

Poverty and Inequality and the Quest for Inclusivity: A Case of Malawi at 54 Years of Independence

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Abstract

The paper argue that since the country's attainment of independence in 1964 the political leadership has to a large extent failed to implement inclusive policies and programmes to address poverty and inequality, except for very brief moments when some efforts were discernible. Malawi continues to witness the pursuit of self-interests and high levels of corruption by the political elites during each and every regime, which is evident by their massive accumulation through looting and sharing of the spoils at the expense of the poor, which ultimately further widens the poverty and inequality gap. There are serious access issues pertaining to land which is essential for production, capital, education and health services, among other things. The paper argues that at the current pace and 'modus operandi', it is very unlikely for Malawi to tackle the problems in question unless if a structural transformation agenda, drawn from a consultative process, is pursued to engineer inclusive growth and development.

Keywords

Poverty, Inequality, Inclusivity, Structural Transformation, Corruption, Political Economy, Political Leadership, Malawi

1. Introduction

Empirical evidence shows that in Southern Africa both resource rich countries and agro-based economies such as Malawi have failed to significantly reduce the wealth gap, unemployment levels and poverty [1]. This is resulting from inability of governments in the region to device and implement robust policies and programmes to reduce the existing high levels of poverty and inequality. In the case of Malawi, evidence shows that the inequality and poverty gap continues to widen, and therefore, ravage the majority of people in the country. According to the National Statistical Office data, the national poverty rate in Malawi as at 2013 stood at 38.7 percent, the majority of which are based in rural areas (90 percent of poverty) [2]. The trap in which Malawians are caught can be explained by a number of factors. First is the existence of predatory regimes with predatory elites that tend to focus more on personal wealth accumulation at the expense of the country instead of

pursuing a national inclusive development agenda, which shows their lack of moral radar. The pre-occupation of such regimes has been the pursuit of own political agenda and self-enrichment through corruption and looting of public resources [3]. Second, Malawi has been implementing economic policies that centre on non-inclusive growth, and achievement of macroeconomic targets that are primarily prescribed, or imposed, by external agents that have enormous influence on the fate of millions of locals but such agents are largely detached from reality and problems of development on the ground [4]. A review of the several shifts in policies and programmes that the country witnessed since independence (e.g. Structural Adjustment Programme (SAPs), Poverty Alleviation Programme, Malawi Poverty Reduction Strategy (MPRS), and Malawi Growth and Development Strategy I, II and III) shows that no significant strides were attained in relation to reduction of poverty and inequality rates. It has been argued that this is so, even during brief moments when macro-economic targets are achieved, because the growth has not been inclusive or pro-poor [5, 6].

Furthermore, other contributing factors to high levels of poverty are lack of a systematic plan and local ideas with which to address poverty, as well as structural bottlenecks within the country. It must be stated that although in recent years some social policies and programmes have been implemented in an attempt to address the issues in question, these have not succeeded because they in themselves are problematic and not pragmatic, due, in part, to what informs them. Consequently, Malawi continues to be a poverty stricken country where standards of living are low, access to education and health is problematic particularly for the majority based in rural and remote areas, distribution of income and resources is highly in the favour of the rich yet they constitute a small percentage of the population, and participation in politics and economy at higher levels is not inclusive due to nepotism, gender and other factors [6]. This is a major cause for concern as it increases a sense of injustice and deprivation among people [1]. This paper, therefore, seeks to assess the status of poverty and inequality in Malawi at 54 years of independence, and how this can be addressed through inclusive development and structural transformation agenda. It is also intended to show that although the current situation is not rosy for Malawi, there is potential to reduce the rates of poverty and inequality, so that Malawians can live a better life and enjoy the benefits of inclusive development. It brings forth the proposition for a structural transformation and systematic approach to be taken to address poverty and inequality in the country. This is the case because the problem is not a poverty trap per se, but a policy trap [4], political capture of government and institutions by few predatory elites, continued leadership failure, and societal norms that underpin gender and regional disparities, among others [7].

2. A Framework of Analysis

In undertaking the assessment in question, it is essential to use frameworks for poverty and inequality analysis. The first one is the multidimensional approach, to which Amartya Sen, made a significant contribution. According to this approach, 'a person's ability to participate in society and to live a decent life (to be nourished, healthy, etc.) is summarized in terms of a number of key "functionings", and poverty is conceptualized as a lack of the various capabilities to achieve these functionings' [8]. Amartya Sen pointed out that 'the notion of capabilities relates closely to the functioning of a person', and that 'this has to be contrasted with the ownership of the goods, the characteristics of the goods owned, and the utilities generated' [8].

The paper also utilizes the Human Development Index (HDI) for further analysis of the issues in Malawi. The HDI outlines key indicators of longevity, which is measured by life expectancy at birth; knowledge, which is basically arrived at by calculating the average of the adult literacy rate and school enrolment rate; and living standards, which takes into account the GDP per capita [9].

It is also important to state that in the analysis of poverty

and inequality, the money-metric poverty measures are also used. The focus is on the amount of income that a household earns and can be used for various purposes, including to buy or access basic needs. This relates to measures of the poverty line in relation to the welfare function, which helps to know how many households are below, above or on the poverty datum line [10].

3. The Problem of Poverty and Inequality in Malawi in Historical Perspective

As records show, the colonial regime in Malawi (then called Nyasaland) was not concerned with addressing poverty and inequality. The structure of the economy or productive system was oriented at extracting as much as possible from the colony, as was also the case elsewhere in Africa. This extraction of resources and labour benefited White settlers and the West, and worsened the conditions of local people [11]. The land dispossession that took place during the colonial era pushed Africans into marginal and infertile pieces of land. This then resulted in food insecurity among Africans, who during the pre-colonial era were able to produce surplus food [11, 12]. Significantly this new landholding profoundly affected the character of Malawi's political economy in terms of its creation of inequalities of access to and ownership of land in the country, particularly in the southern region [12]. Available records also indicate that the colonial administration created the labour reserves as a source of cheap labour for white estate agriculture and for export to Zimbabwe and South Africa [13]. This denied African communities of an energetic labour force for its own productive activities. Worse still, the introduction of a taxation system by the colonial administration exacerbated the living conditions of Africans as this was another measure of its extractive mechanisms.

It is not surprising, therefore, that the Nationalist movement, in its fight for freedom from the colonial rule, shared among other things a vision of the future of reduced or end of poverty, hunger and disease. These key words became part of the rhetoric of Dr. Banda and his regime during the formative years of independent Malawi. The same were also included in the national anthem as it was deemed essential for all Malawians to unit in the fight against poverty, hunger and disease. In the first few years of independence, Dr. Banda's regime included social development on the agenda and investments were made in education, health and agriculture, among others. However, there were serious issues that were addressed. First, Dr. Banda's regime inherited almost intact and continued with the colonial economic or productive system, which was characterized by the land tenure system that disadvantaged Africans, production of agricultural commodities that were exported in raw form to Western markets, and the tenancy labour system, under which Africans lived in miserable and poverty conditions. Moreover, Dr. Banda himself and senior

party and government officials ventured into estate agriculture [14]. Thus, they could not address the land and labour tenancy issues as they also wanted to benefit from the same. It can be argued that the structural legacies that were inherited and continued up to today, whether in terms of the agricultural sector and others, continue to be a hindrance to addressing critical issues of poverty and inequality in Malawi. Again, what is more is that the Banda regime was pre-occupied with policies and programmes on economic growth, but that which were not inclusive [15].

As it has been the case elsewhere, Dr. Banda's big man ideas could not last. So this together with other external factors such as rising cost of fuel and adverse weather conditions, led to an economic crisis around 1980. This then saw the coming in of the World Bank with their famous Structural Adjustment Programme (SAPs) that was run from 1980 to 1994. This policy package had profound effects in the country. It undermined the whole economy as results show continued annual decline in economic growth year after year. For example, the rate of growth of real GDP was 6.1 percentage points between 1971 and 1980 period as compared to that of only 3 percentage points during the SAPs era [16]. As for inflation, during the pre-SAPs the inflation rate was at 9.5 percent, while during the SAPs era it rose significantly to the range of 24 percent [16]. Thus, this simply demonstrates that the SAPs negative effects obviously translated into many sectors and programmes suffering, including social development programmes.

In early 1990s Malawians demanded for democracy as they thought it would bring both freedoms and rights, and socio-economic development. In 1994, the United Democratic Front (UDF) won the general elections, and immediately one of the key issues that the new regime focused was 'poverty alleviation'. It worked with foreign partners on its social development agenda which led to the introduction of free primary education, scholarship programme for girls in secondary schools, increasing public spending on social programmes, and public works programme through the Malawi Social Action Fund. These efforts were guided by the Poverty Reduction Strategy Programme (PRSP), championed by the IMF. However, despite all this, available evidence shows that generally poverty and inequalities in Malawi were not addressed. During the whole PRSP period (i.e. mid 1990s to early 2000s), poverty rates in Malawi remained within the range of 54 or 52 percent at national level and ultra-poverty rates around 25 percent, without any signs of significant reduction [17, 18]. The question now is why the PRSP fail to turn

things around.

First, the failures of the poverty reduction strategies during the said period can be explained by the lack of motivation by stakeholders and limited sense of ownership locally, as the ideas were seen to be exogenous and not local [19]. Again, according to [19], it has been argued, in case of the MPRS, that it failed to offer policy alternatives to the failures of SAPs, and that it did not articulate how economic development will affect different welfare groups. Third, this strategy and other related programmes clearly failed to articulate and implement concrete plans on how to redress inequality, reduce poverty systematically, create jobs, and attain sustainable inclusive growth. Due to failure in the above areas, some scholars and observers have argued that programmes such as these should not be used as vehicles for accessing donor funds, but as a means of outlining strategies for addressing development issues [20].

In 2006, the new regime of Bingu wa Mutharika launched the Malawi Growth and Development Strategy (MGDS), which had two phases of 2006 to 2011, and 2011 to 2016. Poverty still remained a priority of government in its programmes. Evidence shows that by 2007 national poverty level declined to about 40 percent, representing almost a 12 to 14 percentage point reduction from the rate of the PRSP era. However, this achievement was short-lived, because by 2011 poverty rates rose back into the range of 50 percent nationally, in spite of the huge amounts of money allocated to poverty reduction programmes. Even from 2012 onwards, poverty reduction programmes have not achieved anything major as the poverty rates and inequality continues to be serious issues in the country. It is, therefore, imperative to understand the current status, which will then inform proposed ways to turn things around.

4. Current Status of and Interventions on Poverty and Inequalities in Malawi

4.1. Levels of Poverty in Recent Years

The foregoing has shown that poverty and inequalities have continued in the country. Previous strategies have not done much, in part, due to their inherent shortcomings, and due to structural issues that have evolved over the years. A table below shows poverty rates in Malawi in recent years. It shows both poverty and ultra-poverty levels, and the figures indicate that there has not been much change.

Table 1. Poverty Rates in Malawi.

	1998 - PRSP	2004 - PRSP	2007 - MGDS I	2011 MGDS I & Transition to II
Poverty (% Population)				
Malawi	54	52	40	50.7
Urban	19	25	11	17.3
Rural	58	26	44	56.6
Ultra Poverty (% Population)				
Malawi	24	22	15	24.5
Urban	5	8	2	4.3

	1998 - PRSP	2004 - PRSP	2007 – MGDS I	2011 MGDS I & Transition to II
Rural	26	24	17	28.1

Source: [17, 18]

4.2. Agricultural Sector

The market liberalization that came in with the neoliberal approach to development continues to impact negatively on farmers. Previously farmers had a formal market for their produce at depots of a parastatal called Agricultural Development and Marketing Corporation (ADMARC), where they sold their commodities at fair prices. However, from late 1980s up to present, the market saw the influx of some middle-men who go to rural areas with tampered scales, with which they rip off farmers [21].

As shown earlier, estate agriculture was continued in post-independence era. Inherent in estate agriculture is the tenancy labour system. Under this system, labourers are hired from within or far places and housed in the estate. Some people bring their families along and together work in the estate. The labour tenants, however, are often exploited and manipulated by estate owners by paying them very little wages and making them live in miserable conditions, as making economic profit is what pre-occupies the estate owners' mind. Worse still, child labour is another big issue in Malawi, which robs the future of the children, because they spend time working instead of going to school.

Besides the estate agriculture which produces mainly tobacco, tea and coffee for export, the majority of rural farmers focus on subsistence agriculture. Farmers depend on rainfall and grow crops once a year. Since the transition to multi-party, almost every new regime allocates a considerable amount in the annual budget to farm input subsidy programme. Although in some years the subsidy programme, together with good rains, seem to have led to food security, a critical review of it shows serious flaws. First, the subsidies have created a dependency syndrome, in that every year the rural farmers wait for the government to buy seeds and fertilizers for them. Basically, this is not sustainable and worsening dependency syndrome. Second, the huge amounts allocated to the farm input subsidy programme should have otherwise been directed towards productive agriculture that can in turn earn smallholders and the country some income, and have them graduate eventually into medium scale or even large scale farmers.

4.3. Land Issue

There are inequalities in relation to access to and ownership of land in some part of the country, particularly in areas where the colonial administration and White settlers established agricultural estates. As demonstrated in the foregoing, the land tenure system was inherited at independence and continued by the new regime of Malawi Congress Party. There was no desire to address this problem as senior officials of the party and government joined estate agriculture just like the White settlers. They thus designed policies that ensured their easy access to cheap labour.

It was not until in 2000 that the government decided to address the land shortage issue. It therefore started to implement what was called the Community Based Rural Land Development Project (Kudzigulira Malo—buying yourself a piece of land). This project targeted some households in Thyolo, Mulanje and Phalombe for relocation to Mangochi and Machinga districts. Each beneficiary was given about USD 1,050 to cover costs for relocation, developing the land and other things. However, this programme failed because the funds given to each beneficiary were not sufficient, the households were relocated to places without basic social amenities such as health units and schools, and the people were given marginal lands in some areas or close to national parks, which posed a threat to both their lives and crops [22]. As a result, most people began to return to their original home districts, leading to the failure of the programme. Up to today this remains one of the major issues in areas concerned in Malawi. This is why currently there is a grouping called “United States of Thyolo and Mulanje”, under the leadership of Vincent Wandale, which is pressuring government to address their long standing land issue by way of, among other things, making self-proclamation of secession and independence from Malawi. Although this is not yet successful, but such a movement can grow and gain support of those that continue to be discontented with the status quo in relation to access and ownership of land.

4.4. Unemployment Levels

The issue of unemployment and underemployment is also worth discussing. The 2013 Malawi Labour Force Survey, which was conducted by the Malawi National Statistical Office, found out that 20 percent of the country's population is unemployed, while 80 percent is employed [23]. However, the majority of those employed (i.e. 89 percent) are in informal sector. Again, out of this percentage the majority are in low wage employment, as data shows that only 4 percent are employed in managerial, professional technician and associated professional jobs [23].

4.5. Education

During the early years of independence, Malawi and other countries in Africa had public spending on education and schooling policies that were often designed to reduce huge interregional variations in education accomplishments and enhance national unity; for example, by bringing young people of different ethnics and regional backgrounds together in secondary school and even more at the university level [24]. Later on the MCP regime introduced a quota system for university level education in order to accommodate people from all the districts in the country. This policy was ended but later re-introduced by Bingu wa Mutharika's government.

The major weakness of this, is that bright students are left out of the system simply because there was stiff competition for space allocated to their district, and students that did not perform well in Malawi School Certificate of Education exams (final year of high school) find their way into the public university simply because of availability of space in their district quota. This has increased the number of students who are withdrawn from the university on academic grounds. The government's focus should have been on expanding universities to increase access, rather than to continue with the same infrastructure and give quotas to each district.

Another important aspect, which relates to the unemployment issue, is the type and nature of formal education in Malawi. For many years, the education system has focused on preparing students to be employed by the

industry, instead of training them to be independent and start their own enterprises upon completing their studies. So during periods when the job market is tight, like in recent years, many people fail to secure jobs despite having high school certificates or university degrees.

This sector is also under-funded from primary through secondary to tertiary level. Free primary education saw an increase in enrolment of students, which also translates into increased demand for secondary and university education. However, enrolment data of primary, secondary and tertiary levels typifies a pyramid, which shows significant reduction of numbers towards the top, which is an indication of limited space in the latter two levels. This is well summarized in Table 2.

Table 2. Enrolment for all levels of education, 1994 – 2015.

YEAR	PRIMARY LEVEL	SECONDARY LEVEL		TERTIARY LEVEL		
		Secondary School	Distance Education Centres (MCDE)	Teachers Training Colleges	Technical Colleges	University
1993/94	1,895,423	46,444	42,308	3,624	1,007	3,684
1994/95	2,860,819	48,360	57,481	3,085	1,080	3,601
1999	2,896,280	75,959	166,781	9,401	1,305	3,527
2000	3,016,972	46,396	118,063	8,548	1,472	3,977
2001	3,187,835	57,635	118,617	13,252	1,352	3,654
2008	3,600,771	233,573	*	3,794	1,388	7,972
2009	3,671,481	243,838	*	4,090	1,705	---
2009/2010	3,868,643	240,918	*	8,569	4,477	9,436
2010/2011	4,034,220	256,343	*	10,993	6105	12,203
2011/2012	4,188,677	260,081	*	12,839	8,356	*
2013/2014	4,670,279	346,604	*	13,865	*	*
2014/2015	4,804,194	358,033				

* No data available due to non-response.

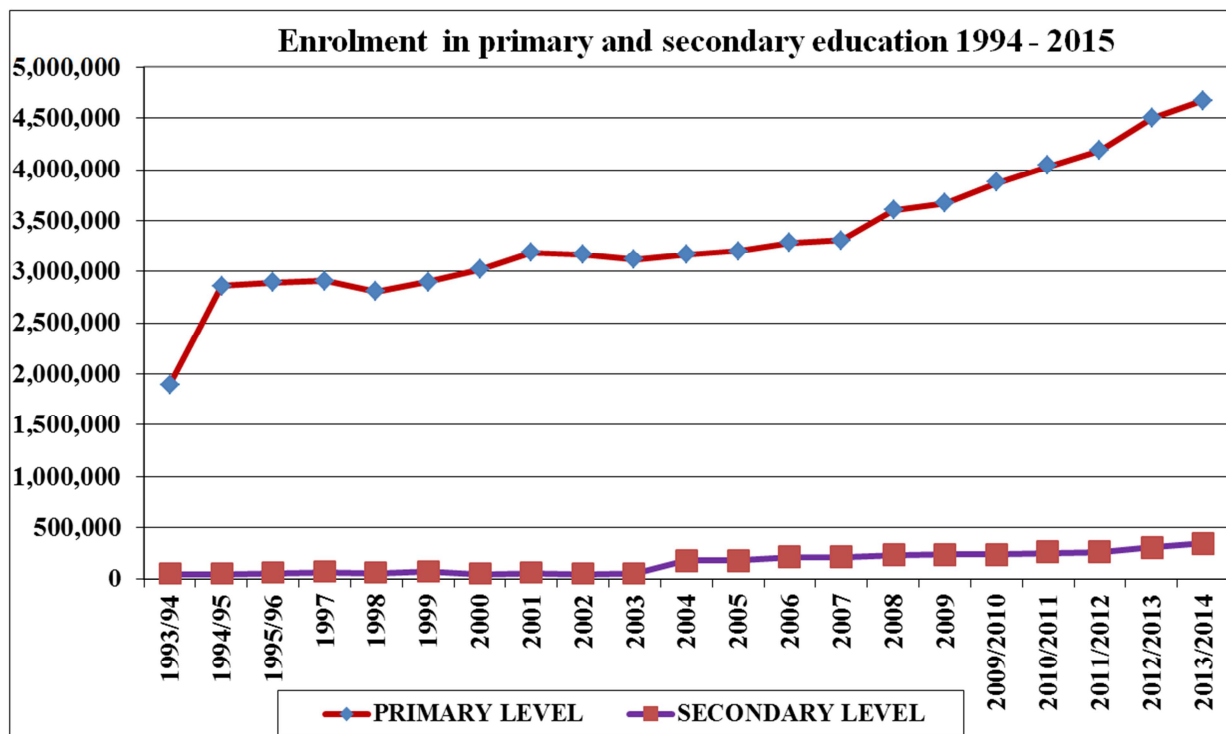


Figure 1. Enrolment in Primary and Secondary Education.

Source: GoM, Education Management Information System (EMIS) Report, 2015

The issue of lack of access to secondary and tertiary levels is a major one among the poor, particularly those in rural areas of the country. There seems to be little effort to bridge this gap, and access to education works best for the rich and middle class who can afford to attend public or private secondary schools, colleges and universities. Further to this, inadequate funding, as well as limited infrastructure, teaching and learning materials and human resources, especially in rural areas, greatly affects the quality of education.

4.6. Health Sector

Over the past decades, the health sector saw expansion of infrastructure at district level and construction of health units in rural areas to increase access to health-care services. The government also collaborated with partners to increase intake of students in health-care training at tertiary level. However, the demand for more professional health-care workers remains high, because at the moment the doctor to patient ratio, and even the nurse to patient ratio, is still very high in the country. For instance, as per 2010 records there were only 17 nurses for every 100,000 patients [26], and only one doctor for every 50,000 persons [27]. This is against the backdrop of other major challenges facing this sector. For example, as of 2010 about 71 percent of births were attended by a skilled health worker, while 29 percent were not and mostly happened in communities; the maternal mortality ratio per 100,000 live births was at 460 in 2010; and under-five mortality rate per 1,000 live births was at 71 in 2012 [28].

On top of this, the health sector is grappling with challenges such as shortages of drugs and other pharmaceuticals, and inadequate funding. Recently, there have been reports of preventable deaths in public hospitals due to shortages of drugs. Between 2013 and 2015, for example, one of the major referral hospitals in Malawi, Kamuzu Central Hospital, closed the out-patient section several times due to lack of drugs.

Crossing over to HIV/AIDS, Malawi has 10 percent of its population living with HIV/AIDS. The HIV/AIDS programme, however, has registered positive outcomes through its successful roll out of the ART programme, the Prevention of Mother to Child Transmission (PMTCT) and HIV prevention campaign.

5. Inept and Corrupt Leadership

Since independence Malawi has seen leaderships that are obsessed with personal wealth accumulation by taking government as their own enterprise. The leadership also design and implement some policies that advances their own interests at the expense of the whole nation. There are also many cases where the leadership seal deals with foreign companies, in the extractive industry for example, that leads to loss of resources for almost nothing. The leaders obviously pocket something in return. For case in point, a uranium mine at Kayerekera in Karonga district, which is being operated by

Paladin Limited from Australia.

Since independence, evidence shows accumulation of huge amounts of money and other material wealth by the political elites to the magnitude that everybody questions when one looks at how much they had prior to assuming public offices. During the one party era, corruption primarily involved the very senior leaders, but it became rampant at various levels in both the public and private facets during the multi-party dispensation. Some of the major cases include corruption scandal involving the supply of drugs to the Central Medical Stores, Field York case involving the Minister and other senior officials in Ministry of Education during the UDF era, and the missing of about 92 billion Kwacha (USD 657 million) during the Bingu wa Mutharika regime (2005-2012) and about 13 billion Kwacha (USD 43 million) during the Joyce Banda regime (2012–2014). Besides accumulating personal wealth, politicians and ruling parties seek to make money for the next campaign, as currently there is no framework and mechanism for requiring political parties and candidates to disclose sources of funding for their political activities. As this corrupt conduct persist, it is the majority who are poor that continue to suffer as various social services and programmes get affected when public resources are turned into private property through corruption. As [29] argue, the distribution of spoils across the network of master – subordinates happen, takes precedence over the formal functions of the state, severely limiting the ability of public officials to make policies in the general interest. This network in its undertakings limits public officials' application of the existing rules and regulations, and in general, undermines the institutions of the country.

6. Structural Transformation as a Means of Confronting Poverty and Inequalities

To begin with, as it has been stated earlier in years when Malawi attained significant economic growth, during the first 15 years of independence and between 2005 and 2009, many scholars agree that the growth was not inclusive [15, 30, 31]. The government was pre-occupied with pursuing economic policies that enabled it to achieve growth at the expense of social development. Thus, moving forward it is imperative to pursue inclusive growth economic policies, so that poverty and inequality are tackled.

It must also be stated that there are structural impediments that hinder progress and fight against poverty and inequality in Malawi. First, in the agricultural sector, the majority of farmers are engaged in subsistence farming and growing of cash crops on a very small scale. Worse still, the produce is sold on the market in raw form making it fetch less from the market locally or abroad. Thus, there is need to promote cash crop production and value addition across the country and initiate market linkage programmes to benefit small and medium scale farmers. It is also a fact that the agricultural

sector is also still relying on poor infrastructure and lack of modern mechanization, which together with adverse weather in some years, leads to low productivity. It is therefore important for government to invest more in improving infrastructure and modern farming and irrigation technologies, so that farmers can access these to improve productivity.

Another structural impediment to people, particularly in districts of Thyolo, Phalombe, Mulanje and others, is land shortage. This originated from the land dispossession that took place during the colonial era and the failure by the post-independence regimes to correct the situation. It was not until the year 2000 that the government with funding from the World Bank launched a programme called Kudzigulira Malo (buying yourself a piece of land), which relocated some households from the above mentioned districts to Mangochi and Machinga. However, the programme failed due to reasons such as small amounts of money given to households as relocation allowance, allocating people in marginal and infertile lands, and cultural issues. This caused the programme to fail. Thus, there is need for the government to come up with a solution to address the land issue in concerned districts, so that people can access and own land on which to reside, farm or undertake other productive activities.

There is need to enhance transport network system across Malawi, particularly in rural areas and parts of the country that are good for agriculture. For example, constructing a road to run parallel to Shire river, from Nsanje at the southern tip of Malawi to Mangochi district, where it can connect with Lake shore road, which runs parallel to Lake Malawi, up to Karonga, the northern district; and a road connecting the western part of Malawi from Chitipa to the central region, unlike the current situation where this area is difficult to connect to. Basically, the improved transport system will assist in easing rural people's access to markets and other social services, and make transport cost cheaper than at the moment.

It is also well recognized that unemployment and underemployment are the major drivers of inequality. This is true for Malawi today where the unemployment rate keeps rising. Many students are finishing high school and university education, but are unable to secure jobs. Thus, it is imperative for the country to undertake two key things that will help to broaden access to employment. First, improve quality of education and technical skills development to give students relevant skills needed in the labour market. While this is being done, the government and all key stakeholders need to focus on creating jobs. Moreover, technical skills development will enable students to venture into their own enterprises, or find jobs in the industrial sector. This then will help them have a steady source of income, with which they can earn a living and raise their living standards. Employment usually has a positive effect on the welfare of people and help to reduce inequalities.

In addition to the above, government and partners must promote entrepreneurship, even within formal education

system, so that the country can have some people that are able to start their own businesses. The small to medium scale entrepreneurs would offer themselves jobs but also expand the labour market in the country. This also requires creating an environment within which entrepreneurs can easily access credit for expanding their enterprises.

There is also need for the government and partners to focus more on social protection programmes, which basically help to protect the poor in the short-term. This is crucial during periods of droughts, floods or other adverse weather conditions. Improved access to health care, clean drinking water, sanitation facilities and basic education are also important, particularly in rural areas and poor settings within urban areas.

Lastly, Malawi needs to take a systematic approach to tackling poverty and inequality. The country has to come up with a clear and concrete plan, with home grown ideas, of how it seeks to deal with the issues in question. This has to be done through the parliament so that it can be maintained from the short through medium to long term, unlike most of the efforts which get discontinued once another political party assumes power. Related to this plan, is the need to embed within it a robust M&E framework to monitor and evaluate progress [7].

7. Conclusion

The immediacy of the need to redress inequality and reduce poverty in Malawi is now quite clear. The paper has shown through a historical analysis of the failure of the strategies that have been implemented in the country, together with the political capture and leadership failure. It has also shown the structural nature of the problem and, therefore, argues that due to its nature the problem requires structural transformation, and pursuing policies that promote inclusive growth. The transformation agenda has to happen in the agricultural sector, industry, mining, and other key productive sectors as in turn they will have a transformative effect on Malawians. There is also need to address the issue of access to and ownership of land, particularly in the southern region, and broaden access to the labour market and loans, particularly for small to medium scale entrepreneurs. More importantly, Malawi needs a concrete national plan with clear articulation of targets for dealing with poverty and inequalities with ideas originating from within the country than from external agencies that are detached from the local reality but simply seek to pursue the neoliberal agenda. All the national efforts require a robust M&E framework that will guide periodic monitoring and rigorous evaluations that would determine what is working and what is not.

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