easily engage in cash crop production and use the proceeds from the sale of the cash crop for the purchase of food from the market.'

Female-headed households are particularly disadvantaged, since most have lower and more irregular farm incomes in consequence of their limited access to labour, credit and purchased inputs. Women also face greater risks of losing their access to farming land. In land-scarce areas, for instance, an incipient commercialisation of communal land is developing, and female-headed households that face labour constraints are 'renting out their fields, at a paltry K150 a year, because they do not have the labour to cultivate them' (Whiteside 1998:27). As with *ganyu*, the consequence of this practice is that a scarce resource essential for household food security – in this case, land, in the case of *ganyu*, labour – is being transferred from poorer to wealthier households, to the detriment of food security in the out-renting households.

Minae *et al.* (1998:3) highlight the plight of a relatively neglected vulnerable group: rural women in male-headed households. 'They work long hours in the farms yet they have minimum control on the income generated from crop sales and have limited say on financial expenditures from farm output. Off-farm income from other sources such as employment and petty trading would contribute significantly to their economic empowerment.' Both men and women have suffered from the closing of 'unprofitable' ADMARC marketing depots in off-road villages,[9] since high transport costs to purchase maize or to sell their produce reduces their disposable incomes and they perceive themselves as being exposed to unscrupulous traders who manipulate weights and prices to exploit them (QUIM 1998:xi).

A recent World Bank (1997) assessment of Malawi's experience of economic reforms during the 1990s overstates the gains from agricultural liberalisation – specifically in the smallholder tobacco subsector, the expansion of which it continues to view as a major driving force for future growth – and understates the human costs in terms of rising poverty and food insecurity for identifiable groups.[10] These human costs are either attributed to the government's failure to implement stabilisation and adjustment measures fully, or dismissed as transitional 'challenges' that can be adequately addressed with safety net interventions in the short to medium term.

The policy prescriptions drawn from this analysis are depressingly defeatist. Malawi must achieve 5 to 6 per cent economic growth per year to prevent an increase in the numbers of poor people; this is to be achieved through supporting 'continued expansion of smallholder burley tobacco' and promoting diversification into high-value export crops. On no account must food production be supported through non-market interventions: '*Do not* reintroduce credit or fertiliser subsidies: not only are they fiscally unsustainable but they encourage inefficient resource use' (World Bank 1997:xii). Instead, safety nets should be introduced for those who are no longer able to feed themselves: 'Combine various safety net instruments to transfer resources to different target groups (for example, labour-intensive public works and free feeding or voucher programs for children and/or elderly); Use self-targeting transfers (work compensated by below-market wage rates), where possible, to contain costs' (World Bank 1997:xiii).

3.2. Livelihood shocks and stresses in urban areas

While vulnerability is dominated by agricultural production risk in rural areas, in urban areas unemployment and rising food prices are the two major risk factors. 'Failure to generate paid employment for the abundant labour force and a decline in the real purchasing power has created hardship for most [workers]' (Chilowa and Chirwa 1997:54). Although the level of urbanisation is rather low in Malawi, the rate of urbanisation is high: an estimated 100,000 people are added to Malawi's urban centres every year. The urban poor are an increasingly significant vulnerable group, and will become more numerous in the coming decades. Urban residents are subject to different pressures than are rural dwellers, and therefore require a separate analysis in terms of both the causes of their vulnerability and the coping strategies they adopt.

Levels of poverty in urban areas are high and rising. In 1980 the World Bank estimated that only 9 per cent of urban Malawians were poor, but by 1990 the figure had risen to 38 per cent in 1993 – in the aftermath of a major drought – two alternative estimates were 58 per cent and 65 per cent (Kalemba 1997:24). Expenditure surveys show a steadily increasing proportion of income in low-income households being spent on food: in Lilongwe and Blantyre an average of 37 per cent in 1980 rose to 48 per cent in 1989 and 56 per cent in 1992, while in Zomba in 1992 the comparable figure was 63 per cent (Roe 1992b:66). Part of the 1980s trend was due to falling real incomes: fourteen days' work at minimum wages bought a bag of maize in 1983, but by 1988, twenty-nine days work was needed (Kalemba 1997:24). Whichever cut-off point for food spending is taken to signify living in poverty – some analysts suggest one third of total expenditure, the World Bank in Malawi has used 55 per cent in the past, while Lipton has proposed 60 per cent for the 'poor' and 80 per cent for the 'ultra-poor' – it is clear that a substantial and increasing proportion of urban households in Malawi are subsisting below the poverty line, many in absolute poverty.

Thousands of Malawian workers, mainly urban residents, have been retrenched as a result of structural adjustment measures such as public sector reform and privatisation of state-owned enterprises. In 1995 alone, the government retrenched about 20,000 civil servants under the civil service reform programme, and thousands of additional job losses have followed the privatisation or liquidation of public enterprises. Retrenched workers generally receive small retrenchment packages, and few are offered alternative employment. 'The Public Enterprises (Privatisation) Act makes no provision for the protection of workers, which is the main reason why the trade unions have opposed swift privatisation activities' (Chilowa and Chirwa 1997:56). Mthindi *et al.* (1998:64) recorded an average payment of just K2,862 (about £40 at January 1999 exchange rates) in terminal benefits to a small sample of retrenched public sector workers. In contrast to many other countries, retrenched workers in Malawi are not assisted in their relocation to new employment sectors with training or soft loans. The immediate effect of retrenchment on household welfare is a dramatic drop in wage income, which in general is only partially compensated by alternative activities such as small businesses or a reversion to farming. 'Some of the retrenched have engaged themselves in small business for survival. Others have gone back to their villages and started farming' (Mthindi *et al.* 1998:63).

Despite these adverse trends, urbanisation remains an attractive option to rural Malawians because it offers the hope of an income independent of agriculture which, as seen above, is subject to debilitating stresses and recurrent production shocks. Average urban incomes remain higher than rural incomes; much of the rise in urban poverty is the effect of rural migrants pulling down average urban incomes as rural poverty 'relocates' to the outskirts of Malawi's towns. Many rural households are sending family members to town to seek work as a means of diversifying their risk, drawing on remittances as an informal safety net. One consequence of rapid urbanisation is that demand for housing and basic services such as piped water and

Table 2. Selected prices in Zomba town before and after the August 1998 devaluation

Item	Pre-devaluation	Post-devaluation	Increase %
Maize (ADMARC)	K195/50kg bag	K382/50kg bag	+96
Maize (private trader)	K250/50kg bag	K440/50kg bag	+76
Baking flour	K450	K1,000	+122
Transport (local bus, Zomba)	K5	K10	+100
Transport (Zomba→Limbe)	K16	K39	+144
Fuel (petrol)	K13/litre	K22/litre	+69
Water rates (water company)	K190/month	K400/month	+111
School fees (private primary)	K750/term	K1,600/term	+113
School fees (private secondary)	K1,500/term	K4,000/term	+167

Source: Focus group discussions in Zomba town, 28 February 1999

sanitation is exceeding supply. 'It is estimated that 70 per cent of Zomba's, 50 per cent of Blantyre's and 35 per cent of Lilongwe's urban population are living in squatter settlements with almost no public services' (Chilowa and Chirwa 1997:45). These settlements are suffering from overcrowding and overuse of facilities: 'in some locations the water and sanitation situation has reached a crisis point' (Roe 1992b:xii).

The Malawi kwacha has been repeatedly and heavily devalued during the 1980s and 1990s. Cumulative devaluations between 1982 and 1992 amounted to 131 per cent in nominal terms. In 1994 the kwacha was floated and by the end of the year it had depreciated by 300 per cent against the US dollar (Chilowa and Chirwa 1997:43). In the past two years, the kwacha has lost a further two thirds of its value against the dollar. Where K15 bought one dollar in July 1997, K25 was needed by March 1998 and K43 by January 1999. In August 1998 the kwacha was devalued by 62 per cent. The result of these devaluations on landlocked, and heavily import-dependent Malawi has been massive escalations in living costs (see Table 2).

The government tried to contain the political costs of the August 1998 devaluation by limiting the maize price rise, but there were riots in Blantyre and Limbe. A focus group interviewed in Zomba said: *'After the devaluation the President promised that prices would stay low and basic items would remain affordable, but we are still waiting and nothing has happened.'* The immediate consequence of the devaluation for Malawians was a dramatic rise in the prices of all imported goods. Since these goods included fuel, the price increases were compounded by higher transport costs, and a second round of price rises followed as traders passed on these costs. Service providers exploited the opportunity to raise charges on the grounds that living costs had risen for their employees (see the increases in education costs and water rates shown in Table 2). All poor households in Malawi, whether urban or rural, are market-dependent for some or all of their food needs, and the effect of the maize price rise was to reduce their disposable income available to meet other needs.

Business profits were also adversely affected by the August 1998 devaluation. Women selling cooked food in Zomba market reported that their costs have gone up (for example, the cost of baking flour for doughnut makers has more than doubled), forcing them to raise their prices (doughnut prices have doubled from 50 tambala to K1 each), with the result that people are buying less – and then increasingly because they are hungry rather than as a snack food. *'Before August we could sell 100 doughnuts in Zomba market in a day, but now we can only sell 40 or 50 in a day.'*

Finally, a growing demographic problem throughout Malawi is posed by HIV/AIDS. There are many more orphans than there used to be, and according to social workers the numbers of orphans in Malawi's towns are rising especially fast. Many are cared for by relatives of the deceased parents, but it is difficult for these relatives to cope. Sometimes step-parents are violent towards orphans, or neglect them in favour of their biological children; in consequence, many orphans leave home and wander around the markets, begging. Almost half the households in one township area of Zomba have one or more orphans. One household in this community consists of eight orphans living alone, with the oldest (teenagers) looking after their younger siblings. The Social Welfare Department in Limbe has a grandmother on its books who is looking after nine orphaned grandchildren (GoM/UN 1998:12). A survey of a village in Mchinji District enumerated 40 orphans in a population of 307, or 13 per cent of the total population and one in five children under 21 years old. Most of their parents had died of AIDS, and most are cared for by their grandparents, 'who are old and lack support' (GoM/UN 1997:13).

4. REVIEW OF LITERATURE ON COPING STRATEGIES IN MALAWI

The literature on coping strategies in Malawi reflects a general shortcoming in the empirical literature on coping. As Davies (1996:41) points out, coping and adaptation behaviours have been incorporated into models of food insecurity and vulnerability, and even as indicators in early warning systems, 'but almost always without reference to the livelihood system in question. … the crucial differences *between* different livelihood systems are not accounted for'. For instance, the popular notion that field *ganyu* is the principal coping strategy in Malawi embodies a view of the 'typical' Malawian household as a rural smallholder family. Urban households, tenants on estates and other groups are not treated as distinct categories, each facing their own set of vulnerabilities and invoking distinctive responses. Similarly, differences in coping within households – between the coping behaviours of men and women, or between male- and female-headed households – are glossed over in discussions of how the 'average rural Malawian household' (MEPD *et al.* 1996:15) copes with livelihood shocks. To take another example: men are responsible for providing food and feeding the family, at least in southern Malawi. In recent years, though, women have started to take on some of this responsibility, using their profits from trading, selling cooked food and other economic activities to purchase grain. Yet this shift in gender roles is not well documented and is rarely even mentioned.

Bearing these reservations in mind, this section examines some of the rapidly accumulating knowledge on household-level coping and survival strategies in Malawi. The discussion isolates rural from urban studies and discusses several individual strategies in turn. Informal safety nets will be addressed separately and at greater length in Section 5.

Table 3. Livelihood activities in rural Malawian households

Sources of livelihood	'Survival days' per month	% value of contribution
Own food production (crops, fish, livestock)	7.8	26
Ganyu	6.3	21
Petty trading	2.7	9
Reduced number of meals	2.1	7
Consumption of premature harvest	1.8	6
Selling firewood	1.5	5
Small business ventures	1.5	5
Meal sharing with relatives or neighbours	1.2	4
Free food from government, church, donor, NGO	1.2	4
Consumption of wild foods	1.2	4
Beer brewing	0.9	3
Loans of money or food	0.9	3
Handicrafts/pottery	0.3	1
Selling possessions to buy food	0.3	1
Consumption of planting seed	0.3	1

Source: Compiled from MEPD *et al.* 1996:15

4.1. Rural coping strategies

Table 3, compiled from a nationwide survey of over 20,000 households in 1995, ranks sources of livelihoods in rural Malawi. This list of fifteen distinct activities indicates both how diverse are the available sources of food and income, though most households do not pursue all these options – and how minimal is the contribution of most sources other than own food production and *ganyu*.

Aggregating the activities in Table 3 into categories reveals that livelihoods in rural Malawi in 1995 derived from the following five strategies: own production (26 per cent), income generation (45 per cent), dietary adjustments (18 per cent), informal safety nets (7 per cent),[11] and formal safety nets (4 per cent). Interestingly, meal sharing makes the same contribution to total household income or food consumption as formal safety net transfers (free food from the government, church, or NGOs).

Before proceeding to a discussion of informal safety nets, five other coping strategies are examined below. They divide into income-generating strategies (*ganyu*, cross-border trade, livestock sales) and consumption modification (dietary change, demographic adjustments).

- **Ganyu**

Ganyu has been defined by Whiteside (1999:5) as follows:

> any off-farm work done by rural people on a casual basis; usually covering a period of days or weeks, remuneration may be in cash or in kind (such as food), and is often, but not exclusively, calculated as piecework. *Ganyu* may be done for relatives, neighbours, smallholders further afield, for estates or even in other countries. The work is often, but is not exclusively relatively unskilled and agriculturally based. Men, women and children can all do *ganyu*.

Not enough is known about the availability and returns to *ganyu* within Malawi, either cross-sectionally or over time. In some areas *ganyu* is not readily available – generalised poverty means that the hiring of labour for farming is limited, and the demand for *ganyu* is sporadic both seasonally and from year to year. In lakeside villages *ganyu* ranks third in the list of income sources, behind crop sales and fishing (Mang'anya 1998:19). In other areas, such as those dominated by estates, *ganyu* is the main source of food and income after domestic food production. More generally, income sources and their relative contributions to total household incomes vary both across and within districts, with distance to roads and urban centres being one discriminating variable and ethnicity possibly another.

None the less, the commonly asserted generalisation 'Doing *ganyu* is the most common way of trying to cope with poverty' (QUIM 1998:vii) is broadly accurate. Given the dominant contribution that *ganyu* – especially casual agricultural labour – makes to livelihoods in rural Malawi (see Table 3), *ganyu* clearly is far from an atypical response to unusual stress or shocks, something that 'subsistence' farmers' households resort to only if their harvest fails to provide the maize self-sufficiency for which they strive. Rather, it has been incorporated into the routine of rural livelihoods by millions of Malawian smallholders for whom annual food production deficits are the norm.

Although in agrarian economies availability of off-farm employment is typically characterised as a livelihood-enhancing or income diversification strategy, there are grounds for labelling *ganyu* in Malawi more pejoratively, as an erosive coping strategy. First, *ganyu*'s major disadvantage as a coping mechanism is that working on other farmers' land–field *ganyu*, the most common category – competes directly with own-farm production of food and non-food crops. Seasonality in rainfed agriculture imposes inflexible demands in terms of the application of labour inputs at specific dates in the cropping calendar. Food deficit smallholders must allocate their (often scarce) labour resources between *earning* food for today by working on a neighbour's farm or *growing* food for tomorrow by weeding and tending their own fields. The former strategy inevitably leads to lower yields and further dependence on *ganyu* the following year. Other sources of employment that offered more generous rewards or were available at other times of year would compete less directly with own-farm production.

Second, economic returns to field *ganyu* are very low – generally below the legislated national minimum wage – and falling in real terms. Although it is difficult to generalise, and up-to-date figures are difficult to find, it is known that for field *ganyu*: 'Real wages in 1988 were 56 per cent and 53 per cent of their 1975 and 1982 levels, respectively' (Kalemba 1997:25). In the mid-1990s, two to three days' piecework on an estate would pay 10kg of maize while payment for labouring on a neighbour's farm would pay about 2kg of maize per day (Dil 1996:7). Women earn less than men: one survey calculated that piecework rates for field *ganyu* amounted to K20/day for men but only K5-10/day for women, the reason given being that women's domestic responsibilities reduced the hours they could work (Whiteside 1999:11). These already low rates of pay are effectively lower in that this work is neither regular nor guaranteed – search costs are high. Also, payment rates tend to decline in bad years, when there are more people looking for work. But since one general cause of poverty is low returns to effort or labour power, people who resort to *ganyu* must be doing so because this maximises available returns to their labour, despite the low remuneration. This implies that *ganyu* constitutes a 'distress' allocation of labour which at best alleviates poverty in the short run: no Malawian gets rich doing field *ganyu*.

Whereas *ganyu* dominates among income sources in areas of low per capita income, in high-income rural areas 'business' is the dominant source of household incomes (Mang'anya 1998:21). The fact that real rural wages halved from the 1970s to the 1980s, and that some of the most vulnerable areas in Malawi (according to the 1996 Vulnerability Assessment) are precisely those parts of the southern and central regions where rural households depend most heavily on *ganyu*, motivates the decision here to reclassify *ganyu* as a 'coping strategy' or an 'adaptive response' at best, rather than more positively as an 'accumulation strategy'. A recent study concluded that: '*Ganyu* is moving from an occasional coping strategy to a regular livelihood component' (Whiteside 1999:3), because of deepening poverty and food insecurity.

Third, the relationship between hirers and providers of *ganyu* reflects a particular form of socio-economic stratification within rural Malawian communities: in general, field *ganyu* is demanded by the relatively wealthy, food-secure minority, and is supplied by the absolutely poor, food-insecure majority. *Ganyu* redistributes labour from poorer to wealthier households, but if labour is scarce in poorer households then it exacerbates wealth inequality and perpetuates food insecurity in already food-insecure households. *Ganyu* labourers are the rural equivalent of informal sector workers such as street vendors in urban areas: they provide a service that is valuable but not economically valued. It is not surprising then that going for field *ganyu* is associated with, and reinforces, chronic poverty and seasonal food insecurity.

On the other hand, there is no doubt that *ganyu* performs a vital informal safety net function, since it is available at times of peak economic and nutritional stress each year. As Whiteside (1999:3) observes, the seasonal concentration of field *ganyu* activities between October and January is governed by both demand and supply factors: not only is this the period when large farmers and estates most need casual labour, it is also the hungry season, when poor farmers facing empty granaries most need the work. Conventional wisdom is that the availability of *ganyu* contracts in difficult years, since labour hirers will have less work for labourers to do, but some studies have concluded that *ganyu* opportunities actually expand in times of need, such as in drought years, as wealthier farmers and estate owners hire more labourers than they require (though often at lower wage rates) – a kind of informal 'employment guarantee' programme. 'Often better-off farmers feel some moral obligation to hire more *ganyu* seekers than they actually need when faced with people begging for work. A women's focus group reported that in the hunger months most better-off farmers would preferentially hire relatives or neighbours' (Pearce *et al.* 1996:28). This practice could therefore be described as an unusual example of a vertical redistribution system operating as an informal insurance mechanism in rural Malawi, except that, since this 'patron–client' relationship functions on a basis of commercial exchange, it cannot be classified as a pure informal transfer.

- **Cross-border trade and production**

Increasingly, rural Malawians are seeking solutions to their food insecurity and poverty beyond Malawi's borders, through economic interactions with neighbouring Mozambique, Zambia and Tanzania. These interactions involve sizeable but mostly informal (unrecorded) movements of commodities and people in both directions. The most significant interactions are between southern Malawi and northern Mozambique. Population densities, land pressures and food production deficits in Malawi are generally highest in the south. In neighbouring northern Mozambique, land is abundant and food production potential is much higher. Complex two-way relationships exist between southern Malawi and northern Mozambique, which contribute significantly to the livelihood security of both populations. Some of the significant interactions from the Malawian perspective are:

- **increased availability of marketed food** through informal imports of food crops (maize, beans, pigeon peas – also salt and fertiliser) from Mozambique (8 million smallholders in Niassa, Zambezia and Tete sell mainly to Malawi);[12]
- **improved access to food** because prices of Mozambican maize and beans are generally lower than local prices (for example, a 62 per cent devaluation of the Malawian kwacha in August 1998 resulted in a rise in ADMARC's maize price from K3.90 to K6.50 per kg, which provoked riots in Blantyre and Limbe;
- **increased labour income** from *ganyu* in Mozambique – in some border villages 'up to 75 per cent of the households have someone doing *ganyu* in Mozambique' (Whiteside 1998:6);
- **increased incomes from trading** – 80 per cent of consumer goods in Zambezia (bicycles, plastics, toiletries, et cetera) come from thousands of small traders in Malawi; this business constitutes 30 to 50 per cent of southern Malawi's wholesale turnover (Whiteside 1998:5);
- **increased food production** through migration and temporary or semi-permanent settlement of Malawians into Zambezia Province to farm on unused land.

Border restrictions inhibit these positive interactions and raise transaction costs for producers, consumers and traders (by means, for example, of import duties and rent-seeking border officials). A bilateral trade agreement is coming into operation which should facilitate (rather than control) cross-border trade and impact favourably on livelihoods in southern Malawi. 'Overall the potential for cross-border interactions to contribute to the breaking of the vicious circle of food insecurity in Malawi is considered significant, but not sufficient on its own' (Whiteside 1998:7).

Seasonal *ganyu* is increasing in Mozambique but decreasing in southern Malawi; it is better-paid (usually in food) in Mozambique, but remittances are low. Food from Mozambique – bought there, earned there (*ganyu*) or sold by traders in Malawian villages (some of whom are local farmers) – sustains local households for four to nine months of each year. As many as 2 to 4 per cent of people migrate to Mozambique from border villages each year, and those who remain behind do not all see a long-term future for themselves in their home villages: 'many young people consider that they will have to migrate when they grow up to get land' (Whiteside 1998:11).

Trade economists argue that Malawi's dependence on intra-regional trade with its neighbours, both formal and informal, is an opportunity that should be stimulated. Particularly important in this respect is the Cross Border Initiative, which 'seeks to promote trade and investment in the countries of the COMESA

Table 4. Use of income from livestock sales in rural Malawi (%)

Spending item	Rural households	Urban households	Total (608 households)
Food	90.0	92.9	90.4
Farming	22.5	14.3	21.8
Clothes	13.4	50.0	17.4
Education	8.8	14.3	9.3
Health	6.0	22.2	8.0
Transport	0.0	2.9	2.7
Other	7.4	25.0	21.8

Source: Mthindi *et al.* 1998:37

[Common Market for Eastern and Southern Africa], SADC [the Southern Africa Development Community] and Indian Ocean Community (IOC)' (Kutengule 1997:79). Unfortunately the Cross Border Initiative does not recognise informal trade, despite the fact that imports to the value of about US$17 million enters Malawi 'informally' in most years.

The proposed 'free trade agreement' with Mozambique should be vigorously pursued, as the exchange of commodities and the free flow of labour across the border is beneficial to both sides, but particularly to land-constrained southern Malawians. Lifting import duties and punitive border guards would amount to an income transfer to traders and producers and would provide a boost to the economy of southern Malawi.

- **Livestock sales**

Throughout Africa, livestock (cattle, sheep and goats) are kept for a number of reasons, one of which is as a form of savings. During 'hungry seasons' or food crises some livestock is routinely divested for cash to purchase food. In Malawi this option is less widely available than elsewhere, because livestock ownership is lower than in other African countries. 'Keeping cattle to be sold in dire times used to be a coping mechanism of the better-off in previously strong cattle areas. Due to decreasing security and increasing theft, however, this is no longer regarded a viable option' (QUIM 1998:57).

A recent nationwide survey of more than 600 households found that 90 per cent of rural households and 99 per cent of urban households owned no cattle at all; only 31 per cent of rural and 3 per cent of urban households owned any goats or sheep (and most herds or flocks were less than ten head), while 44 per cent of rural and 20 per cent of urban households owned poultry (Mthindi *et al.* 1998:28). Two possible explanations for low livestock ownership in Malawi are: lack of capital to purchase animals, because of general poverty; and limited access to veterinary services such as vaccines against Newcastle's disease, which kills large numbers of poultry every year.[13]

When livestock is sold, though, some or all of the revenue raised is invariably used to purchase food (see Table 4), suggesting that livestock are held partly as savings which are drawn down in times of need. As elsewhere in Africa, therefore – though on a reduced scale – livestock sales are a standard coping response by households to food shortage.

- **Dietary changes**

Malawi's annual hungry season peaks in February to March, when early maize is harvested, but for many households it starts in November or even earlier, depending on when granary stocks run out. An early and almost universal response to food shortage in poor households is to modify food consumption in various ways: by eating fewer meals, serving smaller portions, and using cheaper ingredients, for example. One elderly widow interviewed in rural Zomba in late January 1999 told us: *'At this time of year we have little food and we have to make it last longer.'* After the harvest her household normally consumes a 50kg bag of maize in two weeks, but in the hungry season they stretch a bag to three weeks, by cutting down from three meals a day to two, and sometimes only one. Not only the number of meals but also the size of portions is reduced: instead of 2 or 3 scoops of *nsima* they will serve only 1½ scoops per person. During the hungry season they rarely include meat and fish in the relish that accompanies *nsima*; instead the relish consists mainly of green vegetables – even beans are a luxury during these months. People also switch to free but inferior foods: wild tubers, vegetables, pumpkin leaves, fruit such as bananas, and even cooked green mangoes.

Eating premature maize is another coping strategy that is adopted during February and March in poor households and in difficult years. This practice reduces the size of the harvest both directly and in the sense that maize harvested too early provides less than half the amount of food that it does if harvested when ripe. According to Dil (1996:7), distributing food aid during the hungry season 'meets both people's immediate food needs as well as helping secure longer term household food security, as they are then not going to resort to harvesting premature maize with its lower yields, an ultimately destructive coping strategy'. Poor women also go to grinding mills and buy or sweep up bran from the floor, or work for this bran by winnowing other people's maize.

It should be noted that a simple indicator of food stress, such as number of meals per day, can reflect different problems or causes in different contexts. In rural areas the main reason given for cutting down on meals is 'food reserves running out', while in urban areas the same coping behaviour is explained in terms of 'lack of money to buy food' (Mthindi *et al.* 1998:18). This distinction is important for policy not only because it might point to differentiated interventions (for example, support for food production in rural areas and income-generating activities in urban areas) but because the timing of interventions also needs to be adjusted. In rural areas, food stocks run out in the hungry season, but in urban areas cash reserves are lowest in the middle of each month – the problem is repeated monthly rather than concentrated seasonally.

Evidence for this differentiated pattern in urban and rural areas is provided by a survey of self-reported consumption of meals in the dry and rainy seasons of 1998, which established that the proportions of rural households consuming three meals per day fell from 43 per cent to 24 per cent across seasons while the proportions consuming one meal per day rose from 5 per cent to 17 per cent. The shift among urban households was marginal by comparison: three-meal/day households were unchanged at 82 per cent while one-meal/day households increased slightly from 1 per cent to 5 per cent (Mthindi *et al.* 1998:19), though this probably reflected rising food prices following devaluation rather than seasonality.

Urban Malawians are also affected by seasonality, which results in food price rises that the urban poor find difficult to cope with. But food prices rise for other reasons too, including devaluation shocks, which induce dietary adjustments similar to those observed in rural households.

> Food price increases have forced the urban poor … who spend a large part of their budget on food ... to reduce their consumption or switch to lower quality foods. The result of reduced food consumption or the substitution of lower quality foods as a consequence of food price increases is to further reduce nutritional intake. (Chilowa and Chirwa 1997:40, 59)

- **Demographic adjustments**

When households facing food stress find it difficult to provide adequately for all, it is not uncommon for one or more household members to be sent to other households where food is more readily available, thereby reducing the number of consumers among whom scarce food and other resources must be shared. Usually, but not always, these other households are wealthier relatives, but unrelated households can take advantage of distress to acquire children as servants or even future brides for their sons.[14] Some rural Malawians are sending children as young as nine or ten years old to work as *ganyu* labourers in *dimba* (streambed gardens), or to town to work as domestic servants for wealthy urban families.

There is a paradox around optimal household size in poor smallholder households. During the farming season a large household means having more labourers to assist with essential on-farm work, which also releases other family members to look for paid employment such as *ganyu*. (Despite pressing land shortages, farming households in Malawi are more likely to be labour-constrained than land-constrained.) But the farming season is also the hungry season, and having too many mouths to feed can outweigh the productivity gains of extra workers. The key calculation is the ratio of net producers to net consumers, which is more complex to determine than conventional dependency ratio formulae, since children can become net producers from an early age and most elderly villagers continue farming well beyond sixty or sixty-five years of age.

On balance, the empirical evidence supports the popular view throughout most of rural Africa that larger families are wealthier families. In a reanalysis of the 1992/93 NSSA survey of 12,000 households, Konyani (1998:41–3) finds that lower income quintiles have the highest numbers of small (1–3 person) households, and that larger households (6+ members) dominate the highest income quintiles, despite their higher dependency ratios. Konyani speculates that this reflects the fact that large families in rural areas 'represent agricultural labour and thus wealth'. Although this analysis is conducted for household rather than per capita income, it is reinforced by Peters's finding from land-scarce Zomba District that 'household size tends to increase with wealth and income', both in absolute terms and per capita (Peters 1999:5).

In urban areas, rising costs of living are undermining the traditional belief that more children are associated with greater family wealth, and many urban households are beginning to adopt family planning methods or birth spacing. 'Those that already have a lot of children either send some children to live with their grandparents in the village or send them to live with their elder brothers or sisters' (GoM/UN 1998:10).

Some rural households are therefore having to cope with a reverse flow of dependent relatives coming back from towns to the villages.

As for migration, the degree of seasonal and cyclical migration appears to be relatively limited in Malawi, in contrast for instance to comparably poor Sahelian countries, where seasonal migration to the cocoa farms of Ghana and Côte d'Ivoire provides employment opportunities and remitted income for tens of thousands of underemployed families to the north. Migration as a safety net for rural Malawians was more significant in the days of contract labour on the South African gold mines, which provided relatively lucrative employment for hundreds of thousands of young Malawian men until Malawi severed this relationship with South Africa in the early 1970s, after an air crash in which many Malawian miners died.

Nowadays international migration for work is less common among Malawian men (even less so among women), but it does still occur. One village study in northern Malawi found that remittances contribute 'a substantial proportion' to household incomes (17 per cent), which was explained partly in cultural (rather than purely economic) terms.

> According to the group discussions this could be due to the fact that the Tonga people in this area have a tradition of migrating to urban centres both within and outside Malawi in search of employment, hence remittances could be from such migrants' relatives. (Mang'anya 1998:21)

This community also has an above-average percentage of *de facto* female-headed households (over 30 per cent), which was also attributed to outmigration of young men in search of cash.

4.2. Urban coping strategies

Urban livelihood systems differ markedly from rural systems, and urban livelihood strategies (which are dominated by informal and formal sector employment, plus own food production) and urban coping strategies both reflect a greater degree of integration into the market than in rural areas. A series of surveys in all of Malawi's main urban areas in the early 1990s found that a surprisingly high proportion of households had access to formal sector employment, and even more urban households were engaged in farming, but the dominant activity underpinning urban livelihood systems was informal sector employment (see Table 5). The activities listed in Table 5 are not comprehensive, nor is the contribution of each activity quantified, but the table does reveal a high level of access to informal safety nets, in the form of borrowing, remittances, and gifts received from relatives or friends.

The coping strategies selected for discussion below relate to food production (urban gardening and rural farming), income generation (livelihood diversification), expenditure reduction, and one element of informal safety nets (borrowing).

Table 5. Livelihood activities in urban Malawian households

Source of livelihood	% adopting this strategy
Informal sector work	87
Own food production	69
Formal sector job	62
Borrow from friend/relative	61
Crop sales	26
Remittances	11
Borrow from moneylender	10
Sell household assets	4
Use savings	3
Receive gifts	2
Take children out of school	1
Use unprotected water	1

Source: Compiled from Roe (1992b)

- **Urban gardening and rural farming**

The importance of urban agriculture in Africa has been recognised only relatively recently (Maxwell *et al.* 1998). The growing of food in urban areas, even in small quantities, reduces market dependence and vulnerability to food price fluctuations. Urban gardening takes place in Malawi's towns. About one in three households surveyed in Zomba's low-income settlements had a plot outside their house (Roe 1992b:110). Although maize was grown on most of these plots, vegetables and beans were cultivated as much as maize, mainly for use in the relish that accompanies maize porridge as the main meal every evening. On the other hand, because of lack of land and rising concerns about theft, urban gardening tends to be very limited in scale.

In addition to cultivating small plots around the home itself, the majority (two thirds or more) of urban residents also maintain some agricultural activity in the rural areas, usually but not always in their home villages. 'Most of [the urban poor] who survived did so by maintaining links with their home villages by sending money for cultivation and/or acquired land in nearby rural areas for growing food' (Chilowa and Chirwa 1997:44). The nature and extent of this relationship varies from family to family, but it ranges from sending inputs or cash for inputs to the rural household in exchange for a share of the harvest, to actually moving to the village for some months during the farming season to provide labour on the family fields or to cultivate an individual plot. For most families, though, this relationship forms part of the 'informal safety net', in that it reinforces the flow of cash and inputs from urban areas (to alleviate seasonal cash and input constraints in smallholder households) and a reverse flow of food and other crops to the urban areas after harvest (to alleviate urban poverty and food insecurity). In surprisingly many urban Malawian households the rural farm provides a large proportion of food consumption needs – on average, 7.5 months in Roe's 1991 Zomba survey – while some are self-sufficient, and a small minority even have surpluses to sell.

- **Livelihood diversification**

'The most obvious survival strategy, and the single most important for the urban poor, is the informal sector. … The importance of this sector cannot be overstated, it holds the key to survival for a huge number of households' (Roe 1992b:96). But the ability of the informal sector (mainly petty trading and services) to expand and generate additional incomes in times of economic stress is strictly limited. As a consequence, more people are resorting to alternative sources of income. In urban areas of Malawi the numbers of people engaging in standard income-generating activities (for example, street vending – *'everybody is trying to sell something'*) as well as illicit and even illegal activities (prostitution, theft, selling stolen or smuggled goods) have visibly increased.

Another problem with the poor being forced to resort to unorthodox sources of income is that children are being brought into the labour market. 'For the low income urban dweller the young child is an important link in the survival mechanism chain. Very young children vending all kinds of goods are a common sight both within the traditional housing areas and in towns' (Roe 1992b:13). Even though primary education has been 'fee-free' since 1994, many children have been withdrawn from school by their parents to earn income; other street children are AIDS orphans forced to seek a living by working in the market or begging on the street. Increasingly, prostitution is practised not only by women but also by teenage girls.

- **Expenditure reduction**

The main problem that the urban poor have to cope with is higher costs of living than in rural areas. Rents, water, transport and building materials are all expensive in town but often free in the villages, and the average urban resident has to buy more food than the average farmer. It is not surprising, therefore, that many of the coping mechanisms described by Roe (1992b:95) as being commonly deployed by the urban poor in Malawi are designed to reduce spending on essential and non-essential items, or represent a switch to cheaper alternatives. These include:

- resorting to lower-quality foods to save on food bills;
- eating smaller portions or fewer meals per day;
- moving to squatter areas where rents are cheaper;
- using unprotected sources of water for secondary uses (washing) and even for primary uses (cooking and drinking) to save on water charges;
- walking to work and to shops to save on transport costs;
- not sending children to school to save on fees and other costs;
- sending children to relatives in rural areas to reduce costs of feeding them
- walking long distances to collect firewood instead of buying it, or using sawdust, maize husks, beer cartons and other combustible items instead of wood;
- lighting fewer fires and cutting back on other fuel uses.

In many urban areas the incidence of squatting has increased, as people displaced from rural areas by land pressure move to low-cost areas around towns, and urban residents squeezed by rapidly rising costs of living move out of rate-paying areas into cheaper accommodation. These informal settlements are known as 'Multi-Party areas' because they have sprung up since the UDF came to power in 1994: *'Since 1994 you can do anything.'* But some cost-saving measures can prove costly in other ways – for example, drinking unprotected water to avoid paying water charges can impair health and productivity.

As mentioned above, the new UDF government abolished primary school fees in 1994, which led to an immediate 78 per cent increase in enrolment at state schools, from 1.8 million to 3.2. million (or from 53 per cent to 84 per cent of primary- school-aged children), confirming earlier research which found that school fees had been a major access barrier for poor families (Kishindo 1997:19). Since primary education is now free for all children (and secondary education is free for girls), withdrawal of children from school to save money is less common than before. But non-fee costs of education remain significant, and private schools have increased their charges since the August 1998 devaluation. Private schools were already more expensive than state schools in a number of ways: fees are high (now K1,600 per term for primary grades and K4,000 for secondary grades), additional 'school funds' are levied, and uniforms are compulsory. Fees for private schools more than doubled from 1998 to 1999 (see Table 2), and parents who cannot afford these higher costs are withdrawing their children and sending them to state schools instead, which are becoming severely overcrowded.

- **Borrowing**

It is interesting that, in Table 5, borrowing is the first real 'coping strategy' listed in terms of frequency of adoption after the three main sources of livelihood (employment and food production). In urban areas borrowing from informal sources (friends, moneylenders, employers) is very prevalent. These sources are particularly important as an informal safety net since they provide consumption loans (loans for food and other basic needs) which formal sources such as banks very rarely offer. Rates vary greatly, however, so borrowing from one source at a 'soft' rate (at low or no interest) can be considered an informal safety net, while borrowing from another source at usurious rates is an erosive coping strategy. Circumstantial evidence for a sequence in terms of borrowing preferences can be seen in Roe's compilation of coping strategies from Zomba, which found that 66 per cent of respondents said they would borrow from friends or relatives to cope with difficult times, 8 per cent said they would borrow from their employers, and just 2 per cent said they would borrow from moneylenders – in the full list of coping strategies, only 'selling household assets' was preferred by fewer respondents (Roe 1992b:97). A survey of actual loans taken by the poor in Lilongwe, Blantyre and Zomba found that almost 80 per cent were taken from friends, 10 per cent from employers, 7 per cent from relatives and just 2 per cent from moneylenders (Roe 1992b:102).[15]

Informal credit between friends and relatives in towns seems to approximate the reciprocity arrangements highlighted by the 'moral economy' literature.

> The system operates whereby the one who provides today receives tomorrow. Many of the transactions functioning on this level move between monetary and non-monetary spheres, with people frequently borrowing food (as well as, or instead of cash) and repaying within a short period. These loans usually do not demand interest and are generally seen to be arrangements of mutual benefit to all parties. (Roe 1992b:95)

Reciprocity arrangements function best where both parties experience random fluctuations in their economic fortunes which are unrelated to each other's circumstances. In contexts where systematic shocks affect everyone equally (such as devaluations and subsequent price rises) the capacity for informal redistribution within low-income groups to cushion these shocks becomes increasingly compromised. Covariate risks reduce the effectiveness of the 'moral economy' or informal social safety nets. Since repeated shocks of precisely this kind have struck urban livelihoods in Malawi throughout the 1990s, it seems that some undermining of reciprocal support networks has in fact occurred (see also Section 5).

Formal sector (bank) credit is not accessible to most urban poor people, but some employers offer low-interest loans (averaging 10 per cent rates of interest) to their workers, which are typically repaid against deductions from salary for the next several months. Shopkeepers and grain mill operators occasionally sell grain and other commodities to regular clients on credit, but this practice is not widespread.[16]

Other types of borrowing are less preferred because the terms are more unfavourable to the borrower. *Katapila*, or informal moneylenders, evolved from an old practice in Malawi of borrowing commodities such as grain (the root verb *kutapa* means 'to take some from a heap' in Chichewa), and repaying twice as much as was borrowed. According to Roe (1992b:98), this practice of imposing a nominal interest rate of 100 per cent was simply transferred to cash when moneylending superseded commodity lending, and this is why – despite the indignation of borrowers – informal moneylenders charge such high rates of interest. The 'two-for-one' repayment rule applies irrespective of the repayment period, so the real rate is much higher for short-term loans (those given for a few weeks or a month) than for longer-term loans (say, six months or a year). If the borrower defaults, the norm is that the interest charge is redoubled.[17] Default rates tend to be low because moneylenders insist on guarantors. All in all, this is a very different arrangement to the informality of borrowing and lending between friends.

As maize prices rise faster than incomes, more and more urban Malawians are forced to take out consumption loans. In a survey of borrowing behaviour in Zomba in 1991, the most frequently stated reason for borrowing from informal sources (friends, relatives, employers, moneylenders, shopkeepers) was to buy food. This was followed by funeral and transport costs, clothing, household furniture and kitchen utensils, and school fees (see Table 6). Relatively few loans were taken for 'productive investment' purposes – to start a business or purchase agricultural inputs. The predominance of consumption loans partly explains why formal sector credit is inaccessible to the poor: banks prefer to lend for investment which is expected to generate economic returns that will enable the loan to be repaid. A striking feature of the figures in Table 6 is the very low value of the average loan taken for food purchases.[18]

These loans tend to be taken frequently but for small amounts, unlike say a loan for building a house, which is occasional but relatively large. Roe (1992b:108) speculates that the use of informal moneylenders,

Table 6. Borrowing behaviour by the poor in Zomba town, 1991

Reason for borrowing	% of loans	Average amount (K)
Food purchases	49.2	12.70
Funerals and transport	11.8	36.60
Clothes	9.5	42.80
Furniture and utensils	5.9	126.80
School fees	3.0	39.20
Start a business	2.6	39.10
Buy fertiliser and seeds	1.6	103.20
House-building	1.3	237.50
Other	15.1	122.40

Source: Roe 1992b:101

and borrowing for food purchases, is increasing over time in Malawi's urban centres, and 'that the increase in the use of credit as a survival mechanism is a direct consequence of the worsening economic situation for the urban poor of Malawi'.

4.3. Informal transfers

Relatively little is known about the nature and magnitude of informal transfers in Malawi, and there are contradictions in the literature. For example, estimates of the value of informal transfers tend to be lower in large-scale surveys than in community-level case studies. This issue is examined under 'Quantifying remittances' below. Also, opinions are divided over both the resilience of informal safety nets under stress and their evolution over time. This issue is examined under 'Trends in informal safety nets' below.

- **Quantifying remittances**

Severe methodological problems surround any attempt to enumerate and quantify informal transactions between households, both because of the nature of these transactions and because of limitations in standard research methodologies. Questionnaire surveys tend to be biased towards collecting data on formal, regular, relatively large market-based transactions; but the nature of informal safety net relationships is that these transactions are informal, irregular, small, and made in kind rather than cash-barter or gifts of unprepared food or cooked meals, second-hand clothes, unremunerated exchanges of productive and reproductive labour – as well as belonging to the 'secondary' (non-market) realm of economic activities.[19] Particular skills and subtler techniques are required to uncover the complex networks of patronage, reciprocity, gift exchanges, soft loans, informal 'adoption' of relatives and so on that characterise kin-based relationships, particularly in African villages. It follows that this kind of information might be most effectively collected through in-depth anthropological or participatory approaches; the main drawback being that it is less amenable to quantification. At best, conventional household budget surveys can provide reasonably reliable figures on levels of remittances, but since this is only the most 'formalised' dimension of informal safety nets it is highly probable that this research instrument systematically under-reports the true value of informal transfers.

This methodological problem is well illustrated for Malawi by considering available aggregated data at the national level. According to their calculations, drawing on the 1993 National Sample Survey of Agriculture and other sources for urban areas, Mataya *et al.* (1998:43) find that just 0.9 per cent of the total income of both rural and urban households comes in the form of 'Regular cash allowances (includes transfers)'. This variable explicitly excludes all *irregular* income flows. Moreover, these surveys asked for each household's '*predominant* source of income', so transfers – which play a supporting role in most household economies – would not have been mentioned by the overwhelming majority of respondents.

Even when household income data are collected at the village or community level, there is a persistent bias towards cash remittances and a neglect of other categories of transfers. A recent baseline survey of seven EPAs scattered across Malawi estimated household income shares from five sources: farm produce, employment, casual labour, business and remittances (and 'other'). Remittances contributed between 0.4 per cent and 6.5 per cent to total household income, making by far the smallest contribution in all seven survey sites, with an average of just 3.2 per cent (Minae *et al.* 1998:43). A 1998 baseline survey of 1,013 households conducted for MASAF shared this methodological bias, except that 10 sources of income were enumerated instead of five. Once again, 'remittances' (defined as cash income received from relatives) appears to make a minuscule contribution to livelihoods, accounting for only 2.2 per cent of total household income. 'Very few households had recourse to credit, livestock sales, transfers and emigrating for ganyu' (Zgovu and Mvula 1998:45). This figure was invariant across the 'harvest period', 'slack period', and 'lean months', implying that transfers do not increase to bridge consumption deficits in the hungry season. However, a significant (if predictable) gender differential emerges when this figure is disaggregated by sex of household head: 1.2 per cent of income in male-headed households comes as transfers from relatives, but 7.1 per cent of income in female-headed households derives from this source (Zgovu and Mvula 1998:26-28).

This highlights another deficiency in our understanding of informal safety nets in Malawi: the limitations of aggregated data. Although transfers make a small contribution to *average* income across hundreds of thousands of households, there clearly are many households that are dependent on transfers as their primary source of income, but they are never isolated and examined as a distinct category with unique characteristics. Nor is the impact of remitted income or food understood beyond the level of generalities:

> Remittances from relatives – particularly salaried sons and daughters in the towns – may be irregular and scattered, but they ultimately represent a considerable injection of capital into the local economy. … During 1992, the movement of food from the cities to hard-hit parents in the countryside was certainly a major factor in the ability of rural people to survive. (Allen 1993:8)

A series of in-depth household surveys conducted in low-income settlements of Malawi's major urban centres in the early 1990s found that remittances were an 'important income source for the urban poor', with 11 per cent of households surveyed in Lilongwe and Blantyre, and 14 per cent in Zomba, 'receiving some form of remittances each year' (Roe 1992b:58), almost always on a regular monthly basis. In Zomba, 85 per

Table 7. Sources of income in low-income Zomba settlements, 1992

Income source	K/month (whole sample)	Households with this source of income	
		K/month	% of sample
Formal sector	89.14	124.07	72
Informal sector	32.34	101.43	32
Rent and pensions	7.16	44.33	16
Remittances	2.92	21.02	14
Total	**131.55**		

Source: Calculated from Roe 1992b:41

cent of income remitters were relatives, 6 per cent were friends and 9 per cent were past employers. Most of these transfers came from the immediate vicinity or from other urban areas within Malawi (72 per cent), but about one in four donors lived in rural Malawi (24 per cent) – often their remittances constituted support from the village for a family member who had recently relocated to town in search of non-agricultural income – and a small number of remitters were sending cash earned in other countries (4 per cent). For recipients, remittances were a useful proportion of total household income (K21 out of K132, or 16 per cent), though across the entire sample the contribution was small (just K3 out of K132, or 2 per cent).[20]

As elsewhere in Africa, the dominant direction of remittance flows is from urban to rural areas (followed by urban to urban, with rural to urban being least significant). Even among poor urban households, Roe (1992b:74) found evidence of substantial transfers to rural relatives, with money being sent to villages monthly or seasonally by 57 per cent of households surveyed in Zomba town, either for basic consumption needs (food, school fees, clothes, funerals, house building) or for agricultural investment (hiring *ganyu* labour, buying seeds and fertiliser). Since some of the investment in farming was presumably recovered in the form of food sent or collected from the village after harvest, this might be seen as a regular two-way flow of cash and commodities within a 'split' household (that is, the family operates as an economic unit despite its members residing in two localities), rather than as remittances between two economically autonomous households. Unfortunately, Roe does not investigate whether remittance flows increased in either direction during bad years or following adverse shocks for either household, nor whether these transfers tended to balance out over time (a reciprocal 'moral economy' risk-sharing relationship) or were biased in one direction or the other depending on each party's relative economic strength.

Further evidence for the correlation between the richness of information and the methodology used to collect it comes from an ongoing monitoring survey of 'survival and adaptive strategies of vulnerable groups' in Malawi in response to economic reforms (Mthindi *et al.* 1998). Focus group discussions with poor households repeatedly revealed 'assistance or begging from friends and neighbours' as a major source of food, fuel, clothes, credit, and other commodities, yet the accompanying large-scale questionnaire survey of over 600 households recorded insignificant values for these items under the headings of 'gifts' or 'remittances', and these categories scarcely appeared at all in an enumeration of sources of income: 'Only a few households indicated property, bank deposits, remittances and gifts as their income sources' (Mthindi *et al.* 1998:35). Methodological biases and inconsistencies are apparent even within the household questionnaire. Another question concerning sources of clothing and blankets found that 11 per cent of urban households and 6 per cent of rural households surveyed had received some clothes or blankets from relatives within the four months preceding the survey (Mthindi *et al.* 1998:39), but these relatively valuable transfers were not registered by either the respondents or the researchers as 'in-kind income'.

Similarly, an enumeration of food sources elicited just one or two households (out of 608) admitting to receiving any maize flour, meat, vegetables, or salt in the form of 'gifts' (Mthindi *et al.* 1998:14). The overwhelming majority of households surveyed gave 'own produce' or 'purchase' as the sole sources of all their food consumption. Yet when asked what they do first when they have insufficient food, 39 per cent of rural households reported that they go for *ganyu* while 64 per cent of urban households said they 'seek help from relatives and friends' (Mthindi *et al.* 1998:23). This finding, 'that more households from urban areas seek help from relatives when they run out of food than in rural areas … is an indication that extended family networks are an asset as a coping mechanism in urban areas' (Mthindi *et al.* 1998:39–40). How valuable this asset is, however, is impossible to deduce from the conflicting and patchy evidence available.

- **Trends in informal safety nets**

Many writers have promulgated the view that, in pre-colonial and pre-capitalist times, Africans lived in egalitarian, mutually supportive communities and supported each other in times of distress. Vaughan's study of the Nyasaland famine of 1949 found that the reverse was the case, suggesting either that the 'moral economy' was more limited in Malawi in the past than Malawians now assert, or that informal support networks were liable to collapse dramatically during crises. Rather than being united in their informal support systems against the threat of starvation, households and communities rapidly disintegrated into self-interest and mutual recrimination. There was a high incidence of women and children being abandoned by men who prioritised their own survival above that of their dependants, and communities did not take on responsibility for these vulnerable groups.

> The European officials' assumption that women and children would be cared for by 'the village community' turned out to be unfounded in some cases, and they took this as an indication of a complete social breakdown. ... In general, people were less inclined to blame the government for the famine or for the inadequacies in the relief system than they were to blame each other. … In many villages people were accused of 'holding the rains'. (Vaughan 1984:49)

A 1996 survey of the food economy in rural Salima and Mchinji districts found that informal safety nets are in fact highly responsive to signals of distress, though only within extended family networks and with limited impact. A comparison of 'normal' with 'drought' years found little change in the numbers of poor households who received cash assistance from relatives (approximately 6 per cent), but a dramatic increase in the numbers who received free maize, up from 2 per cent to 50 per cent, making this the third most common response to food deficit after *ganyu* and eating premature maize.

> Assistance from relatives was rarely received in the form of cash. Most households were given maize by relatives within the village or from surrounding villages. Quantities received varied tremendously but were usually in small local measures (plates, tins, baskets), households often being assisted several times throughout the year. (Pearce *et al.* 1996:40)

On the other hand, the median contribution of maize transfers to total consumption in poor households was estimated at just 5 per cent (or two to three weeks' worth of food), making it one of the less effective coping strategies – handicrafts, beer brewing, petty trading, firewood selling and livestock sales were each deployed by fewer people but made larger average contributions. 'Thus it can be seen that assistance from relatives appears to make only a limited contribution to the food security of the majority of the poorest households' (Pearce *et al.* 1996:40).

This depiction of thriving and fairly responsive social networks in rural Malawi is contradicted by anecdotal evidence from other sources (including our survey) of a gradual erosion of 'social capital': a breakdown of the 'economy of affection' or the 'moral economy' in Malawi, which also implies a reduced role for informal safety nets. The reasons offered for this encompass the socio-political and the economic (though of course these two categories are interrelated). The 'socio-political' argument equates the shift from repressive authoritarian rule to multi-party democracy in Malawi with a breakdown of law and order, rising security problems and spiralling levels of crime and violence.[21] *'Democracy is anarchy!'* one Malawian told us. *'We have moved from too little freedom to too much freedom,'* according to another.

The economic explanations given by poor people themselves fall into two clusters, which might be labelled the 'deepening poverty' and 'rising inequality' arguments. The first is that there are fewer resources to share than in the past (people are poorer): *'A foreign object has gone into my eye and also into yours. How can I help you with your foreign object when I must first deal with my own problem?'*[22] One consequence has been a narrowing of the range within which the 'economy of affection' operates. *'In the past you could go to your sister's house next door and ask for salt or relish, but these days she won't help you. Nowadays people only look after their own children.'*

In the past, urban Malawians had stronger affiliations with rural villages than they do now – they could get food from their home village when needed. But now, with restricted access to inputs and a shift to cash crops like tobacco, smallholders are producing less food than before and are less able to release some of this food for their urban relatives. So that source of food for urban households has diminished. Yet as the cost of living escalates, even urban residents are turning to (or intensifying) farming to reduce their dependence on purchased grain. Because of land scarcity, however, many of these people are farming not in their home villages but on land rented (at a significant cost each season) in other rural areas. *'Since land is scarce you have to pay for it.'*

The second 'economic' argument is that rising inequality within communities is both stimulated by and encourages individualism: *'In the past people used to help each other with food or clothes and other things, but not any more. Now the poor stay poor but some are getting richer and they don't want to help anyone else.'* This assertion is supported by Save the Children Fund's RiskMapping exercise of 1996, which divided Malawi into 18 'food economy zones' and found that 'Gifts/Relief' as a source of food was mentioned only occasionally, as contributing no more than '0–5 per cent' towards the annual food consumption of poor households. Most of these transfers were within extended families or were formal food aid programmes. 'Redistribution of income from rich to poor in difficult years was said to be insignificant' (Earl and Moseley 1996:103). This narrative is familiar from studies of commoditisation throughout Africa and elsewhere, where the shift from kin-based to market-based transactions is often associated with heightened vulnerability for those who are left stranded between the two systems. (Amartya Sen labelled this process 'PEST', 'pre-existing systems transition'.) According to some urban residents, this erosion of the 'moral economy' is more pronounced in Malawi's towns than in rural areas. *'Being poor in urban areas is more severe than being poor in rural areas. Extended family relationships still work in the villages – people do share – but not in towns. If you are alone and you are poor in urban areas you have to beg.'*

An additional economic explanation is speculative, but has to do with Malawi's economic structure and specifically its low level of urbanisation, which makes the practice of 'split' or 'multi-spatial' households less prevalent in Malawi than elsewhere in Africa. The relative scarcity of well-paid jobs in urban areas means that a much smaller pool of rural households benefits from having an employed son or daughter living in town and remitting income or commodities to their home village on a regular basis. It is characteristic of urban–rural links throughout Africa that farmers provide primary products (food, sometimes cash crops to sell) to their relatives in town, in exchange for processed or manufactured goods (sugar, clothes, bicycles). Although this relationship is sometimes labelled by economists a 'barter economy', these transactions between family members are rarely calculated in price-equivalent terms. However, to the extent that such exchanges can insulate the rural poor against price inflation of consumer goods, and the urban poor against food price rises (for example, maize price seasonality), this mechanism can provide a vital safety net for those who cannot withstand the vagaries of the marketplace. It is unfortunate, therefore, that this safety net apparently does not operate on a significant scale in Malawi. However, this assertion urgently needs to be tested empirically: as noted above, lack of data on a phenomenon does not always mean that the phenomenon does not exist.

5. INFORMAL SAFETY NETS IN SOUTHERN MALAWI: A SURVEY[23]

As Section 4 has shown, there has recently been a proliferation of community-level studies on household coping strategies in Malawi. None the less, the significance of informal safety nets remains poorly understood. Accordingly, as a complement to this literature review, a 'rapid appraisal' research project was commissioned from the University of Malawi. The research investigated how the rural and urban poor in southern Malawi are 'coping' with recent livelihood shocks and longer-term economic stresses. Particular emphasis was given to the area of informal transfers, with a view to informing the design of formal safety net programmes.

Three survey instruments were administered: an urban questionnaire, a rural questionnaire, and a checklist for focus group discussions and key informant interviews. Two survey sites were selected: one informal settlement in Blantyre town (Chiwembe), and two contiguous villages in rural Zomba District (Kuntumanje and Machilika). The urban settlement was selected on the grounds that it is one of the poorest suburbs of Blantyre, the largest town in southern Malawi, while the rural communities were identified as 'food insecure' by the local rural development programme officer. Over 200 respondents were interviewed for the questionnaire surveys: 114 in the urban site and 104 in the rural site. Households were sampled randomly within each site but respondents were stratified by gender, with women preferred to men: in each survey, 72 per cent of respondents were women.[24] Six focus group discussions were held, two in the urban site and two in each of the rural villages. Several key informants were also interviewed. The decision to research in the south and in urban areas was motivated by two considerations:

- The south is the poorest and most food-insecure region of Malawi, and has the largest population. The problems of land pressure and limited off-farm incomes are most acute in the south, though they are spreading inexorably to the central and northern regions.
- Very little is known about urban poverty and coping behaviour in Malawi, especially in recent years, but urbanisation stands at 15 per cent and is rising rapidly. Information on urban–rural linkages – a key component of informal safety nets elsewhere – is especially limited.

5.1. Urban survey findings

Respondents in Blantyre were first asked about the impact of the most recent livelihood shock to affect urban Malawians, namely the 62 per cent kwacha devaluation of August 1998. Findings mirrored those recorded in Table 2 from Zomba town. On average, prices of most goods and services doubled almost immediately (for example, salt increased from K5 to K10 per plate, and a small cup of paraffin from 20 to 40 tambala), though the range reported across a dozen items varied from 40 per cent for local soap (but 114 per cent for imported soap) to 150 per cent for firewood. A 50kg bag of maize cost K190 before the devaluation and K425 afterwards, though some of this increase might have been 'normal' seasonality. At the same time, profits from small business and the availability of *ganyu* had fallen, so the devaluation constituted a 'double income shock' by simultaneously raising living costs and reducing earned incomes for the poor.

Next, the respondents were asked to describe how they had coped with this livelihood shock. Table 8 enumerates several behavioural adjustments, which are clustered into four categories: dietary adjustments, expenditure reduction, cash generation, and informal transfers. There are, of course, overlaps across the categories. 'Informal transfers', for instance, aim either to raise additional food or cash (by asking for help) or to reduce spending (by sending some household members such as children to better-off relatives), while some elements of 'borrowing' logically constitute 'informal transfers'. The sequence of adoption can be inferred from the percentage of households deploying each strategy, where the figure for 'adoption rate' reflects both relative 'preferences' for each strategy and its availability across the sample. Thus some low-adoption strategies reflect non-availability rather than preference orderings – most urban households do not have cash crops to sell, for example.

Table 8. Household coping strategies in Blantyre town, February 1999

Coping behaviour	Adoption rate (%)
Dietary adjustments	
• Shifted to cheap relish like vegetables instead of meat	73
• Ate smaller portions to make food last longer	47
• Reduced number of meals per day to make food last longer	46
• Ate different staple like cassava to save money	41
Expenditure reduction	
• Bought less firewood or paraffin to save money	64
• Bought less fertiliser to save money to buy food	38
• Shifted from protected to unprotected water sources	32
• Took children out of school to save money	9
Cash generation	
• Used income from business to buy food	41
• Borrowed money to buy food	36
• Used savings to buy food	35
• Went for *ganyu* to earn cash or food	19
• Sold livestock or poultry to buy food	17
• Sold household assets to buy food	11
• Sent children to look for work	10
• Sold cash crops to buy food	8
• Rented out land to get cash for food	7
Informal transfers	
• Asked relatives or friends for help	45
• Sent household members to relatives to eat there	15

Source: Survey data, Blantyre, February 1999; sample size = 114 households

Two striking features of this table are the diverse range of behaviours that households adopted and the extent to which they drew on their own resources rather than depending on assistance from others. Although almost half these households did call on relatives or friends for help – indeed, well over half if soft loans are included – a surprisingly high number of distinct sources of cash were found, including several that are conventionally associated with rural rather than urban residents.

The pattern of responses is consistent with studies of household responses to food insecurity elsewhere. Relatively minor dietary adjustments (of both quantity and quality) are made first because they are effectively costless. Next, expenditure on non-food items is reduced to release resources for the priority of purchasing food. Some of these austerity measures, such as saving on water charges by using unprotected water sources, or withdrawing children from school, incur potentially high costs of various kinds – in this case, affecting the health and education of households adopting them. At the same time, cash raised from 'normal' sources – business, savings, *ganyu* of various kinds, borrowing from friends – is used to buy food. These measures are followed by an increase in unusual or 'distress' sources of cash such as selling assets, renting out land and sending children to work, which can include begging, *ganyu* and prostitution.

Formal credit was not available to these respondents, and informal credit played only a minor role in smoothing household food consumption. Only one in four respondents in Blantyre had taken one or more cash loans in the last year, and most of these were small (K100–1,000, or US$2–20). A further one in five respondents had tried to borrow cash but failed. Almost all respondents asserted that it is more difficult to get loans now than in the past, because goods and services are more expensive and lenders 'have enough problems for themselves'. Loans were taken equally for consumption and production purposes. Most were used to buy food or to invest in business, while several were for purchases of household groceries and a few were taken to pay school costs or to buy seed and fertiliser for farming. Friends and relatives were the most common sources of loans, followed by credit institutions, employers, moneylenders and traders. Petty loans between friends or relatives were rarely repaid with interest, suggesting that these transfers represent an informal safety net where the expectation of future reciprocity substitutes for financial charges. The effectiveness of this mechanism as a coping strategy is severely constrained, though, by the fact that these borrowers and lenders are almost equally poor. Larger loans taken from moneylenders carried heavy interest rates, invariably the usurious charge of 'two for one' within a short time period.

Apart from borrowing transactions, respondents in Blantyre were actively engaged in various informal transfers within their social groups, ranging from gifts of cash or commodities to looking after each other's children. One in five respondents said they had been given money in the last year, while two in five had given money to others. One in four had been asked but refused because of lack of money. Since the devaluation, more people were asking for help than normal and the number of people begging had also increased, but those who refused argued that they themselves were badly affected by rising prices. None the less, as many as three in five respondents had given food to others, either small amounts of cooked or uncooked food to neighbours or varying quantities of maize flour to their families in rural areas. In general, though, the extent and (especially) the monetary value of these informal transfers was rather limited – enough food or cash to buy food for a few days only.

Another commonly donated item was second-hand clothes. Sharing childcare – in the sense of sending children to be looked after temporarily in other households – was also frequently reported, occurring mostly but not exclusively between relatives. An extremely high number – one in three – of respondent households were looking after orphans, who were usually relatives of the carers (for example, grandchildren). Typically one to three orphans were being cared for, but in two cases a household had six orphans, and in one case eight. The reason usually given by the household taking on this caring role was a sense of responsibility: 'No one else can do it.'

The fact that these respondents (who were living in poor urban settlements, after all) were approached for assistance supports evidence from other sources that suggests that informal safety nets in Malawi are dominated by horizontal rather than vertical redistribution – informal transfers occur more between poor households than from rich to poor. In truth, though, the motivations underlying all these complex and multiple transactional relationships are often obscure and are unique to each case. As a generalisation it can be inferred that transfers between friends and neighbours are motivated by a combination of affection and expectations of future reciprocity, while transfers within extended families are probably motivated not only by affection but also by obligation – 'gifts' to in-laws are especially relevant in this context.

In the Blantyre focus group discussions there was general agreement that the spirit of helping each other has diminished in recent years, and that it is more difficult to secure assistance from friends, relatives and neighbours now than in the past. Explanations given mostly highlighted the economic difficulties that people have in surviving in town, where costs have consistently risen faster than incomes in recent years: 'Everything is more expensive nowadays'; 'Everyone needs more money now so there is no one who can give help to others'; 'People only have enough resources for themselves'. A few responses suggest a radical shift in culture or values, reflecting an erosion of the 'economy of affection' or 'social capital' on which informal safety nets depend: 'If you help your neighbour he might not help you when you need it'; 'People are not kind these days'; 'People do not trust others any more'. Theft has also increased, breeding suspicion and fear within the informal settlements and undermining community cohesion.

An interesting gender disparity emerged between the male and female focus groups around trends in informal transfers. Men argued that it is possible to find piecework, credit and other assistance around town, but mainly through personal friendships rather than from family. Also, help is no longer given for free – providers of cash or food expect something in return, such as piecework, so that informal transfers are more like *ganyu* than 'moral economy'. Conversely, women said that help is available mainly from relatives, and what has changed is the value of assistance – quantities of food transferred are small because people have less to spare – and the fact that only close relatives help each other now, whereas assistance used to be received from and given to distant relatives, neighbours, even strangers. Informal safety nets among women also appear to be based more on reciprocity (looking after each other's children, meal sharing) than on quasi-commercialised exchanges of cash or food for labour. Another focus group suggested that people are as *willing* to help each other as they ever were, but are less *able* to do so, because their resources are less and because they are not convinced that their help will ever be reciprocated. So, deepening poverty is undermining the economic basis for reciprocity.

Notwithstanding these trends, rural–urban linkages remain significant. Virtually all respondents in Blantyre have relatives in rural areas, and almost half visit their home villages and bring food back to town – mostly maize, but also cassava, rice, groundnuts, vegetables and chickens – either once a year after the harvest or more regularly (in some cases, monthly). In turn, two thirds of these urban respondents send cash, groceries and clothes back to their villages. Claims on village granaries by this urban sample did not apparently increase after the August 1998 devaluation, suggesting that rural–urban links had limited efficacy as a potential informal safety net. 'Our relatives do not have enough food for themselves, so how can we take food from them?'

When asked about longer-term household food security, four out of five urban respondents who grow food (two thirds do) claimed that maize production in their gardens and farms was lower now than ten years ago. Two main reasons were given: fertilisers, which were routinely applied ten years ago, are no longer affordable, and soils were more fertile in previous years. The assertion that rains were more reliable in the past – which often reflects an unfounded nostalgia when triangulated against rainfall records – was made by fewer people here than in similar surveys elsewhere in Africa. Intriguingly, although these households all farm in densely populated southern Malawi, only two respondents blamed land pressure and overpopulation. In 1998 these households' food stocks ran out at different times of year, but 80 per cent of household granaries were depleted by December and only 5 per cent of this sample was self-sufficient in maize throughout the year. An additional major determinant of increasing food insecurity in urban areas was also given: 'Maize prices are too high these days.' The obvious yet striking implication to draw from this evidence is that promoting soil fertility, for instance by restoring access to fertilisers, is perhaps the most direct route to enhanced food security in Malawi – even for the urban poor.

5.2. Rural survey findings

By contrast with urban Malawians, who deploy their 'coping strategies' mainly in response to low incomes and price or income shocks, households in rural areas face problems primarily of low agricultural productivity, an annual hungry season, and occasional production shocks. The two villages surveyed in Zomba District are in a chronically food-insecure area of southern Malawi, with land scarcity being a major constraint to crop production. Average landholding was reported as 0.83 hectares for female-headed and 0.91 hectares for male-headed households respectively. (In our rural sample, 30 per cent of households were female-headed, close to the national average.) Only 4 households out of 104 rented out any land.

In 1998, half of these households had empty granaries by August, three-quarters by October, and 95 per cent by December. This fact largely explains why households in our urban survey stated that they could not ask for additional food from their rural relatives following the August 1998 devaluation. As in the urban survey, virtually all respondents asserted that their granary stocks run out earlier now than in past years (the question asked for a comparison with ten years ago), and again they gave two related reasons for this: 'Fertiliser was affordable ten years ago', and 'the soil was still fertile then'. Surprisingly few respondents argued that 'people had more land' or that 'rains were more reliable' in the past.

Rural Malawians are not pure 'subsistence farmers', nor do they live in a barter economy (contrary to some donors' perceptions in Lilongwe), and as in urban areas the August 1998 devaluation dramatically increased the cost of living, with prices of most basic commodities immediately doubling. Unusually high food prices were particularly difficult for people to cope with during the months after their granaries were depleted, which was the case for virtually all households at the time of our survey in February 1999. Also echoing the urban findings, most respondents claimed that profits from off-farm activities had contracted (about 40 per cent of these households were engaged in income-generating activities, and many others went for *ganyu*), and that requests for assistance, begging and theft had all increased since the devaluation. The devaluation therefore compounded the problems of poverty and food insecurity that rural households face every year.

Table 9. Household coping strategies in rural Zomba, February 1999

Coping behaviour	Female-headed (%)	Male-headed (%)
Dietary adjustments		
• Ate smaller portions to make food last longer	97	97
• Reduced number of meals per day	87	93
• Reduced amount of *nsima*	94	91
• Changed type of *nsima* (e.g. from maize to cassava)	87	91
• Changed relish (more vegetables, less meat or fish)	90	95
• Ate less relish	64	71
• Increased consumption of secondary foods	48	34
Expenditure reduction		
• Used less candles or paraffin to save money	87	83
• Bought less firewood to save money	33	23
Cash generation		
• Went for more *ganyu* to earn cash or food	61	58
• Sold livestock or poultry to buy food	16	15
• Sold vegetable crops to buy maize	13	11
• Borrowed money to buy food	9	6
• Sold household assets to buy food	7	6
• Rented out land to get cash for food	7	3
• Rented out livestock to get cash for food	0	1
• Sold tobacco to buy maize	0	1
• Sold land to buy food	0	1
Informal transfers		
• Asked relatives or friends for help	48	31

Source: Survey data, Zomba District, February 1999; sample size = 104

Table 9 summarises the responses that this sample of 104 households adopted to these problems during late 1998 and early 1999. The table reveals that dietary adjustments were adopted by more rural respondents, and to a greater intensity, than by urban respondents.[25] Given the exceptionally high proportion of respondents who imposed cutbacks in both the quantity and quality of diets on their families during the 1998/9 hungry season, there is no doubt that this population suffered severe nutritional stress. The percentage of rural households who reported eating just one meal a day increased from 2 per cent after the harvest to 74 per cent in the hungry season. The explanation invariably given was that respondents could not afford to buy sufficient food after the household granary was depleted. Maize was purchased in small quantities (averaging 8.5kg per purchase) and rationed to last as long as possible.

Although this is a small sample, there are indications that female-headed households protected their families' food consumption more than male-headed households – for instance, in terms of reducing the number of meals and cutting back on relish. However, almost every household reduced the size of portions at meals, mainly by using less *nsima* (a quantity adjustment), and almost everyone switched to cheaper and less nutritious relishes, such as vegetables without meat or fish (a quality adjustment). Possibly as a consequence of preferentially protecting family food consumption, female-headed households were more likely to reduce their non-food expenditure, as Table 9 reveals for the case of fuel (firewood, candles and paraffin).

The most common source of additional income for food purchases was going for more *ganyu* than usual. Almost all households that did not adopt this strategy and had no other income-generating activity complained that *ganyu* was not available in the area – or even outside, since ten households sent members away to look for work, only some of whom were successful. Because crop production is constrained by land scarcity and restricted access to inputs, and because livestock are not owned by most of these households, sales of cash crops and livestock were limited to comparatively few households: there was only one tobacco farmer in this sample, for example. A few households resorted to more drastic means of raising income, including renting out or even selling their land, and selling household assets such as radios.

Expectations that informal safety nets would be stronger and more effective in rural areas because of the social glue of extended family networks were confounded by responses suggesting that informal support systems were less extensive and less substantive than in the urban sample. Focus group discussions highlighted a widespread perception that 'the spirit of helping those in need in rural communities is dwindling' (Tsoka and Mvula 1999:53), while individual respondents – one third of whom had asked for help and been refused – argued that people lack the capacity to help each other as much as in the past, because of parallel declines over time in food production and real incomes. 'It is not that people are more mean but they are less able to help because nowadays nobody seems to have enough even for themselves.' A few respondents also mentioned that the people they approached for assistance already have 'so many people to look after' – a reference not only to large family sizes but also to the rising number of children orphaned by HIV/AIDS. As Tsoka and Mvula (1999:54) conclude: 'This implies that informal safety nets are on the decline.'

One in three rural respondents received food transfers during the past six months, most donors being close relatives – parents or children, in-laws, brothers or sisters – with some of these food gifts coming from friends and neighbours. Half as many respondents received informal cash transfers as received food, from roughly the same sources and mainly to purchase food. The value of these transfers was generally very small, with the largest cash gift reported being just K90 (about US$2). Just three households were given fertiliser, and the same number devolved some childcare responsibilities to other households. Slightly more received clothes, all these transfers occurring between relatives. Sons and daughters were the dominant providers of cash and commodity transfers to these households. The most significant 'help' reported, though, was in the form of *ganyu*, which usually entailed a friend or neighbour offering work when the respondent asked for food or cash, payment being made in maize, cash or other food items.

In stark contrast to the Blantyre sample, only seven out of 104 respondents in the rural Zomba sample had taken a loan in the six months preceding the survey, and six of these were soft loans from friends and relatives – only one loan was taken from a moneylender. This pattern does not reflect an aversion to moneylenders, however. Many respondents complained that they could not borrow even from a *katapila* because these lenders do not trust their ability to repay.

Linkages between rural and urban households were less widespread and weaker when viewed from the villagers' perspective than from that of the urban dwellers. Only half the rural sample had relatives living in town, which is not surprising given Malawi's low level of urbanisation but does imply that villagers are less able to diversify agricultural risk by drawing on remitted incomes of employed relatives in urban areas than in other African countries.[26] Less than one third of the rural sample reported receiving gifts of cash or commodities from urban relatives in the six months preceding the survey, though some respondents did concede that people in towns were struggling since the devaluation and were often unable to offer help. None the less, most of these respondents had visited their relatives in town since August 1998 and almost all came back to the village with some cash, so these relationships and networks certainly are exploited. Flows in the opposite direction are made by fewer households and are typically in kind, the most common commodities donated to urban relatives being maize and secondary foodcrops such as cassava, sweet potatoes and rice. These patterns of rural–urban and urban–rural cash and commodity transfers confirm the findings from the urban survey.

5.3. Urban and rural survey findings compared

Although knowledge of the August 1998 devaluation was universal throughout both the urban and rural samples, its impact appeared to be greater on urban households because of their deeper cash dependence and the higher costs of living in towns. This disproportionate impact was reflected, for instance, in costs of water and rented accommodation, which increased after the devaluation for 86 per cent and 41 per cent of urban respondents but for only 1 per cent and 2 per cent of rural respondents respectively. Many urban households reacted to higher water charges by switching to unprotected (free) sources of water, but no rural households surveyed did so (see Table 10).

At the time of our survey, rural households in southern Malawi were more preoccupied with food production deficits than with the kwacha devaluation. A curious finding was that urban stocks of own-produced maize lasted longer than maize stored in rural granaries. By October, six months after harvest, almost 80 per cent of rural farmers but only 60 per cent of urban households who were farming had no maize left; by December the figures were 95 per cent and 75 per cent respectively. Two plausible explanations can be offered. The first is that urban farmers might have achieved higher yields because they enjoyed better access to inputs – they were better able to rent quality land, apply fertiliser, hire labour and so on. The second explanation recognises that urban-based farmers did not necessarily grow more food than rural farmers, but instead used their cash incomes strategically to combine consumption of granary stocks with market purchases throughout the year, instead of depleting their production and then looking for *ganyu* only after maize prices have escalated, as rural farmers are forced to do.

Table 10. Coping strategies in urban and rural southern Malawi, February 1999

Coping behaviour	Urban (%) (n=114)	Rural (%) (n=104)
Dietary adjustments		
• Shifted to cheap relish like vegetables instead of meat	72.8	93.3
• Ate smaller portions to make food last longer	47.4	91.3
• Reduced number of meals per day	45.6	91.3
• Ate different foods like cassava instead of maize	41.2	89.4
Expenditure reduction		
• Bought less firewood or paraffin	63.2	82.7
• Bought less fertiliser	34.2	32.7
• Shifted from protected to unprotected water source	31.6	0
• Took children out of school	8.8	0
Cash generation		
• Used income from business to buy food	37.7	39.4
• Borrowed money to buy food	36.0	6.7
• Used savings to buy food	33.3	0
• Went for more *ganyu* to earn cash or food	19.3	58.7
• Sold livestock or poultry to buy food	11.4	15.4
• Sold household items to buy food	10.5	5.8
• Sent children to look for money	9.6	0
• Sold tobacco or vegetable crops to buy maize	7.9	12.0
• Rented out land to get cash for food	7.0	3.8
Informal transfers		
• Received help from relatives or friends	44.7	39.4
• Sent household members to other relatives	13.2	12.0
• Asked for help but was refused	21.9	30.8

Source: Survey data, southern Malawi, February 1999

If reducing the quantity and quality of the daily diet is an indicator of the severity of poverty or food insecurity, then more villagers in southern Malawi suffered from economic and hence nutritional stress during 1998 and early 1999 than did Malawians living in Blantyre. Table 10 reveals much higher levels of all forms of dietary adjustment, including rationing, among the rural survey respondents. Rural Malawians were also more likely to trim expenses, especially on fuel (firewood and paraffin) – this was another strategy that was adopted almost universally by the rural sample. In terms of raising cash to buy food and other essential items, urban residents seemed to have more options, including drawing on savings and sending children onto the streets to work, options that were not available to rural respondents. Also, more urban respondents borrowed, or had household items to sell. For rural respondents, the never-ending search for *ganyu* was by far the most commonly used means of raising additional cash or food.

In terms of informal transfers, Table 10 reveals that less than half of the respondents in each sample successfully drew on this source of support during 1998. The rural respondents who did so received assistance mostly from their extended family, whereas the urban respondents who did so received assistance mostly from friends and neighbours. As with market-based sources of income and food, urban residents

Table 11. Type of assistance received through informal safety nets

Assistance	Urban (%)
Cash	23
Credit	21
Food	16
Ganyu	15
Child care	13
Clothes	5
Fertiliser	1

Assistance	Rural (%)
Ganyu	33
Food	31
Cash	14
Clothes	8
Credit	6
Fertiliser	3
Child care	3

appear to enjoy a wider range of options in terms of informal support systems – some received food, cash or credit from their employers, landlords or religious groups, sources that were not mentioned by any rural respondents. In addition to those who succeeded in securing help of some kind through the 'moral economy', almost one third of rural respondents and one in five urban respondents tried and failed to do so, providing further support for the perception that informal safety nets are either less universal than they used to be or less resilient in the face of income or production shocks.

Finally, for purposes of comparison across locations, Table 11 ranks the types of assistance received through all informal sources. The table indicates that urban respondents were more likely to receive assistance in the form of cash (either as gifts or soft loans), while most rural beneficiaries received in-kind transfers (employment or food). However it is also significant that most respondents – both urban and rural – who reported being refused assistance by their relatives, friends and neighbours had asked for cash.

6. IMPLICATIONS FOR FORMAL SAFETY NETS

Section 5 suggested that informal transfers are increasingly viewed by both the urban and the rural poor in Malawi as inadequate to ameliorate their problems of poverty and food insecurity, and as declining in volume and value over time. In a context of deepening food insecurity and livelihood vulnerability, this suggests a role for formal transfers to supplement the inadequate incomes of the poor. In 1998, several donors and the government of Malawi concluded that there was an urgent need to address the livelihoods crisis among Malawi's poor with a comprehensive, institutionalised and long-term package of social assistance. During 1999 an intensive process of consultations, brainstorming and knowledge generation activities was initiated around such design issues as the enumeration and identification of target groups, appropriate instruments and levels of resource transfers, the dangers of dependency and the importance of an 'exit strategy', and fiscal affordability.

Malawi already has considerable experience with various social safety net programmes, which can be drawn upon to inform the design of the current initiative. These include public works projects – the Malawi Social Action Fund's (MASAF) cash-based Public Works Project and the World Food Programme (WFP) food-for-work projects – subsidised credit for income-generating activities, and supplementary feeding programmes. This section first reviews the evidence on how these programmes are perceived by beneficiaries or participants, and how they are targeted, then draws implications for the improved design of formal safety nets in Malawi.

6.1. Beneficiary perceptions of formal safety nets

Rural public works projects have historically been favoured by the government and donors as a social assistance intervention in Malawi, and they are regarded as the likely cornerstone of the present safety net initiative, as in this statement by the World Bank in Malawi (the lead agency): 'some form of labour-intensive public works program is the most likely solution, perhaps supplemented by limited feeding or cash transfer schemes for those unable to work' (Smith 1999:6). However, controversy surrounds several design aspects of public works programmes, such as whether payment should be offered in food or cash (or agricultural inputs), implications for women's workloads, the perverse logic of requiring nutritionally stressed people to expend energy in order to acquire food or cash for food, and the potential for public works to compete with agricultural production and alternative rural employment opportunities, especially *ganyu*.

The need for food or cash is greatest during the farming season, but poor (especially female-headed) households are often labour-scarce households. Most cash- and food-for-work projects do recognise seasonal work schedules and try to minimise interference with own-farm labour requirements; for example, both MASAF and WFP require project participants to work for only four or five hours a day during the farming season. Dil's (1996) evaluation of food-for-work projects in Malawi found that food-for-work neither competed with nor replaced *ganyu*. Some participants did report going for less *ganyu* than in other years, suggesting that food-for-work was preferred. However, food rations did not fully substitute for *ganyu* income, partly because the rations were perceived as inadequate and partly because the two activities met complementary needs. 'Some said they would do FFW in the morning and *ganyu* in the afternoon. Others said they engage in FFW to get maize and *ganyu* to get cash to grind maize and buy household items like salt and soap. Many said they did *ganyu* to get food because FFW food deliveries were late' (Dil 1996:31). Asked to compare food-for-work with *ganyu*, participants identified food-for-work as having four advantages:

1. payment in food was preferable at times of year when food was expensive and *ganyu* wages had limited purchasing power;
2. food-for-work offered guaranteed, continuous employment for at least a few weeks, whereas *ganyu* had to be sought for a few days at a time or even on a daily basis;
3. food-for-work hours were shorter than a day's work on *ganyu* or other employment, so food-for-work fitted better into domestic work routines, especially those of women;
4. field *ganyu* was only available at certain highly inconvenient times of year, whereas food-for-work was offered during other seasons as well (Dil 1996:32).

The main advantage of *ganyu* over food-for-work was that payment was always immediate whereas food rations on food-for-work were often delayed. As for other income-generating activities, food-for-work competed with these only in a positive sense: people with profitable IGAs did not give up these activities to join food-for-work (so food-for-work was self-targeting to this extent), whilst those pursuing very low-value alternative incomes (for example, from cutting grass or selling clay) either supplemented this petty income with food-for-work or chose to do food-for-work instead. Some food-for-work activities interacted in a 'virtuous circle' with informal IGAs, for example local reforestation projects reversed the severe deforestation caused by cutting and selling firewood (Dil 1996:33). Yet, although villagers regard the infrastructure created by public works projects as beneficial for the entire community, the immediate transfer benefits are often seen as disproportionately benefiting men: 'The short term employment opportunities and income generated were regarded to benefit the men directly, and – possibly – the family indirectly' (QUIM 1998:viii).

Available data indicate that female participation rates are higher when payment is made in food than when cash wages are offered. Fewer than 20 per cent of participants on MASAF's cash-for-work projects are women, whereas the figure on food-for-work projects often exceeds 60 per cent. Two explanations are offered for this gendered division of labour. The first is that this reflects male preferences: men do not like working for food, and they deliberately exclude women from cash-for-work in order to secure cash income for themselves. 'Women were sometimes 'forced' into FFW … many women said they are sent by their husbands or, as their husbands were not going to join FFW because they were busy doing other cash-earning activities, they knew they had to join, to supply their family food needs' (Dil 1996:xvi). The second explanation invokes project design: 'MASAF projects' work norms were sometimes said to be too strenuous and culturally unacceptable for women to do' whereas work norms on food-for-work projects 'were group assigned and generally gender-sensitive' (Dil 1996:xv).

Whereas employment on cash-for-work is seen as open to everyone in theory, but monopolised by men in reality, credit programmes are seen as being explicitly segmented by gender, with 'business' loans for income-generating activities being targeted mainly at women and MRFC loans for agriculture going mainly to men, especially tobacco growers. According to focus group participants in Zomba town, microcredit is available from NGOs for women's informal sector enterprises, but men are excluded. 'Since the men can leave the villages more easily than women they are thought to have access to a wider range of coping mechanisms and, therefore, sources of income' (QUIM 1998:vii). In urban areas loans are perceived as being 'for women only' and as reaching the 'enterprising poor' rather than the poorest of the poor. Interventions that benefit everyone, such as food price subsidies, were preferred by a focus group of poor residents in Zomba town. *'The Government is helping those few who are able to help themselves, with loans. But the others – the majority – are not being helped. Reducing the price of maize is more important because it helps everybody, not just the few who can help themselves.'*

More generally, Malawians perceive government policies such as agricultural liberalisation and currency devaluations as affecting everyone more or less equally, whereas compensatory interventions benefit only selected people. 'Programmes and projects by their very nature are of limited scope, both in space and time, having an effect only in isolated places and areas of action. … Thus, government policies directed at poverty alleviation are required' (QUIM 1998:xii). This is a lesson that social safety nets or 'compensatory programmes' in many other countries have (equally) failed to grasp. Policy changes that adversely affect large proportions of the population can be met only very inadequately with targeted projects.

6.2. Implications for targeting of formal safety nets

This paper has argued that different subgroups of the poor in Malawi are exposed to different livelihood shocks and stresses, or at least are differentially vulnerable to these shocks and stresses. Recognising that Malawi's 4 million poor citizens are not homogeneous has implications not just for the design of safety net interventions – as will be seen – but also for beneficiary identification.

Mechanisms for reaching groups identified as requiring assistance can be grouped into four clusters (Devereux 1999): proxy indicators or 'markers' (demographic characteristics such as age or sex, geographic location); objective assessment (means testing of incomes, nutrition surveillance); self-selection (self-targeting through a work requirement, inferior commodities such as cassava or yellow maize); and community targeting (where communities identify their neediest members). In Malawi all of these approaches have been used, with varying degrees of success. The most popular mechanisms are self-targeting on public works projects, objective assessment (supplementary feeding for malnourished children), demographic markers such as female-headed households, and geographic targeting using estimates of food availability at subdistrict level. Community targeting has occasionally been attempted, but tends to set up resentment within communities between those who benefit and those who are excluded.[27]

A major attraction of public works is that self-selection eliminates the need for administered targeting through either (crude) proxy indicators or (costly) individual assessment, so in terms of targeting efficacy this is logically a first choice for reaching able-bodied target groups. On the other hand, public works projects do not reach those who are unable to work (at least, not directly), they are slow to set up and complex to manage, and they impose time, effort and nutritional costs on participants which might be regarded as too onerous, especially for women. Therefore, despite their limitations, other targeting mechanisms must also be considered.

Malawi has a long history of favouring geographic targeting approaches in the delivery of safety net programmes and emergency relief. During the drought of 1992/93, for instance, 300,000 metric tonnes of maize was distributed as free food aid to over 6 million beneficiaries, or two thirds of the population. With no established targeting mechanisms in place, geographic areas were identified from crop forecasts, and District Commissioners (DCs) were responsible for identifying and registering needy individuals locally. In practice, however, the DCs found it politically impossible to separate needy from non-needy households. 'The pressure on DCs to register everyone was irresistible' (Dil 1996:vii). Two years later, in 1994/95, a smaller drought relief operation again followed blanket distribution rules within EPAs identified as having produced insufficient food to provide 1,800 kcal/person/day. This approach has several obvious weaknesses:

1. It places excessive reliance on the estimation of one or two indicators of food security in a context where quantitative data are known to be extremely unreliable.

2. It applies an essentially arbitrary cut-off point to a continuous indicator – thus an EPA whose food availability is estimated at 1,799 kcal/day might attract assistance while another having 1,801 kcal/day will not.
3. Crude geographic targeting of this kind inevitable produces large 'inclusion' errors (non-needy households in targeted EPAs receiving assistance) and probably even larger 'exclusion' errors (needy households in non-selected EPAs being completely overlooked).

Apart from the rather weak correlation between geographical location and vulnerability of individual households, this approach also overemphasises self-sufficiency as the source of household food security: it fails, for instance, to recognise the increasing importance of smallholder tobacco cultivation in providing food through market purchases using cash crop income.

In late 1995 the Famine Early Warning System (FEWS) conducted a Rapid Food Security Assessment (RaFSA) of Malawi; this was partly in order to improve the understanding of local food systems and thereby sharpen the basis for targeting transfer programmes. This methodology included household assets and 'survival systems' in the estimation of vulnerability; it did not presume that households had no alternative food sources to own food production. This information fed into the development of a more comprehensive WFP-supported 'emergency operation' in 1995/96, which isolated several 'distribution channels' within selected EPAs (27 initially, then 66, then 71) as an alternative to either blanket distribution or household registration by local officials. Three distribution channels were used: selected primary schools (children received individual monthly maize rations); mothers of clinically undernourished children (who received weaning food for each malnourished child as well as a monthly 'family ration' of 50kg of maize); and food-for-work projects (which used self-targeting to deliver daily family rations to workers)[28] (Dil 1996:2-3).

An evaluation of this programme in 1996 found that beneficiaries were differentially placed in terms of their need for food aid, particularly in the case of school feeding which was, in effect, the least stringently targeted (and achieved the greatest coverage).[29] All households surveyed adopted several methods of procuring food and coping with food shortages. Their granaries ran out of food at different times of year – some as early as July, others not until late in the year – and although many beneficiaries relied heavily on food rations earned through *ganyu*, for others more lucrative income-generating activities were available (Dil 1996:xi). Although this multi-pronged targeting method was not perfect, it certainly represented a major advance on blanket distribution of food at EPA level.

WFP continues to favour an approach based on 'food-insecure EPAs' as the primary targeting unit. In November 1998 a Project Memorandum was prepared for a Targeted Safety Net Emergency Operation which aimed to 'help mitigate the effects on household food security of: (i) price adjustments following market liberalisation measures and the depreciation of the kwacha, and (ii) shortfalls in agricultural production' (WFP 1998b:4). The programme would provide maize and weaning food to 100,000 households with clinically malnourished children during the 'pre-harvest hungry season', but coverage would be restricted to less than one third of the country: 'The programme will be targeted to the 47 most food insecure EPAs out of a possible 154 EPAs' (WFP 1998b:4). The targeting mechanism is explained as follows: 'there is a two stage targeting element to this programme. Target EPAs are identified largely on the basis of food production data provided by FEWS, while beneficiary households are identified on the basis of having a malnourished child under five years of age' (WFP 1998b:12). It is recognised that this methodology necessarily entails significant exclusion errors, but this is justified by the minimal inclusion errors incurred: 'even if some food insecure households are missed, those selected by the method used will all be fully deserving cases' (WFP 1998b:13).

6.3. The case for 'productivity-enhancing safety nets' in Malawi

Food production, sales of produce, and off-own-farm employment each contribute roughly one third to food consumption in poor rural Malawian households (World Bank 1995). But these households do not meet their food needs: aggregate food availability from these three sources leaves significant consumption deficits, as reflected in adverse nutritional outcomes which represent a *failure of coping*. Poor Malawians suffer seasonal hunger, damaging degrees of food rationing, high levels of undernutrition, and high infant and child mortality rates.

There are two ways for public interventions to address the 'food gap' in these households: either increase food production or returns to produce sales and off-farm activities, or bridge consumption deficits with food transfers. This paper argues that the former strategy is preferable to the latter. A social safety net based on consumption transfers should be a residual welfarist intervention that is implemented only after all productivity-enhancing anti-poverty interventions have been exhausted, and should be reserved for contexts of *vulnerability* (for example, dependent groups, or transitory food insecurity due to drought or floods). Conversely, chronic poverty and food insecurity caused by *low productivity* are best addressed by interventions to raise returns to effort. Reducing production or income deficits is a pre-emptive strategy to reduce consumption deficits, thereby minimising the need for safety net interventions.

Sustainable poverty reduction can be achieved only by designing programmes or introducing policies that increase the economic productivity of the livelihood systems of the poor. By contrast, poverty-alleviating transfers – including safety nets that provide consumption support to people subsisting below the poverty line – have no beneficial impact on livelihood systems. They are therefore not sustainable: when the transfer is withdrawn – when the food aid stops – beneficiaries will revert to their former state of poverty and food insecurity. Evidence for this assertion comes from an evaluation of WFP's food aid support to Malawi, which found that twenty years of supplementary feeding had had no discernible impact on malnutrition levels or food insecurity (Food Studies Group 1994). Moreover, it is generally acknowledged that Malawi under Dr Banda developed a culture of dependency.[30] Installing a consumption-based safety net for 40 per cent of the population for at least the next decade will inevitably deepen that dependency.

The urgency around designing and installing a social safety net should not distract attention from the urgency of implementing policies that will provide an enabling policy environment rather than a disabling one. Given that smallholder food production has been undermined by removing fertiliser subsidies, encouraging smallholders to grow tobacco, closing 'uneconomic' ADMARC depots, and so on, it makes more sense to seek countervailing policies that promote food production in other ways, rather than (or in addition to) providing consumption support in the form of food-for-work and supplementary feeding for the additional malnutrition that results. This paper argues therefore for a two-pronged strategy: consumption-protecting and productivity-enhancing safety nets in the short term, and an enabling policy environment that favours agricultural production and the growth of off-farm incomes in the medium term.

According to a recent PRA survey in twelve villages across Malawi, 'smallholders' access to inputs remains one of the villagers' gravest problems' (QUIM 1998:xii). Policymakers have several options for increasing access to agricultural inputs by the rural poor, as one type of 'productivity-enhancing safety net' intervention. Inputs can be given out for free (as occurred several times during the 1990s, with the Supplementary Inputs Project and Starter Packs), at subsidised prices (as was the case until fertiliser subsidies were abolished under structural adjustment conditionality), or with a work requirement ('inputs-for-work').

There are advantages and disadvantages – and strongly held positions – associated with each of the above options. Market liberalisers eschew 'market-distorting' interventions such as free distribution or price subsidies; but there is a view that market failure in rural Malawi is so considerable that some form of Starter Pack support to (targeted) smallholders is essential. An alternative is to introduce a seasonally differentiated payment schedule for rural public works projects, which would include an option for participants to receive payment in the form of agricultural inputs at the relevant time of year. Workers would be given fertiliser vouchers redeemable through private companies – not ADMARC – which would be reimbursed by the government and/or donors. Rather than undermining emergent private sector actors in agricultural inputs marketing, this mechanism has the added advantage of supporting them.

Evidence from several sources suggests that workers on public works projects in Malawi would support this proposal. 'At various times of year, people are interested in receiving different forms of payment. Before harvest participants want maize and after harvest they are interested in other items, especially seeds and fertiliser' (Dil 1996:xv). A recent survey asked MASAF cash-for-work participants what form of payment they would prefer, by season. The majority expressed a preference for payment in cash around harvest time, in agricultural inputs around planting time, and in food during the hungry season (Zgovu *et al.* 1998). The survey commissioned for this report from the Centre for Social Research also found that the majority of rural respondents preferred payment on public works in fertiliser ahead of cash or food (Table 12). Fertiliser was strongly preferred by both male and female household heads, but of those who did not choose fertiliser more men named cash rather than food, and more women chose food rather than cash. In urban areas fertiliser was not the preferred mode of payment, and almost equal numbers of respondents gave food and cash as their first choice.

Table 12. Preferred mode of payment on public works projects (%)

Preferred payment	Rural male-headed	Rural female-headed	Urban (All)
Cash	32	23	39
Food	21	33	41
Fertiliser	47	43	20

Source: Compiled from Tsoka and Mvula 1999

6.4. Sustainable livelihoods and formal safety nets

Formal safety net programming in Malawi, as elsewhere, suffers from narrowness of vision. The conventional instruments – food- or cash-for-work projects, supplementary feeding – have been shown to have limited impact, yet these are precisely the interventions that donors envisage as most appropriate for the large-scale programme soon to be implemented in Malawi. In terms of this standardised model, the poor are divided into 'workers' and 'dependants', and will be reached through self-targeting public works projects, and food or cash transfers (using administered targeting by personal characteristics such as age or disability) respectively.

Most public works projects identify deficiencies in local physical infrastructure – such as feeder roads – and use the construction or maintenance of this infrastructure as a mechanism for transferring food rations or cash wages to the (self-selecting) poor. One problem is that public works generally create assets at the community level, which provides very little incentive for individuals to maintain them after the project ends.[31] So, in practice, sustainable asset creation is limited and the resource transfer objective dominates. Even when community participation in identifying asset-creating projects is sought, this leads to more requests for roads, schools and clinics than anything else, because the process contains an inherent bias towards these projects: when communities are asked what projects they need towards which they can contribute labour, responses around building or maintaining physical infrastructure are inevitable.

Innovative new approaches to formal safety nets would attempt to create or enhance other categories of assets, in addition to physical capital. The 'sustainable livelihoods' approach,[32] for instance, identifies five different categories of resources at the household or community level, namely physical, natural, social, human, and economic or financial capital. Support for all of these resources should be considered when designing public works projects. Applying the sustainable livelihoods approach would imply undertaking a broader needs assessment exercise in which all forms of individual and community capital would be analysed – needs as well as resources – and safety nets would be devised that build on resources and opportunities and also address deficiencies or gaps.[33] These might be in the areas of human capital (education and training programmes), financial capital (subsidised inputs or inputs-for-work), and even social capital (support to community policing initiatives, or caring for AIDS orphans).

Support for safety nets in Malawi that can build various forms of capital comes from several sources. Public works programmes are seen as creating assets that enhance 'natural capital' as well as transferring income to the poor: 'Safety nets are a source of social security for the poor … Public works and other programmes can be introduced to protect the environment, but also provide wages and income opportunities to the poor' (Kalemba 1997:29). Dil (1996:xvi) argues that

> if the main objective of food-for-work is to increase household food security, to act as a safety net for vulnerable groups, project activities should be more diverse so that they address both current and future hunger needs. ... For the food-for-work programme to promote sustainable, 'holistic' development, more food-for-work activities should focus on improving people's health, increasing their education and literacy levels, addressing their low or non-existent cash-earning possibilities and their low agricultural productivity.

Table 13. Safety nets for sustainable livelihoods in Malawi

Natural capital:	• Inputs-for-work (vouchers through traders) • Food/cash-for-community woodlots
Physical capital:	• Public works projects (feeder roads) • Food/cash-for-community infrastructure
Human capital:	• School feeding (support to education) • Supplementary feeding (support to health)
Financial capital:	• Microcredit (support to urban IGAs) • Maize price stabilisation
Social capital:	• Food/cash-for-carers (AIDS orphans) • Food/cash-for-community policing

The design of safety nets should also be gender-sensitive. For example, deforestation in Malawi has environmental costs which some public works projects are addressing through community afforestation. But this also assists women and children who are wasting more and more hours each day on collecting firewood. One recent survey found that the time spent by an average household walking to and from wood collection sites each month was 120 hours in northern Malawi, 70 hours in central Malawi and 240 hours in southern Malawi. Time spent on fetching water was even greater – and the two resources often lie in opposite directions from the home (Semu and Chande-Binauli 1997:93). A sustainable livelihoods approach to public works design would try to reduce this 'drudge time'.

Table 13 suggests a portfolio of options for consideration if safety nets are designed with broad-based livelihood sustainability in mind. Naturally, each option would require careful planning and adaptation to specific local contexts, and not all would be appropriate for all communities throughout rural and urban Malawi.

Some innovative alternatives to conventional food-for-work were considered – though not yet implemented – by WFP in its Malawi Gender Action Plan (Cammack 1996). These included: paying participants in small livestock rather than maize, to improve the low protein content (half the African average) of Malawian diets; running public works projects during the dry season but deferring payment until later in the year when the need for food and inputs is greatest (and offering payment in fertilisers and seeds); providing farmers with food while working on their own fields, to discourage their neglecting food production in favour of *ganyu* when cash is urgently needed; selecting public works projects that reduce the time women spend on household labour (for example, placing community woodlots and boreholes near participants' homes); and providing training to increase women's capacity to start small businesses.

One problem with all these ideas is that they implicitly equate 'the poor' in Malawi with able-bodied smallholders, whereas this is only one (albeit the largest) among many categories of poor Malawians. A more disaggregated understanding is needed of who the 4 million Malawians living in absolute poverty are, and what problems of poverty, food insecurity and vulnerability each group faces. Recognising the distinctive characteristics of various subgroups among the poor would allow interventions to be designed that were tailored to their specific problems. For example, the 4 million certainly includes the following four groups:

1. *drought- or flood-prone smallholders* who face occasional food production shocks;
2. *chronically food insecure smallholders* who face annual food deficits;
3. the *urban poor* who survive on low incomes which are undermined by regular and often massive currency devaluations;
4. *dependants* who are unable to provide for themselves, such as young orphans and the disabled, and who have no carers providing for them.

The four target groups (the first two of which obviously overlap) reflect four entirely distinct poverty problems, only one of which – the first – is appropriately addressed by safety net interventions as conventionally (that is, narrowly) defined:

1. is a problem of vulnerability to adverse weather events, which might be best addressed by pure consumption transfers ('conventional' safety nets, including food aid);
2. is a problem of low agricultural production plus inadequate off-farm incomes, which is best addressed by support to production ('productivity-enhancing safety nets' such as fertiliser-for-work) and/or creation of alternative employment opportunities;
3. is a problem of urban poverty which can be addressed through a number of income-enhancing measures, of which consumption transfers (free food or cash handouts) is the most defeatist and unimaginative option;
4. is a problem of dependency, which is best addressed by social welfare programmes for designated vulnerable groups.

The design implications of this more disaggregated approach are profound, not least in terms of the timing and duration of safety net transfers:

1. drought- or flood-affected farmers will need occasional and short-term support (for a variable number of months, in bad years only);
2. chronically food-deficit farmers will need regular assistance every hungry season (for three to four months every year);
3. the enterprising urban poor might need no more than a single injection of microcredit (once only);
4. dependent vulnerable groups will need continuous social assistance (all year round, permanently).

This discussion highlights a common tendency in safety net programming in Malawi: namely, that the identification of 'beneficiaries' is almost always treated independently of the design issue, as though the selection of appropriate safety net instruments is invariant across all categories of the poor.

7. CONCLUSIONS

One purpose of this paper was to establish how Malawi's poor and vulnerable population is coping with intensifying poverty and food insecurity in the absence of large-scale social assistance programmes. Specifically, the paper attempted to establish the nature and magnitude of informal safety net systems, or the extent to which the poor draw on support from their extended family and other households (in the form of remittances, gifts, soft loans, meal sharing and so on), and to recommend how programme designers might draw on the strengths of informal safety net arrangements in the design of formal safety net interventions. This concluding section summarises key findings of the literature review and our survey, draws policy implications, and identifies gaps in knowledge that suggest a need for further research.

7.1. Adaptation and coping in Malawi

In the sustainable livelihoods literature, adaptive strategies are defined as 'longer term shifts in livelihood strategies', while coping strategies are 'temporary adjustments in the face of [rapid] change' (Scoones 1998:6). Adaptive strategies are generally adopted in response to cumulative stresses or gradual processes in the physical or economic environment, while coping strategies are reactions to sudden livelihood shocks.

Many of the stresses that Malawian farmers have adjusted to during the 1990s are related to processes of market liberalisation, specifically, changes in the markets for fertiliser, credit, maize and tobacco. Smallholder access to agricultural inputs has been constrained by rising prices associated with removal of fertiliser subsidies, repeated currency devaluations, and the privatisation of smallholder credit provisioning. One predictable consequence of these changes has been declining application of chemical fertilisers by poorer farmers who cannot afford to pay higher prices. Many smallholders have responded to their changing economic environment by taking the opportunity to grow burley tobacco, which became possible only after restrictions on burley production were lifted in 1990, but the poorest smallholders have not been able to take advantage of this option. Another adaptive strategy in densely settled southern Malawi involves strengthening informal economic links with neighbouring Mozambique, in terms not only of cross-border trade but also of large numbers of land-hungry Malawians moving into Mozambique to farm.

Unpredictable droughts and floods regularly undermine rural livelihoods throughout Malawi, while the 62 per cent devaluation of the Malawi kwacha in August 1998 caused a doubling of prices for most basic goods and services, undermining the purchasing power of market-dependent households and intensifying the food insecurity of both the urban and rural poor. In addition to these shocks, HIV/AIDS is creating large numbers of orphans and worsening dependency ratios in households and communities which are already finding survival difficult.

Coping strategies in Malawi are dominated by *ganyu*, which describes the broad range of agricultural and non-agricultural employment opportunities, mainly in rural areas. In difficult years and during the annual hungry season, people search for income-earning opportunities on other farms and in the informal sector. Because *ganyu* has been incorporated into livelihood strategies almost as a matter of routine, this might be regarded as an adaptive strategy. There is also an informal safety net element, in evidence that wealthier farmers sometimes hire more labour than they need in response to requests for employment from their neighbours. Other attempts to earn off-farm incomes in rural areas are limited – Malawian farmers have few livestock to sell, for instance.

When cash and food are scarce, poor people either 'choose' hunger to protect their assets and future livelihood viability, or are forced into reducing their food consumption (both quantity and quality), often to the point of incurring severe nutritional stress. A related important coping strategy in farming areas is premature consumption of unripe maize, which has the advantage of ending the hungry season early but the disadvantage of reducing harvests and undermining the household's future food security. Similar long-term costs are associated with cutbacks in fertiliser application to release scarce household resources for food purchases. These 'coping strategies' actually reflect a *failure* to cope adequately with economic stress and shocks.

In urban areas, where living costs are higher and livelihoods are dominated by income-earning activities rather than by food production, 'coping strategies' are dominated by cost-cutting measures. These include moving to low-rent squatter areas, using unprotected water sources, withdrawing children from school, and cutting back on firewood use. As in rural households, the urban poor reduce their food consumption and shift to cheaper food when money and food are short. Many of these austerity measures impose real costs on individual well-being – cutting meals, drinking unsafe water and skipping school all reduce human capabilities – so once again the label 'coping strategies' seems inappropriate. These behavioural adjustments should not be supported; on the contrary, formal safety net interventions should strive to replace these and other equally damaging coping strategies, to make them unnecessary and redundant.

One example of a coping strategy that is becoming increasingly commercialised is borrowing from friends, relatives or informal moneylenders. In urban Malawi in the early 1990s, borrowing was found to be the most important source of cash after employment (mostly in the informal sector), with food production (either in urban gardens or in rented plots in villages) also adding substantially to household food availability. Informal loans from moneylenders are given at exploitative rates – 'two-for-one' within one month is typical – but they are available for basic consumption needs to the poor who cannot access formal sector loans. Borrowing and lending between friends and relatives is more flexible and follows 'moral economy' principles: these loans are sometimes given in the form of food or fertiliser instead of cash, zero interest is the norm, and 'the one who provides today receives tomorrow' (Roe 1992a:95). However, our survey conducted in early 1999 found that surprisingly few respondents borrowed after the August 1998 devaluation (one in three in urban Blantyre but fewer than one in ten in rural Zomba) and that loan sizes were very small – because, according to most respondents, fewer people were willing or able to lend to the poor than ever before.

'Informal safety nets' were defined in this paper as redistributive support mechanisms in the form of resource transfers made from richer to poorer households or among poor households, rather than through the market or from formal providers of social assistance such as donors, NGOs and the state. Most informal transfers occur within extended families or between friends and are made on a basis of reciprocity, meaning there is an expectation that the provider will receive similar help from the beneficiary should their relative economic fortunes reverse in the future. 'Vertical redistribution' (from wealthy 'patrons' to poor 'clients') is almost nonexistent in Malawi. According to one survey in food-insecure rural communities: 'Redistribution of income from rich to poor in difficult years was said to be insignificant' (Earl and Moseley 1996:103). Instead these relationships are increasingly commercialised – a local 'big man' might dispense 'assistance' in order to acquire cheap labour from his dependent neighbours. (*'Help is no longer given for free.'*) As elsewhere in Africa, a shift has occurred from the 'moral economy' to the 'market economy'.

The problem is that these networks are highly vulnerable to 'covariate shocks' such as a drought which affects entire communities equally. While informal transfers tend to expand in times of mild stress or 'idiosyncratic shocks' (such as individual job loss or illness), they tend to contract in times of general crisis, when the providers themselves are too severely affected to respond to requests for increased assistance from poorer relatives and 'clients'. A study of the 1949 famine in Malawi (then Nyasaland) found that community support systems rapidly disintegrated as men abandoned their families and villagers blamed each other for causing the drought. So informal safety nets are likely to be least effective precisely when they are most badly needed, which is an important lesson for designers of formal safety net programmes.

Because there have been very few attempts to investigate this issue over time in Malawi, there is no way of assessing whether informal safety nets are more or less significant nowadays than in the past. However, anecdotal evidence suggests a gradual erosion of the 'moral economy' in Malawi, for a combination of economic, social and political reasons. The economic explanation has to do with deepening poverty – people complain that everyone looks out for themselves these days because there is no food or cash income to spare to help others. (*'Nowadays people only look after their own children.'*) The 'social' argument associates market liberalisation with increasing inequality, individualism and greed. (*'In the past people used to help each other with food or clothes and other things, but not any more. Now the poor stay poor but some are getting richer and they don't want to help anyone else.'*) The 'political' argument notes that Malawi's transition to multi-party democracy in 1994 has been accompanied by escalating levels of crime, including theft of crops and livestock and even armed robbery of village stores. (*'We have moved from too little freedom to too much freedom.'*)

Methodological limitations mean that informal safety nets in Malawi are almost always under-recorded. Quantitative evidence from recent national household surveys finds that informal transfers such as remittances make a very small contribution – less than 1 per cent – to total income, although local surveys find slightly higher figures, ranging from 2.2 per cent to 6.5 per cent. Informal transfers are more significant for female-headed households, accounting for 7 per cent of their total income, than for male-headed households, contributing just 1.2 per cent to them (Zgovu and Mvula 1998:28). But these aggregate figures conceal the highly skewed distribution of transfers. In reality, many poor households are highly dependent on transfers – elderly widows, for instance, are often fully maintained by an employed son or daughter – while many others receive no support at all.

Moreover, very few surveys have quantified the scale or value of informal transfers other than cash remittances – gifts of uncooked food, clothes or blankets, meal sharing, assistance with payment of school fees or medical expenses – and yet approximately two thirds of respondents in our urban and rural surveys mention 'seek help from relatives and friends' as an immediate response when they face a lack of cash or food. On the other hand, available evidence suggests that the *value* of these informal transfers is rather small.

One village-level survey found that the number of households receiving free food from their neighbours increased from 6 per cent to 50 per cent in drought years, but this was mainly in the form of plates or tins of maize and amounted to 5 per cent of total annual maize consumption at most, or two to three weeks' worth of food.

Findings from our survey revealed that rural Malawians appeared to be suffering greater economic – and hence nutritional – stress in early 1999 than the urban poor, judging by the almost universal adoption in the rural sample of dietary adjustments and other austerity measures. Although a significant proportion of both samples did receive some 'help' and/or loans from relatives or friends, almost one third of rural households and one in five urban households tried but failed to find help through informal safety nets.

7.2. Implications for formal safety net interventions

The case for formal (state- or donor-funded) social safety nets to assist the poor and vulnerable in Malawi is clear: for some of Malawi's poorest households, formal transfers might literally be the only way they can survive in the difficult months and years ahead. The theoretical case against formal social safety nets is that the poor might have developed adaptive responses and coping strategies (among these being informal safety nets) that together provide effective protection against their deteriorating economic and/or physical environment, so that formal transfers from the state or donor agencies are unnecessary. This study, which was commissioned partly to investigate this possibility, has empirically disproved that hypothesis.

All available evidence suggests that the rural and urban poor in Malawi are facing a barrage of shocks and stresses to their livelihood systems, and that their behavioural adjustments – both adaptive responses and 'coping strategies' – are increasingly unable to deal adequately with these shocks and stresses. At the same time, informal safety nets are contracting and losing their capacity to buffer the poor against temporary or permanent declines in their income or food production. Survey data collected following the August 1998 devaluation of the Malawi kwacha confirm that informal safety nets are neither substantial nor robust enough to provide adequate support for the poor, and this trend in itself further undermines the resilience of their already fragile livelihood systems.

The argument that formal transfers might simply substitute for informal transfers, thus having a negligible net impact, is weak in contemporary Malawi on two grounds: first, because the scale and coverage of informal transfers are very limited, and, second, because these transfers are concentrated between poor households rather than from rich to poor, so displacing these informal redistributive mechanisms would have a beneficial impact on aggregate poverty.

Formal safety net programmes should aim to minimise the necessity for Malawi's poor to adopt damaging austerity measures such as rationing of food consumption, withdrawal of children from education, moving into unsanitary housing conditions, and using unsafe water. However, the three papers reviewed here all reflect a concern that safety net interventions should not encourage dependency and a 'handout mentality' among the poor. Instead, the *causes* of deepening poverty and food insecurity should be addressed through the design of 'productivity-enhancing safety nets' that promote sustainable livelihoods in the longer term, as well as providing vital consumption support in the short term. Public works projects that create lasting community assets while simultaneously providing cash or food to participants are one positive example, provided they do not interfere with agricultural seasonality and do not overburden women. A recent evaluation of MASAF's Public Works Project revealed that the majority of participants favoured payment in cash after the harvest, in food during the hungry season, and in fertiliser and seeds at planting time. 'Inputs-for-work' would be an innovative way of achieving improvements in agricultural productivity, reversing the declining yields which are a major cause of the current state of food insecurity in rural Malawian households.

There are many other ways in which social safety nets could build various categories of capital in targeted households and communities. For example, community infrastructure projects could build *physical capital*, school feeding programmes that encourage attendance build *human capital*, microcredit for small enterprises offers *financial capital* to the poor, and *social capital* can be strengthened through support to carers for AIDS orphans. Adopting a 'sustainable livelihoods' approach to the design of safety net interventions for Malawi's poor has the potential to shift these programmes away from their conventional associations with social welfare handouts, and avoids the very real danger of simply replacing chronic poverty with chronic dependency.

7.3. Gaps in knowledge

The literature on coping strategies in Malawi has increased dramatically in the last few years, and there are now several detailed studies on livelihood systems and on household responses to shocks and processes such as drought and market liberalisation. This literature is far from comprehensive, however. Some studies have national coverage, but these tend to offer limited information at the local level. At the other extreme, livelihoods and coping strategies have been documented in great detail in certain districts or subdistricts. This patchwork quilt of studies reflects several deficiencies and gaps, notably in the areas of geographical disaggregation, gender analysis, under-researched vulnerable groups, and trends over time.

Individual case studies tend to be focused on their localities. Very few are geographically contextualised, in the sense of identifying what makes the locality different or similar to neighbouring localities or different regions within the country. For the uninformed reader, this might lead to a presumption that findings from a few communities are 'typical' and can be generalised to the country as a whole. Geographical areas and related issues that have been relatively neglected to date include: the Northern Region; internal (rural–rural) migration as a permanent or seasonal livelihood adaptation; and cross-border movements of people and commodities (to and from Mozambique, Tanzania and Zambia).

There are at least three dimensions to a gendered understanding of coping strategies, including informal safety nets, none of which is addressed in any depth in the Malawian literature at present. These three dimensions require a differentiated or disaggregated analysis between: men and women living in the same household; male-headed households and (*de jure* and *de facto*) female-headed households; and patrilineal versus matrilineal areas within Malawi.

Since most Malawians live in the rural areas and are smallholders by occupation, it is perhaps understandable that most policy attention and research activities around poverty and food insecurity have focused on food-insecure smallholders. This has had an opportunity cost, however, in terms of other categories of poor and food-insecure Malawians being relatively ignored. Until recently very little was known about urban poverty in Malawi, for instance, but this is changing. Estate workers remain an under-researched category, while the landless and near-landless are a group that is growing rapidly in terms of numbers and need for support.

Finally, most community-level case studies provide a snapshot of household or community behaviour at a point in time. Trend analysis is limited in quantity and anecdotal in quality – a commendable exception being Pauline Peters's longitudinal research in southern Malawi – yet how livelihood systems are evolving over time is crucial for understanding processes and for designing interventions that build on positive institutions and trends at the local level.

NOTES

1. Peter Matlon, personal communication, May 1999.
2. See Cox and Jimenez (1995) for a review of this debate and an analysis of empirical evidence from the Philippines.
3. These findings motivated our selection of the rural south and urban informal settlements as sampling frames for the survey conducted as part of this study (see Section 5).
4. The VAM draws the methodological lesson that 'statistical clustering would have improved the intra-cluster data homogeneity over that achieved with the conceptual clustering used here' (Morinière *et al.* 1996:20). Another option would have been to implement SCF's 'food economy zoning' (Earl and Moseley 1996), which generated more zones than the VAM's five clusters.
5. Interview with Dr Wycliffe Chilowa, Deputy Director, Centre for Social Research, Zomba, 29 January 1999.
6. Focus group interview, Zomba town, 29 January 1999. Unless otherwise stated, all quotations in italics in this paper are transcribed from interviews conducted by Stephen Devereux, Christina Gladwin and Maxton Tsoka in Zomba District, southern Malawi, in January 1999.
7. The following is an example from a village in Mchinji District: 'the politicians during the campaign in 1994 told the villagers that they did not have to pay back their fertiliser loans. As it turned out SACA demanded that the loans be repaid or the people would be ineligible for further loans. So the club at Gandali defaulted and farmers now have no access to credit' (GoM/UN 1997:16).
8. Peters (1999:11) argues that, because of 'structural' labour and land constraints, the principal effect of changes in agricultural price incentives and marketing conditions in Malawi is to induce farmers to shift *between* crops, rather than increasing *aggregate* output.
9. Chilowa (1998:562) notes that since the smallest ADMARC marketing depots were closed first, 'this rationalisation affected markets which were mainly in remote areas, inaccessible to private traders'.
10. More recently, the World Bank has conceded that the liberalisation of burley production has increased the incomes of 'the moderately poor' but has had little impact of the incomes of 'the majority of the poor'; it has also conceded that 'there has probably been a widening of the income distribution among the poor' (Smith 1999:2, 3).
11 The informal safety nets strategy comprises 'meal sharing' (4 per cent) plus 'loans of money or food' (3 per cent), which are invariably informal – provided by friends and relatives rather than banks (see discussion on 'borrowing' in section 4.2).
12. Zambezia is a surplus maize producer in most years, and Malawi is a major market, because of limited marketing opportunities either locally (limited demand) or nationally (poor transport infrastructure) (Bowen 1998:5).
13. Milton Kutengule, personal communication, June 1999.
14. In northern Ghana, under a traditional practice known as *pua elinga*, desperately poor families sometimes betroth their young daughters to wealthy neighbours as domestic servants and future brides, in exchange for an advance brideprice payment in cattle or food (Devereux 1993).

15. Embarrassment about resorting to moneylenders, or the development of a relationship between borrowers and moneylenders over time, might have resulted in some moneylender loans being reported as loans from 'friends'. In rural Zomba in January 1999 we interviewed a man who said he had borrowed from a friend – but at 100 per cent interest over one month. When probed, he admitted that the 'friend' was in fact a *katapila* from whom he borrowed regularly.
16. Shopkeepers' attitude to extending credit is often expressed in prominently displayed stickers, which express such sentiments as: 'God takes the credit – all others pay cash'; and 'Credit will only be given to customers aged 85 years or older – if accompanied by both parents!'
17. One teacher we interviewed from Zomba became indebted to a local *katapila* (moneylender). In November 1998 he borrowed K300 to buy a bag of maize from ADMARC for K363. The interest rate was 100 per cent per month, but after he managed to pay back only K300 in December the rate doubled: he paid K300 in January 1999 and agreed to pay the remaining K300 owed in February (for an annual simple interest rate of 1,200%).
18. The actual values are outdated, but comparisons across categories probably remain valid.
19. Similar methodological constraints inhibit the quantitative assessment of many other irregular, small-scale activities, such as informal sector incomes or snacking between meals, as well as illicit activities such as prostitution or crime which may be important sources of livelihood for the poor.
20. Roe's methodology suffers from the usual overemphasis on formal, regular, cash transfers – it does not account for informal, irregular, cash and in-kind gifts, soft loans, meal sharing and related transactions. It is also likely that income is systematically under-reported in these surveys. For instance, no households reported illicit or illegal earnings from sources such as prostitution and petty crime, yet the incidence of these and other 'second economy' activities is known to be high in urban areas, and has certainly increased during the 1990s. None the less, and despite being rather dated given the tremendous changes in Malawi's towns in recent years, Roe's work remains the most recent and detailed synopsis of urban poverty in Malawi.
21. '[T]he removal of authoritarian control has also had social costs, one of which is the apparently widespread and severe breakdown of law and order in both rural and urban areas. … The most common security problems were livestock thefts, thefts of tobacco and the armed robbery of grocery stores' (Evans 1997:9, 47).
22. Focus group interview, Zomba town, 29 January 1999.
23. This section draws on findings from a field survey that was commissioned from the Centre for Social Research, University of Malawi. Funding support from UNDP-Malawi is acknowledged. Survey instruments were designed by Stephen Devereux and Christina Gladwin, with inputs from Jim Smith and Trina Haque. The survey was implemented by Maxton Tsoka and Peter Mvula, who also processed the data and prepared a stand-alone report (Tsoka and Mvula 1999).
24. Unfortunately, very few female-headed households were located in the urban community, and respondents tended to answer on behalf of their household rather than for themselves, so no significant differences in responses by gender were recorded for the urban sample.

25. This assumes that any systematic bias in responses (such as a tendency to exaggerate problems) is uniform in both direction and extent across the urban and rural samples.
26. According to Milton Kutengule (personal communication, June 1999): 'The relatively low urbanisation in Malawi might imply that rural–rural migration and transfers are relatively more prevalent than rural–urban flows. Rural–rural flows appear to have risen in the 1970s and 1980s as international labour migration declined and estate agriculture increased thereby increasing labour mobility within the rural sector.'
27. The 'Starter Pack' initiative, which provided seeds and fertiliser to farmers in the 1998/99 season, used a combination of geographic and community targeting. The headman of one village near Zomba town, whom we interviewed in January 1999, allocated two Starter Packs (instead of one) to his widowed daughter, on the grounds that she was in greater need than a teacher living not far away who could use his salary to purchase inputs. One implication of this anecdote is that 'community targeting' of formal safety net interventions (while preferable in many respects to administrative targeting mechanisms) is likely to be subverted by the informal relationships and power dynamics within beneficiary communities unless strenuous efforts are made to set up alternative structures or monitoring mechanisms to circumvent local patronage.
28. In reality, demand for employment on food-for-work invariably exceeded the places available on each project. 'Virtually the only reason non-participants gave for not joining FFW was that they tried to but were told registration was full.' Although the participants clearly were among the poorest community members, many others were excluded despite being equally poor, so 'the self-targeting mechanism was not really working' (Dil 1996:xiv). At one project an attempt was made to introduce job rotation to 'enable more people to participate … but it failed due to strong resistance from people already participating' (Dil 1996:xiv). Public works also exclude those who cannot work, and the food-for-work project did not reach the 'physically unable', though in some areas a register for free rations to these vulnerable groups was introduced (Dil 1996:37).
29. This resulted in some inclusion errors, but targeting households through primary school children also suffers from errors of exclusion: the poorest families often do not send their children to school, or they withdraw their children from school during difficult times, and there are many poor households who do not have school-aged children – such as elderly couples or widows without support – who would not have been reached through the clinics and would be unable to contribute their labour to food-for-work activities. However, according to Dil (1996:18), the major disadvantage of targeting some schools and excluding others was 'migration of pupils between schools which was significant and led to disorder and disruption of classes'. Enrolment in one school rose by 26 per cent in one month – from 1,293 in February to 1,631 in March – following a distribution of food.
30. In a recent village study (QUIM 1998), one community argued that they do have a 'self-help spirit', but that this self-help spirit needs to be supported with outside assistance!
31. Recognising this incentive incompatibility, WFP have recently adopted a new approach to its public works programming which they call Food and Assets for Sustainable Employment (FASE), which

focuses on creating assets that will benefit individuals more directly than public infrastructure such as roads.

32. As developed by UNDP, DFID, and IDS Sussex (Scoones 1998).
33. UNDP-Malawi has embarked on this process by implementing Participatory Assessment and Planning for Sustainable Livelihoods (PAPSL) exercises in six rural and two urban communities.

REFERENCES

Adams, A., 1993, 'Food insecurity in Mali: exploring the role of the moral economy', **IDS Bulletin**, 24(4): 41–51

Allen, P., 1993, **Report on Risk-mapping Project Phase II Field Inquiries: Malawi**. London: Save the Children Fund (UK)

Bowen, N., 1998, **Trade, Traders and Trading: Malawi and Zambezia Province, Mozambique**. Lilongwe: Oxfam Malawi

Cammack, D., 1996, **Food Security and Gender Disparities in Malawi: A Profile Paper for Gender Targeting by WFP-Malawi**, Lilongwe: World Food Programme

Chilowa, W., 1998, 'The impact of agricultural liberalisation on food security in Malawi', **Food Policy**, 23(6): 553–69

Chilowa, W., and Chirwa, E., 1997, 'The impact of SAPs on social and human development in Malawi', in Chilowa, W. (ed.), **Bwalo: A Forum for Social Development**, Issue 1. Zomba: Centre for Social Research

Chilowa, W. and Shively, G., 1989, **Expenditure Patterns and Nutritional Status of Malawi's Urban Poor**. Ithaca: Cornell University Food and Nutrition Policy Program

Corbett, J., 1988, 'Famine and household coping strategies', **World Development**, 16(9): 1099–1112

Cox, D. and Jimenez, E., 1995, 'Private transfers and the effectiveness of public income redistribution in the Philippines', Chapter 12 in van de Walle, D. and Nead, K. (eds), **Public Spending and the Poor**. Baltimore: Johns Hopkins University Press

Davies, S., 1996, **Adaptable Livelihoods: Coping with Food Insecurity in the Malian Sahel**. London: Macmillan

Dershem, L. and Gzirishvili, D., 1998, 'Informal social support networks and household vulnerability: empirical findings from Georgia', **World Development**, 26(10): 1827–38

Devereux, S., 1993, 'Goats before ploughs: dilemmas of household response sequencing during food shortages', **IDS Bulletin**, 24(4): 52–9

Devereux, S., 1997, 'Household food security in Malawi', **IDS Discussion Paper 362**. Brighton: Institute of Development Studies

Devereux, S., 1999, 'Targeting transfers: innovative solutions to familiar problems'. **IDS Bulletin**, 30(2): 61–74

de Waal, A., 1989, **Famine that Kills: Darfur, Sudan, 1984–1985**. Oxford: Clarendon Press

Dil, L., May 1996, **Rural Appraisal: Primary Schools, Vulnerable Group Feeding, and Food for Work as Channels of Maize Distribution**. Lilongwe: World Food Programme

Earl, J. and Moseley, W., 1996, **RiskMap Report – Malawi: Preliminary Results**, London: Save the Children Fund (UK)

Evans, J., 1997, **Growth Prospects Study: Rapid Assessment of the Impact of Policy Changes on Rural Livelihoods in Malawi**. Lilongwe: World Bank in Malawi

Food Studies Group, 1994, **Country Strategy Outline: World Food Programme – Malawi**. Lilongwe: World Food Programme

Frankenberger, T., 1992, 'Indicators and data collection methods for assessing household food security', in Maxwell, S. and Frankenberger, T. (eds), **Household Food Security: Concepts, Indicators, Measurements**. New York: UNICEF and Rome: IFAD

Geier, G., 1995, **Food Security Policy in Africa Between Disaster Relief and Structural Adjustment: Reflections on the Conception and Effectiveness of Policies: The Case of Tanzania**. London: Frank Cass

Gomonda, N., Kamanga, C., Chiwaka, E. and Pain, C., 1997, **Qualitative Impact Monitoring (QUIM) as part of the Poverty Monitoring System (PMS): Mundangu Village Site Report, Mhuju EPA, Rumphi District**. Lilongwe: National Economic Council

GoM/UN (Government of Malawi and the United Nations in Malawi), 1997, **Participatory Assessment and Planning for Sustainable Livelihoods (PAPSL) Report: Gandali Village, Mchinji District**. Lilongwe: Government of Malawi and United Nations

GoM/UN (Government of Malawi and the United Nations in Malawi), 1998, **Participatory Assessment and Planning for Sustainable Livelihoods (PAPSL) Report: BCA, Blantyre**. Lilongwe: Government of Malawi and United Nations

Kalemba, E., 1997, 'Anti-poverty policies in Malawi: a critique', in Chilowa, W. (ed.), **Bwalo: A Forum for Social Development**, Issue 1. Zomba: Centre for Social Research

Kishindo, P., 1997, 'Malawi's social development policies: a historical review', in Chilowa, W. (ed.), **Bwalo: A Forum for Social Development**, Issue 1. Zomba: Centre for Social Research

Konyani, S., 1998, 'Factors explaining rural household incomes with recommendations for aiding the transition out of poverty', **Research Findings of a Small Policy Study Under the Poverty Monitoring System (PMS)**. Zomba: Centre for Social Research

Kutengule, M., 1997, 'Resource mobilisation for basic education and health care', in Chilowa, W. (ed.), **Bwalo: A Forum for Social Development**, Issue 1. Zomba: Centre for Social Research

Malawi Institute of Management, 1997, **Malawi Social Action Fund (MASAF): Beneficiary Assessment, 1997**. Lilongwe: Malawi Institute of Management

Mang'anya, M., 1998, **Socio-economic Study to Identify Target Areas for a Labour Intensive Rural Feeder Roads Programme in Malawi**. Lilongwe: Ministry of Local Government

Mataya, C., Chulu, O. and Chilima, E., 1998, **Socio-economic Effects of Structural Adjustment Policies on Malawi's Rural and Urban Households**. Lilongwe: National Economic Council

Maxwell, D., Levin, C. and Csete, J., 1998, 'Does urban agriculture help prevent malnutrition? Evidence from Kampala', **Food Policy**, 23(5): 411–24

MEPD (Ministry of Economic Planning and Development), World Food Programme (WFP) and the Famine Early Warning System (FEWS), 1996, **Rapid Food Security Assessment (RAFSA): November–December 1995**. Lilongwe: MEPD, WFP, FEWS

Minae, S., Malfense, O. and Mdyetseni, H., 1998, **Socio-economic Study to Identify Target Areas for a Labour Intensive Rural Feeder Roads Programme in Malawi: Final Report**. Lilongwe: Ministry of Local Government and Delegation of European Commission in Malawi

Morinière, L., Chimwaza, S. and Weiss, E., 1996, **Malawi Vulnerability Assessment and Mapping (VAM) Baseline 1996: A Quest for Causality**. World Food Programme (WFP) and Ministry of Economic Planning and Development (MEPD)

Moser, C., 1998, 'The asset vulnerability framework: reassessing urban poverty reduction strategies', **World Development**, 26(1): 1–19

Mthindi, G., Chilowa, W., Milner, J. and Ntata, P., 1998, **Social Policy in the Context of Economic Reforms in Malawi: The Survival and Adaptive Strategies of Vulnerable Groups: Monitoring Survey Draft Report**. Zomba: Southern African Regional Institute for Policy Studies

Næraa, T., Devereux, S., Frayne, B. and Harnett, P., 1993, 'Coping with drought in Namibia: informal social security systems in Caprivi and Erongo, 1992', **NISER Research Report 12**. Windhoek: University of Namibia

Pearce, J., Ngwira, A. and Chimseu, G., 1996, **Living on the Edge: A Study of the Rural Food Economy in the Mchinji and Salima Districts of Malawi**, Lilongwe: Save the Children-UK

Peters, P., 1999, 'Agricultural commercialization, rural economy and household livelihoods 1990–1997: final report', Harvard Institute for International Development

Putnam, R., 1993, 'The prosperous community: social capital and public life', **American Prospect**, 13:35–42

QUIM (Qualitative Impact Monitoring Team), 1998, **Qualitative Impact Monitoring of Poverty Alleviation Policies and Programmes in Malawi: Volume 1 – Research Findings**. Lilongwe: National Economic Council (NEC) and German Technical Co-operation (GTZ)

Reardon, T., 1997, 'Using evidence of household income diversification to inform study of the rural nonfarm labour market in Africa', **World Development**, 25(5): 735–47

Roe, G., 1992a, **The Plight of the Urban Poor in Malawi: Results from a Baseline Survey**. Zomba: Centre for Social Research

Roe, G., 1992b, **Low Income Urban Households in Zomba: A Profile**. Zomba: Centre for Social Research

Scoones, I., 1998, 'Sustainable rural livelihoods: a framework for analysis', **IDS Working Paper 69**. Brighton: Institute of Development Studies

Scott, J., 1976, **The Moral Economy of the Peasant**. New Haven: Yale University Press

Semu, L., and Chande-Binauli, L., 1997, 'Women's status in Malawi: a case for gendered development', in Chilowa, W. (ed.), **Bwalo: A Forum for Social Development**, Issue 1. Zomba: Centre for Social Research

Smallholder Agribusiness Development Project (SADP), 1997, **Past, Present and Future Performance of the Smallholder Tobacco Farmer in Malawi: 1994–2000**. Washington DC: Agricultural Cooperative Development International

Smith, W., 1999, 'Safety nets in Malawi: how much? for how many?' Lilongwe: World Bank in Malawi

Swift, J., 1989, 'Why are rural people vulnerable to famine?' **IDS Bulletin**, 20(2): 8–15

Tsoka, M. and Mvula, P., 1999, **Malawi Coping Strategies Survey**. Zomba: Centre for Social Research

Vaughan, M., 1984, 'Poverty and famine in Nyasaland, 1949', **University of Malawi Journal of Social Science**, 11:46–72

Whiteside, M., 1998, 'When the whole is more than the sum of the parts: the effect of cross-border interactions on livelihood security in southern Malawi and northern Mozambique', Oxford: Oxfam-UK

Whiteside, M., 1999 , 'Ganyu Labour in Malawi and its Implications for Livelihood Security Interventions', Blantyre: Oxfam International Programme in Malawi (draft, May)

World Bank, 1995, **Malawi Agricultural Sector Memorandum: Strategy Options in the 1990s**. Washington DC: World Bank

World Bank, 1997, **Accelerating Malawi's Growth: Long-term Prospects and Transitional Problems**. Washington DC: World Bank

WFP (World Food Programme), 1998a, **Country Programme for Malawi 1998–2001)**. Rome: World Food Programme

WFP (World Food Programme), 1998b, **Malawi – Targeted Safety Net Emergency Operation: Project Memorandum**. Rome: World Food Programme

World Food Programme, Malawi (WFP-Malawi), 1998, **Evaluation of the Targeted Safety Net Emergency Operation – 5997**. Lilongwe: World Food Programme

Zgovu, E. and Mvula, P., 1998, **Malawi Social Action Fund (MASAF) Safety Net Baseline Study: Final Report**. Zomba: Wadonda Consult

Zgovu, E., Mvula, P., Kunkwenzu, E. and Potani, M., 1998, **A Review and Evaluation of MASAF Safety Net Programme and Assessment of its Impact: Final Report**. Zomba: Wadonda Consult