

House of Commons  
International Development  
Committee

**THE HUMANITARIAN  
CRISIS IN SOUTHERN  
AFRICA**

Third Report of Session 2002–03

*Volume II*

HC 116–II  
[incorporating 1271-i of Session 2001-02]

**INTERNATIONAL DEVELOPMENT SELECT COMMITTEE**  
**PUBLICATIONS IN THE CURRENT PARLIAMENT**  
**Session 2002-03**

**FIRST REPORT** HC 84  
Afghanistan: the transition from humanitarian relief to reconstruction and development assistance

**FIRST SPECIAL REPORT** HC 357  
Government Response to the Committee's Sixth Report of Session 2001-02

**SECOND REPORT** HC 331  
International Development Committee Annual Report 2002

***Minutes of Evidence:***

The Autumn Meetings of the IMF and the World Bank, 5 November 2002 HC 1297-i /  
HC 256  
CDC Capital Partners, 2 July 2002 and 17 December 2002 HC 194

**Session 2001-2002**

**FIRST REPORT** HC 300-I and II  
The Humanitarian Crisis in Afghanistan and the Surrounding Region

**FIRST SPECIAL REPORT** HC 633  
Government Response to the Committee's First Report of Session 2001-02

**SECOND REPORT** HC 417-I and II  
The Effectiveness of the Reforms of European Development Assistance

**SECOND SPECIAL REPORT** HC 1027  
Government Response to the Committee's Second Report of Session 2001-02

**THIRD REPORT** HC 519-I and II  
Global Climate Change and Sustainable Development

**FOURTH SPECIAL REPORT** HC 1270  
Government Response to the Committee's Third Report of Session 2001-02

**FOURTH REPORT** HC 718  
Strategic Export Controls: Annual Report for 2000, Licensing Policy and Prior Parliamentary Scrutiny

**FIFTH REPORT** HC 785-I and II  
Financing for Development: Finding the Money to Eliminate World Poverty

**THIRD SPECIAL REPORT** HC 1269  
Government Response to the Committee's Fifth Report of Session 2001-02

**SIXTH REPORT** HC 964  
Department for International Development: Departmental Report 2002

***Minutes of Evidence:***

Afghanistan: Further Developments, 26 February 2002 HC 653  
Africa, NEPAD and the G8 Africa Action Plan, 16 July 2002 HC 1107

**Minutes of Proceedings** for Session 2001-02 HC 1326

House of Commons  
International Development  
Committee

**THE HUMANITARIAN  
CRISIS IN SOUTHERN  
AFRICA**

Third Report of Session 2002–03

*Volume II:  
Minutes of Evidence and Appendices*

---

*Ordered by The House of Commons to be printed 4 March 2003*

---

HC 116–II  
[incorporating 1271-i of Session 2001-02]  
Published on 11 March 2003 by authority of the House of Commons  
*London* : The Stationery Office Limited  
£0.00

## INTERNATIONAL DEVELOPMENT COMMITTEE

The International Development Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for International Development and its associated public bodies.

### Current Membership

Tony Baldry MP (*Conservative, Banbury*) (Chairman)  
 John Barrett MP (*Liberal Democrat, Edinburgh West*)  
 Mr John Battle MP (*Labour, Leeds West*)  
 Hugh Bayley MP (*Labour, City of York*)  
 Alistair Burt MP (*Conservative, North East Bedfordshire*)  
 Ann Clwyd MP (*Labour, Cynon Valley*)  
 Mr Tony Colman MP (*Labour, Putney*)  
 Mr Piara S Khabra MP (*Labour, Ealing Southall*)  
 Chris McCafferty MP (*Labour, Calder Valley*)  
 Mr Robert Walter MP (*Conservative, North Dorset*)  
 Tony Worthington MP (*Labour, Clydebank and Milngavie*)

Mr Andrew Robathan MP (*Conservative, Blaby*) was also a member of the Committee during this inquiry

### Powers

The Committee is one of the departmental select committees, the powers of which are set out in the House of Commons Standing Orders, principally SO No. 152. These are available on the Internet via [www.parliament.uk](http://www.parliament.uk).

### Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at

[http://www.parliament.uk/parliamentary\\_committees/international\\_development.cfm](http://www.parliament.uk/parliamentary_committees/international_development.cfm)

### Contacts

All correspondence should be addressed to The Clerk of the International Development Committee, Committee Office, 7 Millbank, London SW1P 3JA. The telephone number for general enquiries is: 020 7219 1223; the Committee's e-mail address is: [indcom@parliament.uk](mailto:indcom@parliament.uk).

## LIST OF WITNESSES

*Tuesday 29 October 2002*

Mr John Winter, Head of Central and Southern Africa Department,  
Mr Rob Holden, Manager, Crisis Management Group, Conflict and Humanitarian  
Affairs Department Operations Team, and Mr John Hansell, OBE, Regional  
Food Security Adviser, Department for International Development . . . . . Ev 5

*Monday 25 November 2002*

Ms Judith Lewis, Regional Director for Southern Africa,  
World Food Programme (WFP) . . . . . Ev 26

*Tuesday 3 December 2002*

Dr Stephen Devereux . . . . . Ev 35

Dr John Seaman OBE, Development Director of the Food Security and  
Livelihoods Unit, and Mr Richard Mawer, Director of the Food Security and  
Livelihoods Unit, Save the Children Fund-UK, Mr Tony Dykes, Head of  
Southern Africa Team, and Ms Kato Lambrechts, Senior Policy Officer,  
Christian Aid . . . . . Ev 66

*Tuesday 14 January 2003*

Mr Max Lawson, Policy Adviser and Dr Graham MacKay, Humanitarian  
Coordinator for Southern and West Africa, Oxfam, and  
Professor Jonathan Kydd and Dr Andrew Dorward, Imperial College at Wye . . . Ev 84

*Thursday 23 January 2003*

Rt Hon Clare Short, a Member of the House, Secretary of State for  
International Development, Mr Anthony Smith, Head of Central and  
Southern Africa Department, and Mr Rob Holden, Manager, Crisis Management  
Group, Conflict and Humanitarian Affairs Department Operations Team,  
Department for International Development . . . . . Ev 97

**LIST OF MEMORANDA INCLUDED IN THE MINUTES OF EVIDENCE**

1. Department for International Development . . . . .	Ev 1, 15 and 112
2. OCHA (UN Office for the Coordination of Humanitarian Affairs) . . . . .	Ev 24
3. World Food Programme . . . . .	Ev 33
4. Save the Children Fund UK . . . . .	Ev 42
5. Christian Aid . . . . .	Ev 49
6. Professor Jonathan Kydd, Dr Andrew Dorward and Professor Megan Vaughan . . . . .	Ev 75
7. Oxfam . . . . .	Ev 80
8. Dr Andrew Dorward . . . . .	Ev 95

**LIST OF APPENDICES TO THE MINUTES OF EVIDENCE**

1. ActionAid Malawi . . . . .	Ev 113
2. CARE International UK . . . . .	Ev 114
3. Stephen Carr . . . . .	Ev 119
4. Carlos Barahona and Sarah Levy . . . . .	Ev 121
5. Traidcraft . . . . .	Ev 123
6. UNICEF . . . . .	Ev 127
7. World Development Movement . . . . .	Ev 128
8. World Vision . . . . .	Ev 130

## LIST OF UNPRINTED PAPERS

Copies have been placed in the House of Commons Library, where they may be inspected by Members. Other copies are in the Record Office, House of Lords, and are available to the public for inspection. Requests for inspection should be addressed to the Record Office, House of Lords, London SW1A 0PW (tel: 020 7219 3074). The Record Office is open to the public from 9.30 am to 5.00 pm on Mondays to Fridays.

1. *State of Disaster: Causes, Consequences & Policy Lessons from Malawi - An ActionAid Report* commissioned by ActionAid Malawi, by Stephen Devereux, June 2002
2. *2001-02 Targeted Inputs Programme (TIP) Main report of the evaluation programme*, Carlos Barahona and Sarah Levy (2002)
3. Malawi Famine: Issues which might be considered in an in-depth study of the topic - Some notes by Jonathan Coulter, Marketing Economist, Natural Resources Institute, Chatham, Kent, October 2002
4. *Horticulture Exports from Ethiopia and EU Supermarket Sourcing*, Report of a Scoping Study by Peter Dearden, DFID, Peter Greenhalgh, Natural Resources Institute, and Ed Havis, Consultant, Fisher Foods
5. DFID's response to the situation in Malawi in late 2001 - Comment by Professor Megan Vaughan, University of Oxford
6. *Institute of Development Studies Bulletin* (2002), Volume 33, No. 4, The "New Famines"
7. International Development Committee, *Notes on Visit to Malawi*
8. Overseas Development Institute, Development Policy Review, Volume 20, Number 5, November 2002: *Poverty, Risk and Rights: New Directions in Social Protection*, edited by Tim Conway and Andy Norton
9. *Evolution of a Crisis: A Save the Children UK perspective*, September 2002
10. *Structural Damage: the Causes and Consequences of Malawi's Food Crisis* - paper written for the World Development Movement by Kwesi Owusus and Francis Ng'ambi, October 2002



# MINUTES OF EVIDENCE

TAKEN BEFORE THE INTERNATIONAL DEVELOPMENT COMMITTEE

TUESDAY 29 OCTOBER 2002

---

Members present:

Tony Baldry, in the Chair

John Barrett  
Mr John Battle  
Mr Tony Colman

Chris McCafferty  
Tony Worthington

---

## **Memorandum submitted by the Department for International Development**

1. In the 2001–02 agricultural season SADC countries saw a small overall increase over the previous year in their maize production (2.9 per cent) and in their production of all cereals (1 per cent). The shortfall in the region was 7 per cent of requirements. Yet this apparently relatively manageable shortfall coexists with a humanitarian crisis which will see 14.4 million people needing assistance by March 2003<sup>1</sup>. The problem is of course one of acute supply shortage in some countries balanced by surpluses in others (in South Africa and Tanzania). But is it also, primarily, one of declining access to food; the vulnerability of poor people to shortages of food and other essentials has developed over time through a combination of successive localised poor harvests, erosion of household and common assets, and the burden of disease. At a national level a failure to come to grips with rural poverty, serious failure of governance, shortages of foreign exchange and poor information flows and planning have contributed to undermine food security.

### *The gathering crisis*

2. The raw production statistics above hide the fact that the crisis is concentrated. 90 per cent of the people in the six countries covered by the UN appeal live in southern and eastern Zambia, Zimbabwe and Malawi. Zimbabwe alone accounts for half the people in need and over half the food aid requirement. These countries (and to some extent Lesotho) are experiencing a major breakdown in their rural economy which will take more than one good harvest to put right. The fact that Zimbabwe, normally a food supplier and a key transit country, has suffered such a collapse in agricultural production has made the situation in neighbouring countries worse and weakened the prospects for recovery; for the longer term, it throws into question one of the bases of food security planning in Southern Africa for the last 20 years, namely that surpluses would normally be available in Zimbabwe.

3. The food shortages this year come at a time of heightened vulnerability. In southern and south western Zimbabwe, Malawi and southern Zambia the previous year's maize harvest was also low. In Malawi household assets have declined over the past 10 years as remittances from mining jobs have decreased, livestock levels have reduced because security in rural areas is poor, and common assets such as woodlands and wild resources have dwindled. In Zimbabwe the most common coping strategy, that of having one or more family members in paid employment, has been eroded by the contraction of the economy and high levels of unemployment. In Zambia successive years of drought in the southern districts has been compounded by declining public services and poor economic performance throughout the 1990s. In Lesotho households have been badly hit by the reduction in employment possibilities in South Africa, rapidly increasing food prices as the devaluation of the rand increases transport and input costs. In Swaziland, the retrenchment of miners and successive droughts also continue to impact.

4. Comparisons between the 1992 drought, the last serious regional humanitarian crisis, and the current crisis inevitably focus on the significant differences made by HIV/AIDS. Rates of HIV + prevalence now range from 13 per cent in Mozambique to 35 per cent in Zimbabwe, with an average over the six countries of 24 per cent. The burden of caring for HIV/AIDS sufferers and looking after orphans has increased. Not only has HIV/AIDS contributed to the erosion of household assets, it has also increased the numbers of labour-constrained (including child-headed) households, leading to lower agricultural production. It has reduced the capacity of public services (particularly the health service) to respond to the crisis. It has implications for emergency feeding (because of the need to allow for larger household sizes and to vary the ration to take account of the need of HIV + people for additional protein in their diet). The food shortages are in turn worsening the pandemic as people with HIV lose immunity through malnutrition and develop AIDS, and hunger forces women to trade sex for food.

---

<sup>1</sup> For the purposes of the international response the UN has grouped Zimbabwe, Malawi, Zambia, Lesotho, Swaziland and Mozambique as countries where there are significant numbers of people needing humanitarian assistance and where Governments cannot cover the deficit on their own. Angola has hitherto been covered separately by the UN and by DFID and is not dealt with in this paper.

---

29 October 2002]

[Continued

---

5. Poor governance has also played a major role, nowhere more so than in Zimbabwe. The WFP/FAO needs assessment in Zimbabwe in May 2002 pointed to the ill conceived land reform programme as having disrupted farming and contributed to the fall in maize and wheat production. The fact that the country's irrigated wheat crop is expected to be less than half of last year's at only 150,000 tonnes is entirely due to disruption caused by land resettlement. The report also identified lack of an attractive pre-planting price for maize, late payments by the parastatal monopoly Grain Marketing Board, and erratic distribution of inputs as disincentives to maize production in 2001–02. Apart from the well-documented shrinkage of the economy and volatility of macro-economic indicators, the effects of ZANU-PF's policies have included the creation of an entire new class of vulnerable people, farm workers and their families, who have lost their livelihood as a result of the land resettlement programme; a lack of foreign exchange to buy food; and the exclusion of the private sector from any role in importing.

6. In Zambia consistent disregard of rural policy by the previous government has left small farmers without access to markets or off farm income generation opportunities. In Malawi, despite a commitment to pro-poor growth and the needs of the rural poor, macro-economic management has not delivered the growth necessary to raise rural incomes, while work on safety nets, which would reduce vulnerability to external shocks, has yet to result in consistent national policy despite several years of donor support<sup>2</sup>.

7. The sale of Malawi's grain reserve in 2001 considerably reduced the Government's capacity to respond to escalating food shortages in the period up to the last harvest, and the Anti-Corruption Commission in Malawi has produced a report which is with the Director of Public Prosecutions. Donors including DFID are paying for an independent audit.

#### *The crisis hits*

8. The lack of rain in the latter part of the growing season played an important role in precipitating the crisis. Rainfall patterns over much of Southern Africa were erratic in the period December - March, traditionally the peak growing season for maize which accounts for 30 per cent to 60 per cent of calorific intake for most households. After a normal start (though with excessive rainfall in Lesotho and Swaziland) up to December, the rains faltered in January and February over much of Malawi, southern Zambia, Zimbabwe, southern Mozambique, and Swaziland. Lesotho had patchy rainfall in the period and frosts and hailstorms in March. As a result the maize crop was seriously reduced in these areas.

9. The point at which it became clear that food shortages would lead to significant needs varied from country to country. It was evident from NGO reporting from August 2001 that many families in Malawi and Zimbabwe would suffer major food insecurity in 2002–03. In Zimbabwe shortages were the inevitable consequence of the disruption to agriculture and late inputs for planting. However, Government continued until early 2002 to predict very high levels of maize production arising from the fast track resettlement programme. In Malawi donors agreed with Government in August that action needed to be taken, but dialogue on the solutions was clouded by the sale of the grain reserve, and the Government decided at that time against asking for outside help. However, grain prices rose dramatically from January, and localised NGO interventions were put in place. Malawi declared an emergency on 27 February. Other affected countries subsequently declared emergencies on 19 April (Lesotho), 30 April (Zimbabwe), 29 May (Zambia).

10. At the request of Governments, the WFP and FAO, working with the SADC Food Agriculture and Natural Resources Unit, deployed teams in the six countries during late April and May to conduct vulnerability assessments. These compared each country's requirement with production and carry-over stocks, assessed the numbers needing food assistance or likely to need it during the course of the year, and Government and private sector plans to bring in the remainder. The overall shortfall for the six countries was estimated at 4 million tonnes, including replenishment of emergency reserves, of which the food aid requirement was 1.2 million tonnes. These assessments were published at the end of May (and are available on [www.fao.org/gIEWS](http://www.fao.org/gIEWS)). They envisaged that numbers needing assistance would start from a base of those who had no harvest at all, rising sharply in September and again in January 2003, peaking to 12.6 million in March 2003. (See para 17 for updated figures).

#### *The international response*

11. The World Food Programme launched an appeal in 1 July for \$507 million to cover nearly 1 million tonnes of food ([www.wfp.org/operations/](http://www.wfp.org/operations/)). This was based on an assumption that food aid imports of approximately 200,000 tonnes would flow through channels other than WFP, and that Government and

---

<sup>2</sup> DFID has contributed for the last two years to two elements of the proposed safety net structure, targeted agricultural inputs and public works programmes. But there have been continuing tensions in the targeted inputs programme between the principle of targeting and the Government's desire to see universal coverage of small scale farmers, a policy which is unlikely to be sustainable and which experience suggests acts against the long term interest of farmers by depressing prices.

29 October 2002]

[Continued

commercial imports would be adequate to stop larger numbers slipping into vulnerability because of absolute shortages. This appeal was intended to extend and build on WFP programmes carried over from the previous year in all the six countries except Swaziland. These programmes acted as a bridge to the main appeal and enabled feeding to continue while the larger scale operations were put in place.

12. At the same time it was widely recognised that this was a multi-sectoral crisis, and the WFP appeal was accompanied by plans for urgent inputs for the next planting season, health (especially for drugs and epidemiological surveillance), water and sanitation and protection of the extremely vulnerable.

13. The UN agencies, with backing from donors, have treated the crisis as a regional one requiring a flexible regional response. WFP set up a regional coordination and logistics unit in Johannesburg in May 2002, which now provides an overall humanitarian coordination role. At country level the response has been directed by the UN Resident Coordinators. The resources at their disposal have been strengthened in a number of ways:

- (i) In Zimbabwe, a Relief and Rehabilitation Unit, part funded by the UK, has been running since November 2001
- (ii) WFP nominated new representatives in Malawi and Zambia and opened a new office in Zimbabwe in the last quarter of 2001 (the WFP office in Harare had previously been a procurement office)
- (iii) The UN Office for Co-ordination of Humanitarian Affairs has been deployed to support the Johannesburg unit and Resident Coordinators in Zimbabwe and Malawi.

The Government believes that the UN system has geared up to meet the crisis, although coordination between the agencies could be further improved. DFID has worked closely with the UN agencies in their deployment, funding a number of individual posts.

14. As of the end of September WFP report that 36.5 per cent of their appeal is funded. They expect further contributions shortly which will take the coverage to 70 per cent and enable them to secure the food pipeline for cereals until December. However, they need further pledges now to cover supplementary foods and the pipeline from January. The response to the non food appeals has been much lower, around 13 per cent.

15. The major responses to the emergency have come from the US which has committed 500,000 tonnes of cereals to Southern Africa since the beginning of 2002, and the European Commission which has committed approximately 300,000 tonnes (UK contribution 19.4 per cent) in the same period.

16. DFID has monitored the deteriorating situation through its network of country offices. A full time Food Security Adviser has been based in the Harare office since April 2002. Since mid-September 2002 a technical team of humanitarian experts from DFID has been deployed in Johannesburg to strengthen DFID's regional information base and to plan further UK responses. The response so far has been based on the need to strengthen and fund the international effort, to build on existing dialogue with Government, and to help NGOs with established relationships on the ground to deliver support to specific vulnerable groups. It has had four main strands:

- direct response to UN appeals. £5 million has been provided to the World Food Programme for food purchases and £4.1 million towards increasing the capacity of the Nacala railway into Malawi
- grants to NGOs. £28 million has been provided for feeding programmes since September 2001
- support to strengthen the international response. £500,000 has been provided towards the costs of the WFP regional coordination unit in Johannesburg and logistics experts in Zimbabwe and Lesotho
- financing agricultural recovery. £13 million has been spent on inputs for the 2002 winter crop in Malawi and inputs for the main growing season in Malawi and Zimbabwe

As at end September DFID has provided £68 million in humanitarian assistance to the region since September 2001. It will also fund about £17 million of the EC response.

17. As part of continuous monitoring, the SADC FANR has carried out a second set of vulnerability assessments. The results are summarised at Annex 1<sup>3</sup>. It is estimated that numbers in need will peak at a higher number (14.4 million) than previously estimated (see para 10) and that food aid needs for the period September–March have consequently increased from about 850,000 tonnes to 1 million tonnes.

#### *Key operational issues*

18. Non-aid imports. Food aid accounts for around a third of food import requirements. It is essential to keep normal markets functioning to ensure that people with money can buy food, and to manage prices so that more people do not fall into the position of being unable to meet their food needs. The WFP has been tracking commercial imports and Government and private sector plans. Imports to date are summarised in the table below.

<sup>3</sup> Not printed. Available at:  
<http://www.fews.net/current/special/gcontent.cfm?gc—id = 1000160&f = al&d = 0>

29 October 2002]

[Continued

## 2002–03 DOMESTIC CEREAL GAP (MT) AND IMPORT PROGRESS, SEPTEMBER 2002

	<i>2001–02 Cereal Production + Opening Stocks</i>	<i>Domestic Requirements</i>	<i>Domestic Cereal Gap</i>	<i>Commercial Imports Received</i>	<i>Food Aid Imports Received</i>	<i>Remaining Cereal Gap/ Surplus</i>
Lesotho	140,000	395,500	255,500	56,500	3,000	196,000
Malawi	1,847,000	2,124,000	277,000	42,000	24,000	211,000
Mozambique	1,876,000	2,256,000	380,000	233,000	63,000	84,000
Swaziland	72,500	193,500	121,000	28,000	5,000	88,000
Zambia	761,000	1,445,000	684,000	43,000	46,000	600,000
Zimbabwe	929,000	2,583,000	1,654,000	335,000	71,000	1,248,000

In Malawi the Government is operating a relatively successful import programme. Zimbabwe's monopoly importer, the Grain Marketing Board, has imported 335,000 tonnes of cereals since April and has plans to import a further 650,000 tonnes, although the source of finance for this is not clear. In Zambia an agreement has been negotiated between the Government and the private sector to share the import burden of 300,000 tonnes of maize this year, but firm contracts have only yet been placed for 150,000 tonnes. All imports require a level of subsidy if they are to be affordable. In Zimbabwe the Government has to find US\$200 a tonne to bridge the gap between the landed price and the controlled price. Subsidy policy in Zambia and Malawi is still being developed; donors have expressed their concern in Malawi that an IMF credit will be applied for a general subsidy which will be captured by the better off.

19. GM grain. This has been a sensitive issue. Around half of the maize available to the WFP for food aid is from the US and contains genetically modified material. Much of the yellow maize available on the world market is mixed with GM material, and likely to be preferred on price grounds for commercial imports. Five of the six countries have agreed that GM maize may be accepted, either unconditionally or subject to special handling and milling which will prevent it being planted. The Government of Zambia has refused to accept it at all on health and trade policy grounds. The International Development Secretary has had discussions with the President of Zambia in this regard. As at the end of September a team of Zambian scientists was touring the US and Europe to gather evidence on the effects of GM maize on agriculture and health, with the possibility that the decision may be reversed. WFP has made clear to Government that it will be very difficult to maintain food distribution if it is not.

20. Logistics. The transport network in Southern Africa is relatively sophisticated. SADC and WFP are working to maximise the potential of the system, but some constraints are emerging. The rainy season is expected to start from November and has the potential to disrupt the whole relief effort. Governments and donors are considering contingency measures including prepositioning of food stocks and road repair materials and improving the condition of roads and railways in advance. SADC has moved to improve co-ordination between national transport operators and regulators, including customs authorities. WFP are adapting their logistics implementation plan to take account of the need to mill maize containing GM material before distribution.

21. Zimbabwe. The environment in Zimbabwe poses particular problems for the relief effort. Against a background of deep political polarisation and antagonism to the outside world, the Government has not maintained an open dialogue with donors or civil society. The extent and impartiality of Government plans to mitigate the crisis are unclear. There are frequent complaints from the opposition and human rights groups that the Government is using food as a way of rewarding its supporters and punishing its opponents. Donors have agreed that external food aid must be distributed through impartial and independent channels. However, the authorities have failed to facilitate the use of all available distribution channels. The strict control on private sector imports, together with price controls, has frozen the private sector out of the national response. There are frequent threats to the continuation of the parallel market which relief agencies use to get the best value from their foreign exchange for expenditure within Zimbabwe. Donors are collaborating closely with UN agencies to ensure as far as possible that the integrity of the relief effort is maintained and that relief agencies are allowed to operate safely and without interruption.

*Policy issues*

22. The crisis raises a number of important policy issues for national Governments and the international community, some of which need to be tackled as part of the response:

- (i) The weakness of vulnerability assessments and early warning systems. In Zimbabwe, which has the capacity to use such systems well, it is difficult to know, because of the total lack of systematic dialogue with donors, whether systems have broken down or whether the Government no longer makes use of them. In Malawi and Zambia a more systematic dialogue with donors based on better information about food security at household level might have led to prepositioning of stocks earlier in the year. DFID is drawing up a programme of support to SADC in food security which will

29 October 2002]

[Continued

among other things improve the ability of SADC member states to acquire and use information on vulnerability. But such tools will not succeed unless food security, and rural livelihoods more generally, are better emphasised within Poverty Reduction Strategies.

- (ii) The speed of the international response. As noted above, the UN system has responded significantly and appropriately. But early plans to preposition food stocks have not been realised because not all of the money arrived as early as WFP had hoped; the effects of not having such a cushion in the region will only become clearer as the season advances. Significant pledges are needed now for food and non-food assistance to ensure that lives are not lost between now and next March.
- (iii) The possible negative effects of food aid. DFID believes that this crisis is one where the large scale provision of free food is justified. WFP and bilateral donors are using regional supplies as far as possible to avoid disrupting markets (but one result has been that prices have risen in South Africa as supplies are sent north). Experience suggests that large quantities of food will still be arriving when the harvest comes in, and planning needs to be set in train now to manage the effect on prices.
- (iv) The role of food reserves. One possible role for left over food aid might be to rebuild national reserves. DFID will discuss with Governments and other donors their plans for food reserves in the context of medium term financial planning. In any case, there is a need for more innovative approaches to food reserves, including the use of options markets.
- (v) The link to next year. Given the structural nature of the emergency, even with a good harvest next year access to food will remain difficult for many. Household assets will need to be restored. DFID is considering how to use its country programmes to do this by direct action through NGOs and through budget support mechanisms where appropriate. In Malawi a start has been made in developing a food security strategy with the co-operation of donors. In Zambia DFID has recently completed a first assessment of the scope for assistance with rural livelihoods.

### *Conclusion*

23. The objective of feeding over 14 million people through the peak season of January–March remains achievable. But more resources are needed now—numbers in need have increased, and there are underlying risks over resources, commercial inputs, logistics and political co-operation, any of which could derail the process. The potential for disaster in Zimbabwe remains deeply worrying. DFID is preparing to commit a further £10 million, and is in close touch with other donors about their plans.

*Department for International Development*

*October 2002*

### **Examination of Witnesses**

MR JOHN WINTER, Head of Central and Southern Africa Department, MR ROB HOLDEN, Manager, Crisis Management Group, Conflict and Humanitarian Affairs Department, Operations Team and MR JOHN HANSELL, OBE, Regional Food Security Adviser, Department for International Development, examined.

#### **Chairman**

1. Good morning. Thank you very much for coming and giving evidence this morning. As you know, most of the Committee have recently been in Malawi. Some of us, through the World Food Programme, have been in Afghanistan, and I was in Ethiopia a couple of weeks ago. I think it would be fair to put on the record that wherever we went there was strong praise for the work of DFID, whether it be from the Prime Minister of Ethiopia, the President of Afghanistan or from people in Malawi. DFID is not on the rack on this occasion! I think many of our interlocutors, including James Morris of the World Food Programme whom we saw yesterday, said very often DFID is in the lead on being helpful. There are a number of issues which I think are causing us concern; can I start off with two of them which cause me concern. We saw James Morris yesterday and he left us with a press release concerning the Horn of Africa in which he says, “. . . if this month’s rains stop early, up to 14 million people there [in Ethiopia] will

require urgent assistance . . . These figures are large and dramatic and the international community should take notice . . . The situation in the Horn of Africa is not unique. In southern Africa drought is also the prime cause of hunger which is now threatening an estimated 14.4 million people”. Taking these two together, that is 28 million people in Africa. “Most of these crises are related to erratic weather patterns”. Then he goes on to the bit which I see as a policy issue: “The World Food Programme . . . are finding it increasingly difficult to find the resources to respond adequately to the growing number of emergencies. Dependent on voluntary contributions, WFP and NGOs are caught between the rising needs of millions of hungry people and government budgets that are already stretched and contending with a global economic slowdown. The sad truth is that, as things stand, the humanitarian system faces the prospect of being completely overwhelmed”. What struck me when I was in Malawi, and other places, is that we have this system with WFP whereby, whenever there is a crisis, firstly

29 October 2002]

MR JOHN WINTER, MR ROB HOLDEN  
AND MR JOHN HANSELL, OBE

[Continued

**[Chairman Cont]**

the country itself has to put up its hands and say, “We are in difficulties”, and *that* sometimes, for all sorts of reasons, takes time; and then WFP has to go scratching around getting pledges and then turning those pledges into commitments, and then actually turning those commitments into hard grain, moving it through the pipeline and sorting out logistical things like the Nacala railway and all that kind of stuff. Do we not need to move to a system whereby the international community works on the basis that WFP each year is going to require some base funding, so that WFP can actually have a much faster start to responding to these crises—rather than being dependent, as it is, on this very much hand-to-mouth funding it has at the present moment?

(*Mr Winter*) Chairman, firstly, I ought to say I cover Central and Southern Africa operationally and not our relations with WFP more generally. I can only give a very general answer. I think that your description of the way in which we have had to find resources for Southern Africa matches the reality very well. WFP does have access to a certain amount of revolving funds within the UN system, in order to kick-start its operations. It may well be that if we get to the point where WFP are feeling they are going to be faced, year after year, with very large emergencies that we do need to move to some kind of more predictable funding basis. In terms of the management of this operation, I think we would all have found it easier if WFP had had access to those resources, yes.

2. My second concern (which if Mr Stegmann had been here he could have dealt with because he covers the whole of Africa) relates to Ethiopia but applies equally to Malawi. When talking to EU officials in Addis I was concerned they were saying that, notwithstanding whether there is a drought, the situation now is that there are more people each year in need of food-help in Ethiopia simply because whenever you have a drought or difficulties everyone sells up their livelihood, their livestock, their assets, whatever they have, and therefore when the next problem comes they have no coping mechanisms left whatsoever. Indeed, the EU put out a report which says, “. . . many households slowly falling into destitution . . . As a consequence, coping mechanisms have lost their effectiveness and even small downturns in production translate into major shocks for large numbers of rural livelihoods . . . food aid only fulfils one of its three objectives: saving lives (the other two being saving assets and improving nutrition), and it doesn’t do it that well . . . emergency food aid has a limited usefulness in addressing structural problems at the basis of the recurrent crises in Ethiopia. Asset depletion over the long term continues unabated and, under the current scheme of things, donors would be facing a caseload of 20 million food insecure people by 2015, a clearly unsustainable situation . . . [there is] the need for a long-term structural approach to food security”. It is understandable, of course, that politicians, envoys, everyone, are concerned about the immediate crisis, but one does not get a sense of sufficient attention being given on how does one get people away from the crisis, back into long-term food security. Going back to the UN family—I can understand the World Food Programme has responsibility for shifting huge

quantities of metric tonnes, and they are doing that logistical first aid job; but I have not had a sense in my travels (and other colleagues may have a different view on this) of other parts of the UN family helping with the long-term food security. Years ago the FAO was one of the stars of the UN firmament. My impression now is that the FAO, apart from a few seed banks, is not really there as a key player, helping countries with agricultural diversification. I just welcome your thoughts, both in Southern Africa and elsewhere, on how we get away from this annual humanitarian crisis, of press releases of 14 million people food insecure in the Horn and 14 million in Southern Africa? How do we get away from that back into some kind of long-term food security?

(*Mr Winter*) Let me try and answer that in relation to Malawi. You are right that depletion of assets at the households level, as we said in our memorandum, is a matter of intense concern. The absolute shortages of food in Southern Africa have not been enormous this year, and yet they have put many more people into a vulnerable situation because of the cumulative effects of years of neglect of the agricultural sector, the effects of HIV/AIDS on families, and then, of course, climatic problems as well. In Malawi we have been trying to address this to some extent through the Safety Nets Programme, which you will have had an opportunity to discuss with some of our staff in Malawi, and that is an attempt to ensure that people do not fall below a certain level of food insecurity, either by providing targeted agricultural inputs, public works programmes, or feeding programmes for particular target groups. We are, of course, increasingly working through the country’s own poverty reduction strategies. One of the striking things that comes out when you start looking at the causes of household food insecurity is that it is not always to do with agricultural inputs, although that is obviously very important. In Malawi one of the things that really impacts on the ability of households to produce food is security in rural areas, because households are not able to keep livestock, which is one of the things we are trying to address through our access to justice project. We are trying to approach it from a number of angles. Within poverty reduction strategies, however, if you ask me whether food security has an adequate profile I would have to say, “No”. That is one of the areas where, certainly in Malawi and Zambia, we want to work with governments to improve. Work is already underway in Malawi with a number of donors and with UN agencies and government working together on food security strategies. On the UN, I would share your views certainly in our region that FAO has not been there leading the thinking. In fact, of the UN family, I would guess that the World Bank and the IMF, if you include them, probably have much more impact on food security than the specialised agencies. We are very conscious of the need, particularly in light of the experience of the last year, to work in a much more coherent way with the World Bank and the IMF. We are concerned, as you know, that there has been a rather ad hoc approach both to dealing with the short-term needs and how that translates into longer term development.

29 October 2002]

MR JOHN WINTER, MR ROB HOLDEN  
AND MR JOHN HANSELL, OBE

[Continued

**Chris McCafferty**

3. We are aware that in the last year DFID has put about £68 million into Southern Africa, into humanitarian assistance; and another £17.5 million is DFID's share of the EU contribution; quite a lot of money. We have also established a Humanitarian Crisis Unit in Johannesburg. Could you tell us a little bit about the organisational mechanisms. How do DFID country offices relate to the DFID regional office? How do they both relate to the DFID London office?

(*Mr Winter*) Firstly, I would say I was based in Harare until August, so up until very recently there was not a London corner to this, except insofar as we had CHAD back-up—and I will come back to that in a moment. We have taken a view, since the middle of 2001 when it became clear there would be problems, that since the problems were so deeply rooted in governance and economic and agricultural policy within the countries, since they were so closely related to the dialogue that we had and continue to have with the government of these countries, and that the relationships we needed in order to make progress on these issues were the ones that were held within the country offices, that our response would be led by the country offices. I think we have tried to work it so that, where a response is clearly appropriate at country level, the country office has worked it up with whatever partner, and has the delegated authority to approve it. Because there is clearly a regional angle, we have sought to back-up our country offices by having Mr Hansell as our full-time Food Security Adviser in Harare. We have had throughout this crisis, at least since the beginning of 2002, professional back-up from our Conflict and Humanitarian Affairs Department (CHAD). We decided in early September—because, as we expected, needs were increasing, the possibility of it going badly wrong had increased, and because there was a call from the media and from bodies such as your Committee quite properly for considerably greater amounts of information—that we ought to up the CHAD support to our country offices. That was the origin of the setting up of the Unit in Johannesburg. We still run the relief operation very much from the region, from the country offices as a focal point, but with increased back-up from the Unit. They have recently done a further round of country assessments which we are sharing openly with all our NGO partners, which are pinpointing things which the country office ought to be doing in order to both put in a more effective bilateral response and to get the international system working better.

4. You have mentioned CHAD and the Crisis Unit. How do you feel that that will improve DFID coordination with other donors?

(*Mr Winter*) The CHAD Unit is in Johannesburg, which is the nerve centre of the UN operation. The World Food Programme Director there has a mandate from Mr Morris as the UN's Special Envoy for Crisis to cover the whole emergency for the UN system. What it does in country I think is to give a better picture of needs, to be able to share with other people who do not have this resource in the region. I believe it is only we and the Americans who have this specialised unit within the regions of response.

5. Did the DFID country office request CHAD's assistance when it saw the situation developing?

(*Mr Winter*) I decided, as the Regional Manager, that we needed CHAD's support, yes.

6. Given the current situation in Zimbabwe, which we are all very aware of, is it possible for DFID to work effectively?

(*Mr Winter*) The impact we can have in Zimbabwe is obviously limited. There is no transparent flow of information about needs. There is no regular dialogue with governments, such as there is in Malawi. We have very poor information about what government is bringing in itself. We have very poor information about what it is doing with the food it brings in. We have very poor information about the rural works programmes, with which we know Zimbabwe did very well in the past, the food for work programmes. What we are able to do is work within the space that the UN negotiates for international agencies. Within that I think I can say we are being quite effective. We have a bilateral programme with a number of NGO partners, which is providing both supplementary and general feeding. We are quite confident that that is getting to the people who are targeted and it is well targeted. We are contributing to the WFP programme, which we believe is making an impact on food shortages. However, as you know, there are considerable political problems in meeting the needs of some vulnerable groups, particularly farm workers. We are having to work around a number of obstacles put in the way of the international relief effort.

7. We have heard that President Mugabe has, from time to time, prevented food getting to certain groups of people, particularly those he suspects are opposition supporters and voted against his presidency. In your view, is that the case? Is it making it particularly difficult to get food to those groups?

(*Mr Winter*) We certainly see the same reports as you do and it is clear that food aid is being used as a political weapon. It is obvious that when there is a by-election, for example, the deliveries of the Grain Marketing Board go up in the relevant constituency. We have also heard that it is very difficult to be able to buy food or to be able to get on to the list of recipients for food for work projects if you are known to be a member of, or a supporter of, the opposition.

(*Mr Hansell*) I should make it clear that most of our bilateral support is supplementary feeding mainly for large numbers of children. We have, as Mr Winter indicated, been doing general feeding in particular areas, such as Binga and Nyaminyami. Binga, as you have probably heard, has recently been a problem where Save the Children have been prevented from delivering food; a general ration to all people in that district; it is not selection; it is not targeting; it is food for everybody. That area did actually vote for the opposition in the last general election; and, therefore, one of the reasons the government has prevented Save the Children from getting there is that they are seen to be feeding opposition members.

8. Do you feel that the uncertainty about Zimbabwe affects planning for projects in other countries?

29 October 2002]

MR JOHN WINTER, MR ROB HOLDEN  
AND MR JOHN HANSELL, OBE

[Continued

**[Chris McCafferty Cont]**

(Mr Winter) Do you have any particular projects in mind?

9. No, just the countries in the region.

(Mr Winter) It certainly creates a great deal of uncertainty for the humanitarian relief effort as a whole, because Zimbabwe is such a large part of the problem—half the people who need support are Zimbabweans. Because we cannot see our way clear through to next March, there are still big holes in the food requirements. Because Zimbabwe is a very important transit corridor for commodities going through to Malawi and Zambia, you have to raise questions about how safe it is to put food through Zimbabwe. In the sense that in most years since independence you would have expected that Zimbabwe would be part of the solution and not part of the problem, it does make planning much more difficult. Supply routes are that much greater into Malawi and Zambia.

**Mr Battle**

10. Could I just pick up on looking at the whole region. We were there in Malawi trying to address the whole region and we met people from the High Commission and people from Zimbabwe, as well as people from Southern Africa; and we met with the European Union team and they had just come back to Malawi from South Africa and we were a bit surprised they had not actually met with the CHADL—the Crisis Liaison Unit in Southern Africa for the whole of the region. It seemed to me the EU was happening; there was great work that DFID had done, and there was not a word of criticism of DFID, they were praised as leaders; but is there sufficient coordination? Should the EU not liaise a bit more closely with the Crisis Unit in Johannesburg? Can we help do that in any way? Otherwise we are going to have crisis units sparking off countering crisis units, and we have not got a regional grip.

(Mr Winter) One of the reasons for having Mr Holden and his team in Johannesburg is that they do make contact with passing teams, and their position in Johannesburg means that they normally know when these people are coming through. They obviously do not meet each and every team. On the EU I would say that they are suffering a problem of human resources in the region, which has certainly affected their ability to analyse and respond. That partly explains why it is not always obvious that they have consulted everybody before they do what they do.

11. The people were there and I was surprised they had not met with them to try and do a bit of coordination or compare notes?

(Mr Winter) We can follow that up and find out why they did not make contact.

(Mr Holden) I think the person you are talking about flew in and flew out. It is a question of a lot of assessment missions, or a lot of missions coming through Johannesburg, and it is very difficult to know when they are arriving, when they are leaving and whether your diaries can match. There is an important issue you do raise in relation to the coordination. It is something, we agree, does need to

be strengthened. It is something we are trying to do, and is part of the role of my team in Johannesburg, to try and help that happen with the UN.

**Tony Worthington**

12. Can I ask about the early warning system with regard to this crisis. This seems to have been one which people stumbled across, although NGOs were warning, I think, from August 2001, and then the government denied that there was a crisis. It seemed like the warning systems or the alerts were not working all that well. Do you agree with that?

(Mr Winter) The way you put the problem, I assume you are referring to Malawi specifically?

**Tony Worthington:** Yes.

(Mr Winter) I think it was clear in July and August last year that there was going to be a problem up until March 2002, and then with the failure of the current harvest that rolled on into 2002–03 marketing year. One of the very useful papers put before your Committee by a group of academics led by Professor Kydd<sup>1</sup> talks about information on crops, information from rural areas and information on prices; and we did indeed have all of those in August and September of last year. Of course, as you know, at the time they did conflict. There was a certain amount of evidence from crop assessments that the situation was better than it turned out to be. Where we had information from rural areas we had specific proposals put to us by NGOs who were working in those areas, and we did try to respond. If you are asking whether this fed through into a coherent response by government and the international community—clearly it did not. As we have said in our memorandum, a lot of the discussion with government in the last quarter of last year was clouded by the problem of what had happened to the national food reserve. We did not get a very clear steer from government. Not having a clear steer from government is not an excuse for inaction. As I say, we were responding to localised emergencies through NGO partners.

13. What action have you taken to improve the situation? What I brought back was: we are there for a long time.

(Mr Winter) Indeed, we are; and one of the working groups being convened by government to consider food security more generally is on early warning systems. I think the experts would agree that early warning systems are not a matter of rocket science.

14. Why did we cut the Starter Packs programme?

(Mr Winter) That is going back a year.

15. It is after warnings about the problem being considerable. I just do not understand. We distributed to 1.5 million households in 2000–01 and then we cut that in 2001–02 to one million households, and I cannot see the rationale for that?

(Mr Winter) We were trying to move from a universal Starter Packs programme to something that would be more consistent with the national safety nets programme, of which this was going to form a part. With hindsight, no doubt we would not

<sup>1</sup> Ev 75

29 October 2002]

MR JOHN WINTER, MR ROB HOLDEN  
AND MR JOHN HANSELL, OBE

[Continued

**[Tony Worthington Cont]**

have reduced the programme as fast last year. Nevertheless, it still made a substantial contribution to the harvest this year.

16. That indicates the information system was wrong, does it not? It is not really with hindsight; it is because you did not have foresight.

(*Mr Winter*) We did not have the information at the time.

17. What is being done to improve that?

(*Mr Winter*) We are trying to persuade government to put much more effort into—

#### Chairman

18. Just for the record, there is quite a lot of reference to “government”. I think it might be helpful if we can talk about either “the government of Malawi” or “the UK Government”. I am sure you are not trying to persuade the Secretary of State of whatever you are about to say!

(*Mr Winter*) We are trying to take the lessons from last year and to persuade the government of Malawi to put much more effort into collating and translating into policy the information that is received on food security. The phasing down or scaling down of the Starter Packs programme was done with the agreement of the government in Malawi. This year we have responded by putting it back up again. This is obviously not a very satisfactory way of doing it. It is a stop/go series of inputs. We would like to move much more rapidly than has been possible with the government of Malawi towards the consistent safety net strategy.

#### Tony Worthington

19. The problem I have with this whole area is that this is all about crisis, and about response to crisis. It is the absence of agricultural policy that disturbs me. Here we have a country rapidly growing in population, subsistence economy, ever-more depleted land; it is inevitable it will be short of food, absolutely inevitable, but we do not have an irrigation policy; the country does not have a land policy; the cost of importing fertiliser is exorbitant, and I think needs looking at. There are problems marketing the right kinds of seeds. We do not get a briefing from DFID that has any kind of strategic element to it. The World Bank has not got that; the government has not got it; and yet it just screams out that this country is going to be in deep problems forever unless there is strategic thinking. Is that right?

(*Mr Winter*) I think you are right. One of the criticisms that we have of the poverty reduction strategy in Malawi is that the sections that deal with agricultural policy are very technical. They involve the improvement of extension service, the introduction of new technologies, all of which may be necessary but certainly not sufficient for turning round agricultural production.

20. We have had the World Bank programme which has been falling, falling and falling; and then we have a new programme which is about subsidised grain, which will be used in the election, will it not?

(*Mr Winter*) I do not know.

21. It will be used in the election to either make people rich or to help buy votes. DFID has to come along with the Nacala railway programme, which is an obvious one and should have happened years ago, but the government does not really push it forward; there do not seem to be any adequate discussions with the IMF or World Bank. Is that not a true reflection of the situation in Malawi?

(*Mr Winter*) I think we have not, between us, got a consistent agricultural position for Malawi, no, that is true. One of the effects of the current crisis has been to push government further into thinking about the food security, with the result that it has launched the work I have described earlier with donors. We are very conscious that we need to get the Bretton Woods Institutions much more firmly into the agenda for Malawi. Insofar as we continue with budget support for Malawi, it has to be conditional on the government of Malawi's policy meeting much more the needs of the rural poor.

22. I am a fan of DFID, as everyone knows, but is it not a failure not just in Malawi but in DFID's strategy generally in Africa that agricultural strategy (and we talk about livelihoods) which is key to the future of Africa just has not featured?

(*Mr Winter*) We have certainly been concentrating much more on cross-cutting issues such as public service reform and public financial management reform than we did previously. I think that the Malawi team would say that one of the most effective ways of meeting the needs of the rural poor in Malawi is to get the fundamentals of the economy right, and to stimulate what is at the moment a very partial and small private sector. Meeting the needs of the rural poor does not necessarily mean concentrating on agricultural strategy. I accept where you have a poverty reduction strategy for countries like Malawi or Zambia it does need to cover agricultural strategy. One of the things we have been doing in Malawi is to try and plug one of the gaps which you mention, which is not having a land policy. We have put quite a lot of money and effort into that particular aspect.

#### Mr Colman

23. Briefly, coming back to the point where Mr Worthington started a question about the reduction in Starter Packs in Malawi, at the World Summit for Sustainable Development, in the first week the Malawian Minister for Agriculture speaking on the food security debate stated that the reduction in Starter Packs was not something which the government of Malawi had agreed to. For the record, you did say about five minutes ago that they did agree to that reduction in Starter Packs. You might want to take away and examine what the Malawian Minister for Agriculture said; but do you still stand by what you said five minutes ago, that the government of Malawi had agreed to this reduction in the number of Starter Packs?

(*Mr Winter*) I think they agreed reluctantly. It is an issue which has come back again in discussion with them.

29 October 2002]

MR JOHN WINTER, MR ROB HOLDEN  
AND MR JOHN HANSELL, OBE

[Continued

**Chairman**

24. Could I ask a couple of factual questions. Why did you rely so heavily on expectations of a good cassava and potato crop, because I think you must have known that estimates compiled by local extension workers could be exaggerated?

(*Mr Hansell*) Yes, of course, any estimate can always be exaggerated, but we were getting information on what we considered good authority. We knew there had been an increase in the areas of sweet potato and cassava that had been planted over the last few years. What we did not expect was that the figures we were given were going to be as exaggerated as they turned out to be. In all these countries there is almost a fixation on maize. We accept that maize is the main staple but any other food is often dismissed; it is often seen as a snack, as something which is not really important, and that people have to eat maize all the time. We thought there might have been an element of this and that unless people were getting at least one meal of maize a day no other food counted.

25. May I just pick up on something you said in reply to Tony Worthington's question about the need for greater focus on agricultural policy for countries such as Malawi and elsewhere in sub-Saharan Africa, that it might require the introduction of new technologies. One of the things which struck me was that there was a perfectly good, although not particularly new, technology in treadle pumps. The introduction of treadle pumps enabled there to be two harvests a year, two crops a year. It is not rocket science, yet ironically they are importing treadle pumps from Bangladesh. They do not have the facility in Malawi to manufacture treadle pumps. Surely there must be some benefit in helping farmers acquire treadle pumps, even to the extent of trying to set up a manufacturing facility for treadle pumps in Southern Africa? I think treadle pumps are psychologically important in that, if one looks at all these figures of 14 million people with a lack of food, the rest of the world and our constituents after a while start to get the feeling that this is just desperate and beyond hope. The great thing about treadle pumps is they can actually see this technology making a real difference. My last point is, the week I came back from Malawi, where we were literally going to villages where people were eating crushed-down wheat and grasses on the Mozambique border, I went to my local prison where we have a thousand men banged up for 23 hours a day doing absolutely nothing. It seemed to me somehow there was a disfunction here. At least in the Prison Service we might be making treadle pumps for use—not taking jobs from anyone in the UK but doing rather better. It is not new technology but it needs some direct leadership, not from us but from their own government, in employing rather old technology to have an agricultural policy across Malawi and other countries in sub-Saharan Africa.

(*Mr Winter*) For the record, what I was doing when I mentioned new technologies was quoting the Malawi poverty reduction strategy.

(*Mr Hansell*) First of all, we have to remember that treadle pumps can only be used where the water table is relatively close to the surface, and it is these dambo, low-lying areas you see as you fly over Malawi. Not

all the population is going to have access to that type of land. Those people who do have access are already, as you probably saw, using it for winter cropping anyway. We could enhance their productivity by putting in treadle pumps. Although treadle pumps may appear to be fairly cheap as far as we are concerned, they are extremely expensive for the average Malawian. Even if they were produced locally they would probably be out of the reach of most smallholder Malawians who, as we know, have less than half a hectare to subsist on. We have to look very carefully at how we introduce these pumps, and to whom we introduce the pumps. Some of you may have gone down to Dedza and seen what was happening. There was an attempt there by DFID to introduce treadle pumps but it is not an easy thing. To start with, you cannot hand them out, and if you do who do you hand them to? There tends to be elite capture by senior people in the village. Secondly, running treadle pumps on a community basis, which is a way of doing it, there are also questions there of who owns it and on whose land it is operating. There are many of these sociological problems which we do need to resolve. Having said that, I still believe there is a future because one of the things you notice as you go across Malawi is so little surface water; so little water is stored or utilised in that country compared, with example, to Zimbabwe to the south where there are dams and other forms of small-scale irrigation everywhere.

**Tony Worthington**

26. You do not even use Lake Malawi which is 20 per cent of the country, and that is surface water.

(*Mr Hansell*) It is in the rift valley and there would be an awful lot of pumping to get it out.

**John Barrett**

27. My question follows on from Tony's point about the early warning systems, particularly in relation to Malawi. Any early warning systems are only as good as the information gathered for that system. Mr Hansell mentioned earlier on how the information gathered about the maize production and the root crop was inaccurate. When we were in Malawi we saw that there was a lack of people in the field collecting this data. People were filling in the projected output based on last year's production, and there were a lot of errors in the system. Why did DFID accept these over-optimistic estimates as a basis of what to do next? It was very much on the basis of over-optimistic estimates that the strategic grain reserve was sold; and there was a knock-on effect with grain having to be bought at a later date at an increased price. I would have thought that within DFID somebody must have had the expertise to say, "This information coming into the system is not that accurate. Let's get more accurate information so that we can make a more accurate prediction". What lessons can be learned and how can that be avoided, because the knock-on effect from this poor information is quite catastrophic?

(*Mr Winter*) I would not want the Committee to go away with the impression that we rely solely on crop forecasts. As I think I said earlier, it was clear from

29 October 2002]

MR JOHN WINTER, MR ROB HOLDEN  
AND MR JOHN HANSELL, OBE

[Continued

**[John Barrett Cont]**

the other forms of information that there was a developing problem. There was then a protracted period of dialogue with the government of Malawi as to what they intended to do about it; and a certain reluctance on the part of donors to be putting large amounts of food into the country at a time when it was not clear what had happened to the grain reserve—whether it had been exported or whether it was still being hoarded within the country. An early warning system is only as good as the use that is made of it, not only as good as the information that goes into it. In terms of the lessons we have drawn, clearly there does need to be improved information. As I have said, it does not take a great deal of resource or ingenuity to work out that problems are developing. What we are concentrating on is trying to get the government of Malawi to have a more consistent approach to the use of information than they have—balancing information from one source against another. Clearly, if the government of Malawi had taken all the information available to it in the last quarter of last year they might have put their hands up earlier and said, “We have a problem”.

28. Is it not the case that getting accurate information into the system is going to become more difficult year on year, partly because of the HIV/AIDS crisis and other crises within the country? We cannot expect there suddenly to be good information for the early warning system. How is DFID approaching this problem, because of the increased problems of getting good information into the early warning systems? An optimistic prediction was made about the root crops, but I am not sure that anybody looked at that prediction. Was it just taken at face value?

(*Mr Hansell*) Can I just step back and say, I admit last year there was a glitch in Malawi with the early warning systems; but it has been remarkably reliable in the past. This year again it warned us in good time that there was going to be a serious shortfall in cereal production. You have to look at how it operates. It is looking at rainfall. It is getting reports in about what the crops are doing and crop condition. As Mr Winter mentioned, there is also an indication of market prices and what market prices are doing. It does not actually do crop assessments until quite late in the season. February, I think, is the pre-harvest crop system when it is assessed, and it does another one afterwards. It is based on a limited amount of information. This is really about cereal production per se. What we are investigating at the moment and preparing is to go further than this into what we call “vulnerability assessments”, which is using the methodology designed by the Save the Children Fund of household vulnerability assessments, which takes a look at the livelihoods at the household level and at village level to try to assess what is the real picture. Rather than looking at the national food production and saying, “Nationally, we’re fine” when at the same time there can be pockets of hunger taking place—we are trying to get better assessment through a series of base lines of the food situation at provincial, district and even village level. We hope that that will come on-stream within the next few months. We are continuing to discuss how we fund that. That will be region-wide. That will be working with all of the SADC countries, not just the six

affected countries at the moment, which will set up these vulnerability committees that will try and work things out. If they have a baseline, from then onwards it should be quite easy to assess what changes are taking place against those baselines.

29. Following on from that, it is a problem we saw in Malawi and you can see a similar problem unfolding in Zimbabwe, and that is the delay which is caused in DFID taking action because of their concern or the government within the country. In Malawi there were questions over the sale of the strategic grain reserve and the situation in Zimbabwe is worsening. How does the governance of the country delay the decision-making process of DFID? How can we not leave people hungry because of the problems of the government?

(*Mr Winter*) The answer to that obviously varies from country to country. In Zimbabwe the governance situation is very stark. The Secretary of State took the view very early on in this developing crisis that we were going to do all that we could to make sure that people did not starve (in her words) because of the actions of the government of Zimbabwe. Our response to the crisis in Zimbabwe in financial terms has been the largest part of our response to the Southern African crisis as a whole. What we can do in Zimbabwe is limited by the fact that we do not have a constructive relationship with the government; but within those limits we are doing all that we can to make sure that food does get through to people who need it. Where we have an ongoing dialogue with government, such as that in Malawi, about governance the situation does perhaps get cloudier. There were genuine concerns in the last quarter of last year as to the governance position on the Grain Reserve, why it had gone, who had ordered it to go and who benefited, but the operational point was where was the maize and was taking action to bring in large amounts of food necessary when it was quite possible that food was already in the country. There was a lack of information. I do not think we were ever saying at any point because the government of Malawi has allowed the Grain Reserve to go therefore we are not going to put any more food in. It certainly was one of the elements that led to the Secretary of State’s decision not to provide any further budget support this year, but that was a rather different thing.

30. On the question about the sale of the Grain Reserve, are you aware of any evidence that the grain actually remained within the Grain Reserve and it was sold at a low cost and bought back in at a high price and it was effectively corruption within the system which led to the people of Malawi suffering and the government and those dealing with the Grain Reserve were culpable?

(*Mr Winter*) As you probably heard in Malawi, there has been quite an extensive report into this by the Anti-corruption Commission and a report has gone to the Director of Public Prosecutions. We are paying for an independent audit. Rather than attempt to deal with that question in any detail perhaps we could undertake to let you have the results of the audit <sup>2</sup>.

**John Barrett:** Thank you.

<sup>2</sup> Audit is currently underway.

29 October 2002]

MR JOHN WINTER, MR ROB HOLDEN  
AND MR JOHN HANSELL, OBE

[Continued

**Mr Battle**

31. We have spoken about this year's crisis and the lack of grain and maize this year and there was obviously a lack of rain. When I was there I wondered how we are going to avoid a crisis next year. I say that because I visited a seed store which had a modest amount of seed, not all maize, it had other crops, but certainly not sufficient maize. They had not got any fertiliser. There was a sense as well that the packs had gone out a bit late because they have got to catch the rain and the rain will come in November. The day I was there it did actually rain a little bit early, but there is a time window to get the fields ready to plant and hopefully the rain will consistently fall and crops will grow. The land needs to be prepared. Much of the land is prepared by people, personally hoed by hand, occasionally you saw oxen but it is a very intensive agricultural process. Some of the fields were not ready and in one village I asked why, they had all the time to prepare the land, there were people out there, and after muttering around I got the reply that the fields were not ready because the people who were doing that bit are now dead. The reason was HIV/AIDS. I would have to say I was aware that I was in a country more dependent upon agriculture than I have ever been in my life but as I stood in the fields there I have to say I have never been so strongly aware, to use that old imagery, of the shadow of the Grim Reaper over those fields. So the possibilities of them growing sufficient food for next year seemed to me to be not too optimistic. In other words, it is not just one failure of the rain, you get people back on track and next year there will be food and it will all be all right again. When you speak of a consistent agricultural strategy I get the impression it is going to be an agricultural country for a long time to come, there is not a clear pathway to industrialisation or even through steps into more intermediate trade and cropping for export, it seems to me it is going to be a self-sufficient economy, not that that is a good thing and could it ever get there. Is there a wider strategy that is going to address not only agriculture and the failure of the rain, not only irrigation, but the HIV/AIDS crisis as well because it seems there is a complexion of issues that need to be addressed in Malawi otherwise we are going to have the crisis repeated year after year?

(*Mr Hansell*) You are talking about Malawi there.

**Mr Battle:** Yes.

(*Mr Hansell*) Yes, I would agree with you that we all see this as a complex emergency with HIV/AIDS playing a dramatic part in it. In terms of the two million packs going out, those two million packs will be planted by people. I think the evidence is most of them will go into the ground. They were out in good time this year as opposed to last year. We expect Starter Packs will bring in another 400,000 tonnes of maize this year given favourable weather. Although some people will not have prepared their land, packs that will go out to people that have got land and it will be planted. The overall impact of HIV/AIDS in the whole of Southern Africa is dramatic and it is impacting in particular upon subsistence farmers in the area. One of the problems we have to grasp is how do we help them where they are depending upon family labour, where you may have sold your assets

which include draught oxen and you are down to family members hoeing the land, and the family members consist of a grandmother and a grandfather and ten orphan children? We have not yet managed to solve how we get technologies to those people. Even if you give them fertiliser and seed are they able to prepare the land to put it in? We need to be spending much more time finding out how we can find appropriate technologies for those people, people who have shortages of labour first and foremost, who are unable to grow cash crops. If you are going to grow a crop at all you go into a subsistence food crop as being a survival mechanism. We have not cracked that one yet but we are working on it and we are talking to many of these CG (Consultative Group on International Agricultural Research) centres about looking at new technologies that will address people with large numbers of HIV/AIDS affected people in the family.

32. I related it to my experience in Malawi but if I were to ask a more general question, in the DFID memo, paragraph 12, it acknowledges that the Southern Africa crisis is multisectoral, so there is an acknowledgement of the range of challenges that are faced. While food pledges are 70 per cent of the appeal to date, non-food pledges are currently at 13 per cent of the needs. Why is there such a shortfall of non-food aid?

(*Mr Holden*) I think some of that comes down to the fact that for such a long period this crisis was primarily seen as a food crisis and people were heavily focused on just the food sector, the provision of food. We have only just seen in the last couple of months that people are now pushing it much wider than that to take a multisectoral approach, to look at the impact of things like HIV/AIDS, to look at health, look at nutrition, look at water and sanitation, those other factors that contribute to people's well-being. That may be some of the cause, that it has taken some time to push it much wider than a food crisis.

33. So there will be efforts made to narrow that gap so that non-food aid will go up rapidly, will there?

(*Mr Holden*) I think there are efforts under way to narrow that gap. I think we will see when the consolidated appeals are reissued in the New Year that those needs will probably rise and rise dramatically.

(*Mr Winter*) Can I just come in on that. As you say, some of these underlying problems are longer term ones and are being dealt with through longer term programmes. We have tried very hard to mainstream HIV/AIDS in all our programmes in Southern Africa so that no national policy that we support fails to take account of the impact of HIV. We do know that we are in there for the long haul and some of the response needs to be through increased UN emergency activity, some of it needs to be in the way that we manage our long-term development programmes.

34. While we were there we visited the World Food Programme store of gifts from everywhere and I was a little bit surprised as I walked around the great warehouse to see bags from Zimbabwe and bags from Zambia given that they have got a food crisis as well. I asked why they were getting food sent to

29 October 2002]

MR JOHN WINTER, MR ROB HOLDEN  
AND MR JOHN HANSELL, OBE

[Continued

**[Mr Battle Cont]**

Malawi from Zimbabwe and we went into a discussion about GM maize and whether or not GM maize was available and the whole question of milling. I had some vague idea of the situation there, not so much in terms of the food aid programmes but what they told me is that maize is flowing around in Southern Africa, it is moving. What about the commercial maize and food imports that take place informally? Do we know anything about cross-border flows of maize between Zimbabwe, Zambia, Malawi? Have we any information? Do we have any knowledge about this? Do we record this? Do we know what is actually going on in the marketplace?

(*Mr Hansell*) A very interesting question, do we know? There is a lot of informal movement of maize across those borders. They are open borders, as you have seen. We are pretty sure that something in the region of 100,000 tonnes or more of maize has come across from Northern Mozambique into both Malawi and into Zambia. There have been reports that there is lots of maize in Northern Zambia while the donors continue to import it from outside. That maize is almost certainly coming in from Tanzania and it is moving across to Northern Mozambique, which is quite normal at this time of the year when there is a shortage in some countries as it comes in. That, if you like, is the informal trade that is taking place by small scale traders. There is, of course, a distortion in prices throughout the region. All the countries now are putting some degree of subsidy on maize and none more so than in Zimbabwe where the subsidy is huge. Therefore, it would not be inconceivable that people with access to maize in Zimbabwe would be selling it across the border to Zambia where you would get, in effect, the export price for your maize. I also believe that there is a certain amount of illegal, you might say, cross-border selling and purchasing taking place within the region.

(*Mr Winter*) We would, of course, like to see an open market in maize within the region.

35. Is DFID completely opposed to food subsidies as a form of price support?

(*Mr Winter*) No. You had a discussion, I believe, with our office in Malawi about this. What we would like to see are subsidies, where they are necessary, to be as cost-effective as possible and that will normally mean targeted subsidies where methodologies for targeting are available. What we do think is a bad idea is to have general subsidies which are often brought about for political reasons which are very expensive and have the risk of elite capture.

**Chairman**

36. Can I just pick up something that John Battle was saying. This is not getting at DFID, one is not expecting one donor or one UK government at any one time to solve all the problems of the world. What probably struck all of us possibly more forcibly in Malawi than other countries that we have visited recently simply because it was starker there was the huge impact of HIV/AIDS. This is a country with only 11 million and we were told there are something like one million orphans already. One would go into many villages finding elderly grandparents looking after quite young children and clearly on their life

expectancy those children are likely to be totally orphaned quite soon. One came across a number of completely ad hoc orphanages with NGOs of varying degrees running them. Both there and in Ethiopia and Kabul to a certain extent it struck me that we have not got a hope in hell of meeting the 2015 targets of children in primary education if you have these huge numbers of HIV/AIDS orphans without any overreaching strategy. I have to say my impression of Malawi was there was practically no grip from the government in Malawi on some of these issues, they seemed to me to be rather preoccupied by whether the President would have a third term. I think I probably want to put on the record, to use Jim Morris' comments in the press release on the Horn of Africa, that these figures are large and dramatic and the international community should take notice. It is the scale of some of this which perhaps the international community needs to take on board, not just in DFID. It is the huge scale of the challenge that we have in Sub-Saharan Africa in relation to HIV/AIDS which is so frightening.

(*Mr Winter*) You are absolutely right. Trying to run development programmes in the shadow of HIV/AIDS in Southern Africa is a very sobering challenge. We do have programmes of support to combat HIV/AIDS in support of national committees where they exist. Only a certain amount can be done with technical inputs from outside and until this gets to the top of the political agenda in these countries things will not change. We have some idea of things that work at the margins but the thing that really works is political direction from the top.

37. Finally could I just ask some straight forward factual questions. Firstly, what is DFID's position on agricultural input subsidies, either targeted or universal, in the long run? The team that have evaluated the Starter Packs seem to be strongly in favour but other donors appear to be sceptical. What is DFID's position on long-term agricultural input subsidies?

(*Mr Winter*) That they are perfectly valid as part of the long-term agricultural policy.

38. What is the future of the Strategic Grain Reserves in national food security strategies? Can the "options markets" suggestion work for countries like Malawi and Zambia, which are landlocked, poor and short of foreign exchange?

(*Mr Hansell*) Yes, we believe it can. We think it is time to move away from holding extremely large and expensive Strategic Grain Reserves. There is a need and there is an interest, particularly in Malawi, for looking at the options market in South Africa to see whether or not there are alternative ways of holding this within the continent rather than at the moment the Strategic Grain Reserve is actually being held in the USA.

39. We have had evidence from quite a number of NGOs—Action Aid, Christian Aid, Oxfam, WDM—all of whom in their memos in one way or another have submitted that the radical one-size-fits-all liberalisation policies—I am paraphrasing—which they allege were effectively imposed by the World Bank and IMF through loan conditionality, have contributed to the current food security crisis in

29 October 2002]

MR JOHN WINTER, MR ROB HOLDEN  
AND MR JOHN HANSELL, OBE

[Continued

**[Chairman Cont]**

the region. What do you say about that? What are your feelings about the role of the World Bank and IMF in all of this?

(*Mr Winter*) Certainly agricultural liberalisation has had a role in food insecurity. When you look at organisations like ADMARC in Malawi, they provided a cradle to grave service for farmers at enormous expense and there was considerable justification for asking governments to look at the effect on their budgets of continuing that kind of comprehensive input. The losses incurred by ADMARC are still a massive drain on the Malawi budget. I do not think that going back to the days of universal provision is a starter. Nevertheless, the private sector has clearly not come in to meet the need in the way that the people who designed these programmes, and governments themselves when they signed up to these programmes, envisaged. One of the points made by Professor Kydd in his paper is that although you cannot go back to the old days you do need more imaginative solutions in terms of incentives for the private sector to move in and, indeed, infrastructure to enable them to move in. One of the base requirements of Malawi is for a decent road system and it is one of the things that the EU is now finally concentrating on. Things that were started for very good reasons have not had the effects that we expected. In Malawi we have attempted to make up for the lack of this universal provision through a safety nets programme and we will continue working with the government on that, and on its food security strategy which we firmly expect will involve a higher role from the private sector.

**Tony Worthington**

40. One of the issues which greatly annoyed us when we were in Malawi to the extent that we wrote to the Secretary of State about this was that the NGOs and others, the donors, had set up what seemed to us to be a very efficient allocation system for grain within the country which was distributing to about a third of the population, but then the World Bank and the government of Malawi negotiated a new deal for undifferentiated subsidised grain to go into the country and to be distributed by ADMARC. ADMARC had been the agency which had lost the previous grain. What is the Government's attitude to that?

(*Mr Winter*) As you will have discussed with the team, we were disappointed that the Bank had chosen to go ahead with this without widespread consultation and without taking cognisance of the work that had been done, and this point has been made very firmly to the Bank. As we understand it the World Bank took the view that in the circumstances and the need, as they saw it, to get affordable food out into the market that they had to accept a second best solution which was a general subsidy and using, as they saw it, the only organisation which was capable of it. As you know, we have reservations about both those judgments, reservations which we are taking up with the Bank now. That was one of the things I had in mind when I said earlier that we needed a much closer understanding with the World Bank and the IMF about their roles in promoting long-term food

security rather than the kind of ad hoc decisions which people had felt rushed into because it is an emergency.

41. Here we have a situation where the general manager of ADMARC, which managed to lose the grain, became promoted to become the Minister of Finance. In any normal situation you could expect him to be at least suspended rather than promoted.

(*Mr Winter*) As you know, we have serious concerns about governance in Malawi.

42. If we are looking at these issues we have got to be quite open about it and there we have a negotiation of subsidised grain from the World Bank which is to be then administered by ADMARC on a very large scale. Might I just ask you to confirm that is the situation.

(*Mr Winter*) I believe that is the situation, yes.

43. We were very concerned about the relationship with the World Bank in Malawi, that here we had a situation where the World Bank programme had declined to the extent that if there had not been this grain coming in, Malawi would have been the net contributor to the World Bank. That is true, is it not?

(*Mr Winter*) I do not have the figures.

44. Can you assure us that the British Government is making strong representations to the World Bank about what has been happening with the World Bank's programme in Malawi?

(*Mr Winter*) I can assure you that we are taking it up at a senior level in the World Bank and that we have asked for a board discussion on this particular credit.

45. There is one other point concerning the IMF which does disturb me. The relationship, I think quite correctly, with the IMF had broken down because of the governance issues in Malawi but now we have a situation where the person who was in charge of Africa for the IMF, a Malawian, has now returned to become the President's Economic Advisor in Malawi. I do not see how you go from one side of the table to the other without questions being asked.

(*Mr Winter*) It is not a situation of which I have the details but we can certainly follow it up.

46. I think it is very important that as far as this Committee is concerned that we put these items on the agenda.

(*Mr Winter*) Thank you.

**Chairman**

47. A very final question from me. Going back to the government of Malawi, and I think there have been a number of expressions of concern about their ability to deliver, I suspect that is as much a problem of capacity as suggestions of corruption. In other words, one of the impacts of HIV/AIDS is that it is no respecter of who you are and if one looks at government departments in Malawi a lot of civil servants are dying. I think I am right in saying that a quarter of Malawi's education budget is being spent on paying for the funerals of teachers who have died. In Kenya I noticed the other day they are losing something like 6,000 teachers a year to HIV/AIDS. I suspect that is the equivalent of all the teachers in

29 October 2002]

MR JOHN WINTER, MR ROB HOLDEN  
AND MR JOHN HANSELL, OBE

[Continued

**[Chairman Cont]**

Oxfordshire and not even a country like the UK could afford to do that. I just wonder to what extent you think in the future we and other Commonwealth countries, if HIV/AIDS continues to have the impact on countries like Malawi, the attrition rate, countries such as ourselves, Canada, New Zealand, Australia, other countries throughout the Commonwealth, are going to have to support Malawi in terms of people, people in ministries, people undertaking active roles again in management of projects rather than just having a DFID programme which tries to interact with the government of Malawi, that the international community with the support of the Malawi people and the government, maybe elsewhere in southern Africa, will have to have a proactive role in reinforcing the capacity of government?

(*Mr Winter*) It is a problem that is particularly stark in Malawi and you may well have had Malawians saying to you, as they do to us, that this

is something we need to consider. We phased out all this 20 years ago and here we are back in the position of having to think about white faces in ministries. It is something we are looking at. Clearly continuing to provide technical advice to an overstretched institution is not going to produce results in the long run. The solutions that are being thought about in Malawi revolve around firstly trying to entice educated Malawians back into the country, because that is an enormous untapped resource, but also, if necessary, some flexible technical assistance funding to enable them to hire in expertise at whatever seems to them to be good value for money, whether or not it is people coming from Britain or other parts of Africa or other parts of the developing world.

**Chairman:** Thank you very much. Thank you for your evidence. I think there are some substantial issues here that we will be grappling with for some time to come. Thank you.

---

**Supplementary memorandum submitted by the Department for International Development**

*Q1: What does DFID see as the key issues—the causes, consequences and policy debates—relating to the humanitarian crises in each of the six countries?*

**A1:** The food shortages this year came at a time of heightened vulnerability, as the previous year's harvest was also low. An overall relatively modest regional maize shortfall of 7 per cent has been exacerbated by a number of factors in each country. The high incidence of HIV/AIDS is a major contributing factor to the crisis in all six affected countries. Both Swaziland and Lesotho are structurally food deficit countries that import as much as 60 per cent of their food needs through commercial sources from South Africa even in normal years.

Malawi has a predominantly rural smallholder population who are reliant on a single harvest of maize from small plots of land. In most years this is insufficient to meet household food requirements. Decreased production and higher maize prices have increased vulnerability while increasing reliance on the purchase of maize. A combination of a lower than expected maize harvest in 2000–01 and the as yet unexplained depletion of maize stocks to less than 4 000t, resulted in an early onset of the hungry season. Attempts by the Malawi Government to import maize to meet the shortages were hampered by logistics, resulting in a widespread shortage of staples and escalating prices for maize taking them beyond the reach of most families. While the catalyst was mismanagement of the reserves; poverty, malnutrition as well as reduced harvests all played a part in the evolving crisis.

Mozambique is also a poor country with recurrent droughts in some of the semi-arid southern and central areas. It has not been as badly affected this year as its neighbours. However, food prices have risen due to lower supply and increased demand in the Southern African region, creating access problems for the poorest and most vulnerable. This adds to long-term trends of increased vulnerability in many of the affected areas, including a decrease in remittances from men employed in South Africa and Zimbabwe. As Mozambique has not declared an emergency and overall only 3 per cent of the population is affected, debate on the crisis has been muted.

In Swaziland the humanitarian crisis is a complex mix of food security, poor planning and health issues. Swaziland is a middle-income country and the scale of the problem with 25 per cent of the population requiring food aid at the peak of the crisis was not fully appreciated by the donor community. Policy issues revolve around good government. Plans to purchase an aircraft for the king at a cost of approximately US\$ 45 million, against the cost of US\$ 19 million for food aid, appears to indicate a lack of priority and commitment to the crisis by the Swazi Government.

The situation in Lesotho is rooted in declining production per head as production fails to keep pace with population increase. The situation this year resulted from a below average harvest, a steep increase in the price of staple foods, a reduction of employment possibilities in South Africa and the devaluation of the Rand which increased transport and input costs imposing further shocks on an already weakened economy. It is not a major food production problem it is rather a problem of access for vulnerable groups. The elections in May 2002 delayed the preparation of preventative action plans.

In Zambia successive years of adverse weather in southern districts has been compounded by declining public services and poor economic performance throughout the 1990s. Consistent disregard of rural policy by the previous government has left small farmers without access to markets or off-farm income generation

---

*29 October 2002]**[Continued*

---

opportunities. Revitalising agriculture production is now a key component of the GRZ's Poverty Reduction Strategy Paper. Public debate on the crisis in Zambia has been dominated by the decision not to accept genetically modified maize, a move that has disrupted the WFP food pipeline into the country.

Poor governance has played a major role nowhere more so than in Zimbabwe where many of the factors noted above have resulted in declining access to food and the increased vulnerability of the poor. At national level a failure to come to grips with rural poverty, serious failure of government, initial denial of the problem combined with poor information flows later and shortages of foreign exchange, all compounded the problem. The fact that Zimbabwe, normally a food exporter to the region and a key transit country has suffered such a collapse in agricultural production has impacted on the region. Zimbabwe's badly planned land redistribution programme severely disrupted commercial production and created an entire new class of vulnerable people; the farm workers and their families. Politicisation of food distribution, government interference in NGO feeding programmes, state propaganda and intense distrust of the western motives are making rational dialogue difficult and is confined to UN channels.

*Q2: Whilst in Malawi we heard that donors provide 40 per cent of the Government's recurrent budget, and 80 per cent of its development budget. What does DFID spend in each of the six countries covered by the WFP appeal, and what degree of policy influence does DFID have?*

A2: DFID works in partnership with governments and other like-minded donors who are committed to the international development targets. We feel that it is more effective for there to be a coherent and coordinated view by the international community, albeit one where we can use our influence and try to work accordingly.

In Zambia DFID spent £52 million in 2000–01 and around £45 million in 2001–02. DFID's funds are equivalent to between 5 per cent and 8 per cent of government spending. From this, the amount going direct to government varies greatly (90 per cent in 2001, 15 per cent in 2002). This is because some of our major support in recent years has been "off budget" (eg support to an IFI-backed reform programme including mining privatisation). However, in 2000, DFID provided 4 per cent and in 2001 6 per cent of government funds (expenditure). As in Malawi, donor financing in Zambia provides between 75–80 per cent of capital expenditure. In contrast, Zambia's overall reliance on donors is less than in Malawi; donors' funds constituted between 24–27 per cent of total government spend in the last few years.

DFID spent £30 million in 2000–01 and just under £40 million in Mozambique in 2001–02. This represents a doubling in size of programme since the current 4-year strategy was agreed in 1998, and the programme is expected to increase further in the next three years as DFID's assistance to Africa grows. Donors fund some 50 per cent of government expenditure. During the period 1999–2001 DFID was the fourth largest donor, and has a high level of policy influence, particularly through our involvement in the Group of 10 donors providing direct budget support via a common agreement.

In Malawi in 2000–01 DFID spent £56 million and £42 million in 2001–02. Britain is the major bilateral donor and our policy influence is considerable. We are in the forefront of helping the Malawi Government to rethink its role and its decentralisation programme. We have offered a package of assistance for the development of Malawi's Medium Term Expenditure Framework and support to the budget through programme aid linked to World Bank and IMF dialogue with the Government. At the same time we are building partnerships that promote poverty reduction, equity and human rights.

In Zimbabwe we spent £10.5 million in 2000–01 and £14.7 million in 2001–02, but exceptional support this year to relief and recovery programmes is expected to increase expenditure to £25 million. Since the start of the emergency in September 2001, DFID has committed over £38 million for Zimbabwe. Zimbabwe has also benefited from an increase in the Southern Africa Regional budget in response to the crisis, from £1 million in 2001–02 to £21 million this year. Policy dialogue and influence remain weak for reasons set out in the answer to Question 1.

In Lesotho we enjoy good relationships with key government officials and ministers. Expenditure in 2000–01 was £2.5 million and in 2001–02 was £2.7 million. It is expected to increase this year. We have been able to contribute to the Lesotho Government's PRSP process and DFID remains at the heart of their PRSP planning process. We are involved in the public sector reform agenda as well as setting PR Growth Facility benchmarks in conjunction with the IMF.

DFID's policy influence in Swaziland is not great at present. While the monarchy remains highly resistant to change and reform, the king does appear to see the UK as a longstanding partner and friend. The UK is the only EU country with ambassadorial representation in country and we will continue to work with the EC delegation to engage the Government in policy dialogue. This provides an opportunity and an onus on the UK to expose government to international opinion. DFID spent £1.3 million in 2000–01 and £1.1 million in 2001–02 but this figure is expected to reduce this year. Although we are reducing our bilateral programme it is being subsumed in a wider regional programme.

29 October 2002]

[Continued

**Q3:** *How does the impact of HIV/AIDS on the humanitarian crisis and the longer-term food security situation vary across the six countries included in the Southern Africa WFP appeal?*

**A3:** The six countries are at very different stages of their national HIV/AIDS responses. This is strongly correlated to the degree of political commitment to tackling HIV/AIDS. They also vary in the level of commitment to pro-poor change, and are at different stages of the Poverty Reduction Strategy processes, from relatively advanced (Mozambique, Zambia and Malawi, to non-existent, Zimbabwe).

Before the humanitarian crisis HIV/AIDS was already recognised as an emergency. It is a key underlying cause and also a consequence of vulnerability in the region, and threatens long-term development progress. In some of the affected countries macro-economic decline has contributed to further vulnerability.

HIV/AIDS affects the current situation with regard to food security and the longer-term prospects for national and regional food security. In a food crisis situation many groups will be exposed to higher levels of infection from a range of diseases, but people living with HIV/AIDS and TB are a high priority group.

HIV/AIDS impacts on food security in a number of ways:

- Food production and availability is reduced (through lower production, loss of family labour, land and other resources, loss of livestock assets and implements). As women are largely responsible for subsistence production, the impact of AIDS on food security severely affects women, leading to them carrying even greater burdens.
- Food access is threatened, through declining income for food purchases and the diversion of household budgets for medical expenses.
- Stability and quality of food supplies is affected through shifts to less labour intensive production as people get sick, or family dynamics change, with the very young dependent on an elderly population, often grandparents<sup>4</sup>. Children are often taken out of school to help with production or to take care of younger siblings.

The consequences of reduced access in the six countries are:

Illness and deaths increase due to high HIV/AIDS rates. Social networks already weakened, are further threatened by competition for food. As labour is lost, nutritional leafy crops and fruit are replaced by starchy root crops (eg. cassava). Protein is lost as livestock assets are sold to pay debts. These losses are estimated to reduce food consumption by up to 32 per cent.

Falling supplies and shifts to lower quality food leads to chronic food insecurity, high levels of protein-energy malnutrition and micronutrient deficiencies. This further compromises immune systems. HIV-infected individuals have 50 per cent higher protein needs than the uninfected, and 15 per cent higher energy requirements than normal. A good diet will help in resisting opportunistic infections and will prolong survival.

In countries where the AIDS pandemic is more advanced the impact on mortality is already visible. There is anecdotal evidence of people being too weak from hunger to take their medicines (eg for TB).

There is interaction between HIV/AIDS and the non-food aspects of the humanitarian crisis:

- AIDS related mortality in all six countries threatens already fragile public services both in terms of access and provision.
- The health sector already has about 50 per cent occupancy in hospital from HIV related conditions, the sector also has to cope with increasing numbers of cases of severe malnutrition.
- Orphans were already a particularly vulnerable group. In most countries, social welfare ministries (which would generally care for vulnerable groups) have an additional load from crisis needs, and are generally overwhelmed and under-funded.
- The deterioration of water and sanitation facilities and reduced access makes all people, but particularly those living with HIV/AIDS, more vulnerable to infection.

#### COUNTRY SPECIFIC IMPACT

Zimbabwe went into this current crisis in an already desperate situation. Political instability; land reform policies (which displaced many farm workers); an economic crisis and lack of political commitment on HIV have all contributed to a very unstable situation.

With a 35 per cent HIV adult prevalence rate, and estimated 2,00 to 3,000 deaths per week from AIDS, even before this crisis, Zimbabwean's needs are acute. 2.3 million people are living with HIV/AIDS. HIV rates are high in urban and rural areas. Longer-term food security will be affected by a displaced and mobile population, many of whom are AIDS affected, and poor infrastructure provision to resettled farmers. Coping strategies to acquire food were already very prevalent, particularly amongst orphans, and there is clear evidence of risky sex work increasing due to this crisis.

<sup>4</sup> HIV/AIDS Implications for Poverty Reduction. UNDP Policy Paper 2002.

---

29 October 2002]

[Continued

---

Zambia has a 20 per cent HIV adult prevalence rate; 1.2 million are living with HIV/AIDS. HIV prevalence amongst teachers is 40 per cent and the orphan population is now estimated to comprise 13 per cent of the population. Before the crisis there were some encouraging signs of improvement, particularly in the 15–19 age group. This could be reversed as young people resort to transactional sex for food. Longer-term food security will be affected as in any high prevalence environment, with crop switching, fewer cash crops etc.

Malawi has a 15 per cent adult HIV rate, 850,000 people are living with HIV/AIDS. The country is already extremely poor, with limited productive land, and some dependence on cash crops for economic growth. Food cultivation patterns are likely to change significantly as people revert to subsistence, low labour intensity crops.

Mozambique has a 13 per cent adult rate, with 1.1 million people infected. With a large land area, much of which is already under-utilised, there are likely to be severe future impacts as land remains uncultivated and people migrate to urban areas for care, as services remain scattered (only 50 per cent have access to health facilities), and public services remain under funded.

Lesotho has a 31 per cent adult rate, with 360,000 infected people. The terrain already affects food production, and with such a severely affected population current and future food security is threatened.

Swaziland has a 33.44 per cent adult rate with 170,000 infected people. It has also been affected by retrenchments from South Africa, and a mobile ex-migrant population returning home.

*Q4: In Zimbabwe, DFID has been working with NGOs providing feeding and agricultural inputs. In Malawi, DFID has been working both with NGOs and with the Government, providing feeding and inputs, and improving infrastructure. What is the focus of DFID's work in Zambia (and also Lesotho, Mozambique and Swaziland)?*

A4: In Zambia our initial response was rapid with a £5 million programme of support to WFP feeding programmes, as there were no parallel NGO feeding programmes in place. This was followed by a £2.52 million package of support to NGO's and FAO for the provision of seeds and tools for the coming agricultural season. More recently, an additional £1.4 million has been approved for therapeutic feeding programmes, developing food surveillance systems and as a partial contribution to a UNICEF emergency measles and vitamin A campaign; and £3.5 million has been approved for additional food through WFP and £0.2 million to support NGO's distributing through the Government's food pipeline. This will partly fill the gap brought about by the banning of genetically modified maize. We provided support to the Government of Zambia to access the best UK and US scientific advice on the GM issue and offered to mill GM maize before it was distributed as food aid. The Zambian Government's decision not to allow the importation of GM maize has resulted in additional expenditure, delays in the food pipeline and increased risk of hunger for vulnerable Zambians.

The Government of Mozambique has not yet declared an emergency. DFID along with other donors (through the national agricultural development programme) contributed to the Ministry of Agriculture's request for support for distribution of input kits and seed fairs, in partnership with NGOs. Additionally, DFID funds a longer-term programme in Zambezia Province, in partnership with World Vision, which includes both agricultural and infrastructure development. Latterly we approved £1.1 million for supplementary feeding and food rations through UNICEF and the Red Cross and £0.4 million for NGOs implementing WFP food distribution programmes.

In Lesotho we responded with an immediate contribution of £1.5 million for food through WFP. This was followed up with a further £1 million to provide essential development assistance to those worst affected areas of the country. We plan to provide a further £0.5 million for non-maize food items. DFID is supporting a Government and NGO initiative by funding The Livelihoods Recovery through Agriculture programme, which provides a platform for longer-term livelihoods recovery. We will provide additional support for UNICEF's national surveillance system and funds for emergency water supplies totalling £0.35 million.

Swaziland normally imports 60 per cent of its food through commercial channels. To avoid disruption we responded with a donation of £0.25 million through WFP. We plan to commit a further £0.2 million for emergency water supplies to complement UNICEF's school feeding programme and £0.1 million to build emergency capacity within the local NGO food consortium.

*Q5: In Malawi in 1999–2000, Starter Packs were distributed to 2.86 million households and produced 350000 MT of maize. In 2000–01 seed and fertiliser were distributed under the Targeted Inputs Programme to 1.5 million households and produced 75000 MT of maize. In 2001–02, the distribution was to 1 million households and—in a bad year climatically—the additional production was only 40000MT. Why was the Starter Packs programme scaled down so quickly in Malawi, and what was the impact of this on the evolution of the 2001–02 crisis? How successful was the agricultural inputs programme in Zimbabwe in 2001? Were inputs provided in time for planting?*

29 October 2002]

[Continued

#### A5: Scaling Down in Malawi

Each year Starter Pack numbers have been agreed following full discussion with Government of Malawi (GM) and other donor partners; the Government proposal being an annex to DFID Project documentation. The initial supply of 2.86 million in 1998–99 and 1999–2000 derived from household registration numbers and the difficulty of targeting during the years covering the 1999 General election. In approving the National Safety Nets Strategy in September 2000, the GM confirmed that inputs supply would be only one of four interventions to assist the most vulnerable, with a target number of 350,000 beneficiaries. All agreed that a staged rather than immediate reduction would be appropriate at the same time that other interventions were being increased. In 2000–01 numbers were reduced to 1.5 million and in 2001–02 to 1 million.

#### *Impact of Scaling-down*

Poor seasonal weather conditions reduced the impact of the schemes in both years. The cost-effectiveness of in-country food production as a contribution to overcoming the national food crisis is recognised especially in Malawi where food imports are subject to potential logistic difficulties. DFID supported a Winter Targeted inputs programme for 300,000 households for 2002 and an increase to the main season (2002–03) Targeted inputs programme to 2 million households.

#### *National Food Security Strategy*

Future numbers of beneficiaries and the DFID contribution will be covered within the comprehensive National Food Security Strategy which will cover food production technology, input supply, storage, marketing, distribution, linkages to health and nutrition and the impact of HIV/AIDS issues. Drafting of the strategy should be completed by mid-2003. DFID is actively supporting the development of the strategy and the first stage, a literature review is ready to be discussed at a workshop in December.

#### ZIMBABWE

There was no donor-supported agricultural inputs programme in Zimbabwe in 2001. The Zimbabwe Government promised a Z\$15.5 billion agricultural package for resettled farmers but less than half of this materialised and it was never clear who benefited from the scheme.

*Q6: The food crisis of early 2002 was predicted—especially by NGOs—as early as August 2001. Did DFID respond adequately and quickly enough to predictions of crisis? The SCF-UK memo acknowledges that DFID were the first donor to respond in Malawi, but says that “there were shortcomings in their internal mechanisms that prevented them from being as clear and responsive as they should have been at the outset”. It also refers to “a lack of clarity or openness relating to where decision-making was taking place—at national, regional or London levels—that delayed the implementation process”. How does DFID respond to these criticisms? What action has DFID taken to improve its organisational and decision-making structures? How frequently are “false alarms” sounded in the sphere of potential food crises and famine, and how does DFID differentiate—at local, regional, and headquarters levels—between false alarms and genuine emergencies?*

A6: During 2001 DFID was monitoring the deteriorating situation through its network of country offices. In September 2001 reports from NGO partners of food shortages in southern Zimbabwe resulted in a £4 million supplementary school-feeding programme. We also responded positively to the UN Humanitarian appeal for emergency assistance launched in November 2001 with a contribution of £6 million.

The difficulties facing donors in Malawi in the last quarter of 2001 are well set out in Stephen Devereux’s IDS paper. Donors in Malawi were well aware of rising prices and reports of increasing distress in the districts, but it was not clear that increased imports were the right response as opposed to policy responses from Government. However, it was primarily in response to NGO approaches that DFID committed £4 million in the early months of 2002. We would accept that relationships built up over a number of years with NGO partners in Zimbabwe enabled NGO approaches to be dealt with more collaboratively than was the case with a new office in Malawi. However, there should have been no lack of clarity about where decisions are taken. The Malawi office has delegated authority to approve expenditure up to £5 million, a level sufficient to cover all but the largest emergency actions.

As reported to the Committee, DFID has responded to the increased needs in the region in the second half of 2002–03 by increasing its humanitarian specialist staffing in support of country offices. This will continue for as long as necessary.

False alarms are rarely sounded as such; there is almost always a genuine crisis in which human beings are suffering, although the judgements on scale and severity are sometimes subjective. In an ideal world we would be able to eradicate the basic cause of hunger ie poverty. Until this goal is reached, we judge each potential case for humanitarian response on its merits. This requires us to assess the situation from various angles,

29 October 2002]

[Continued

asking questions such as: “what’s the cause?”; “what’s the scale?”; “is the problem chronic or acute?”; “what are the indicators (malnutrition, morbidity, mortality, incidence of disease etc)?”; “what coping mechanisms exist?”; “what are others doing about it?”. In short, we actively gather information from all the sources we can access, sometimes carrying out our own field assessments to verify such data. We might also factor in a consideration for subjectivity (by governments, UN agencies or NGOs). We then apply the accumulated experience and knowledge of our staff—it’s very much a judgement call and you don’t always get it right.

*Q7: The DFID memo includes a table showing formal food imports (para 18). But what is known about informal commercial food imports? Do we know anything about unrecorded cross-border flows of food within the region? Why is it important for donors and governments to know about commercial food imports? What is being done to improve knowledge in this area?*

A7: All affected countries depend to some extent on commercial imports, and some have well developed private sector import enterprises. Initial assessments of need for the 2002–03 marketing year took into account soundings of governments and the private sector to ascertain commercial import plans. It has been an important part of the task of WFP to monitor commercial imports both because of their demand on logistic capacity and because of their effect on the requirement for food aid. DFID does not itself have any standing capacity to monitor commercial imports. The experience with this year’s crisis is not so much that we do not know enough about commercial imports (at least at the formal level), except in respect of Zimbabwe, but that the policy questions around who imports and at what price imports can be sold are frequently controversial and resolved too late to allow efficient use of the private sector.

The understanding of informal cross-border trade is important for an analysis of livelihoods in border regions and for pricing and free distribution policies, but given overall levels of such trade it is a lower priority to include such flows in overall computations of need. However, we are aware that there is a considerable informal trade in food across national borders. The size and scope of this trade is difficult to capture as it often operates in the margins of what is legal and therefore is not recorded by official statistics. In all countries in the region there are restrictions on the participation of the private sector in external trade, including the imposition of *ad hoc* bans in years of deficit and the operation of monopolistic external trade channels in some countries. Grain trade remains the responsibility of a few large traders and the remaining parastatal bodies. Small and medium traders are disadvantaged by a lack of production, price and tariff information. They are also face numerous formal and informal trade barriers. Yet despite this informal trade may represent a significant proportion of food traded across borders and border communities rank trade as the most beneficial border activity.

In 2001 DFID funded<sup>5</sup> a study on cross-border trade and livelihoods between southern Malawi and northern Mozambique. It showed that maize was the most important farm product traded informally but that it was difficult to quantify the amounts moving. The benefits of the maize trade reach large numbers and particularly the poor. Anecdotal evidence suggests that in the region of 100,000 tons of maize may have moved from northern Mozambique into the markets of Malawi and Zambia this year where prices were at historical highs. We are also aware that high levels of subsidies distort trading patterns within the region and there is considerable smuggling of food from countries with high subsidies into those where retail prices are higher.

*Q8: What is DFID’s stance on food subsidies as a form of price support for food deficit households (this year)? How effectively can food subsidies be targeted, and what problems might arise from over-providing (targeting too broadly) and under-providing (targeting too narrowly)? Given the possible negative impacts of food aid on food production and local markets, what role is there for income support—cash transfers, vouchers, cash-for-work—as a complement or alternative to food aid?*

A8: Food subsidies are widely used and cover a range of interventions. They range from making available basic commodities (eg flour, sugar, oil) to consumers at low prices usually accompanied by some form of rationing, to commodity food aid (effectively 100 per cent subsidy). Some countries have a history of long-term subsidized food schemes but DFID takes a generally cautious line. Food subsidy schemes have significant budgetary implications, require a complex bureaucracy, and often end up benefiting elites rather than the poorest. As a short-term measure they suffer all the problems of commodity food aid and more, in that they introduce cash transaction distortions. The ideal option is to support purchasing power—coupled with ensuring that adequate food is in the markets. However the appropriate mix of food subsidy, commodity food aid and income support will vary from context to context.

<sup>5</sup> Whiteside M (2002). Neighbours in Development: Livelihood Interactions between Northern Mozambique and Southern Malawi.

29 October 2002]

[Continued

## TARGETING

Targeting is important for both subsidised food and food aid. Targeting of subsidised food involves bureaucratic systems eg ration cards or vouchers, which may tend to exclude poorer people and be open to abuse. However, with clear objectives at the outset food subsidy schemes can work. For example school feeding programmes in Zimbabwe during the current crisis have improved children's nutritional status and ensured that children stay in school rather than having to work. With food aid the use of NGOs in a delivery or monitoring role for has often improved targeting. Targeting broadly (as in long-standing subsidised food schemes in which every family has a basic entitlement) has significant budgetary implications, and is open to some abuse. Narrow targeting avoids this but runs the risk of excluding vulnerable groups. The Malawi Starter Pack programme uses community-based targeting but this has been developed over the past four years and is supported by a comprehensive database of recipients.

## INCOME SUPPORT

A clear understanding of the affected groups' livelihood strategies and coping mechanisms is required for effective income support. The most appropriate form of interventions will vary according to context. DFID has wide experience in testing and developing different approaches in Africa. In Mozambique DFID is considering ways of adding value to food-for-work programmes and is also examining a cash-for work road maintenance proposal where we have experience with labour-based road construction. Cash has many advantages but is only useful where markets function and it is easy to purchase food. It is not appropriate in isolated areas with poorly functioning markets. Voucher schemes have been used in Malawi and Zimbabwe to help poor people gain access to agricultural inputs such as seeds.

*Q9: What role does DFID see for the National Safety Net Programme in future food security planning in Malawi? Are similar safety net programmes in place or envisaged for other countries in the region, such as Zambia?*

A9: The World Development Report 2000–01 acknowledges the value of safety nets and social protection in providing a buffer against risk with the result that people are more willing to invest and it prevents them from slipping into poverty. They emphasise that state forms of social protection should not undermine existing informal and social networks that people depend on at the moment.

In Malawi DFID considers the National Safety Nets Strategy as the principal basis for support to the most vulnerable. Its various interventions have been endorsed as one of the four pillars of the Malawi Poverty Reduction Strategy. The handling of food issues within the Safety Nets Strategy is covered under the National Food Security Strategy (see A5).

In Zambia there have not been discussions with the Government or with donors on a national safety net strategy. In Zimbabwe, the World Bank and the Government prepared a draft framework for a National Social Protection Strategy in 2000 that would pull together and enhance the various schemes that were operating in the country. While this was a fully consultative process the current political situation precludes further dialogue while the Government's arrears in both interest and capital repayments in excess of US\$130 million prevents the WB from taking this forward. In Mozambique, while there is no safety net programme the cash-for-work programme being developed by DFID as part of a longer-term relief programme could be the precursor for a wider Safety Net programme within the PRSP. In Swaziland and Lesotho a gap exists between the humanitarian imperative that addresses life-saving interventions such as food aid in an emergency and equally important longer-term poverty alleviation strategies but to date there have not been moves towards developing safety net programmes.

*Q10: Is DFID's vision of rural development in Southern Africa one of support for subsistence livelihoods, or one of agricultural diversification and export growth?*

A10: DFID's global perspective is outlined in its paper *Better livelihoods for poor people: The role of Agriculture* (a copy of which is in the House library). We do not have a single rural development strategy in Southern Africa, given the heterogeneity of the region. In most countries we support both subsistence livelihoods in the short-term, whilst simultaneously focusing on longer-term growth strategies to lift people out of poverty.

At country level the priority for rural development is to create a policy and institutional environment that provides opportunities for poor people to derive a better livelihood from agriculture and non-farm enterprises. This will include strengthening or creating a sound institutional framework to improve poor people's access to land, markets and services. It means creating an enabling environment that encourages private sector investment, particularly in agriculture and agricultural services. It also means supporting the agricultural sector by giving particular emphasis to agricultural technology and marketing institutions.

---

*29 October 2002]**[Continued*

---

DFID's focus is to support governments to devise growth strategies, as that is the most effective way of dealing with structural poverty. Without sustained growth, measures to address poverty have to be continued for an indefinite period of time. We are working with our partner governments to integrate a longer-term vision of growth within their poverty reduction strategies. This involves further analysis of the drivers and constraints of economic growth in these strategies, and a clearer discussion in their PRSPs on how to stimulate growth.

Currently, exporting out of Africa is the only promising avenue for growth, given that intra-African trade is likely to remain constrained, due to low local demand and poor integration of African markets. African trade represents a tiny fraction of world trade and its exports are in many cases below their level of three decades ago, so there is great potential for expansion. Due to the transfer of technology and knowledge, and the competitive pressures induced by exporting, exporting countries grow faster and technical progress is more rapid in export-oriented countries.

However, most of the poorest households are subsistence farmers: in good years they can only sell their surplus at low prices; in bad years they go hungry. But, farming is often only one source of income, alternatives—wage labouring, on the farms of others or in the informal or formal sector, and small businesses—are a more likely route out of poverty.

Patterns of agricultural growth are important. Greatest impact on poverty has been seen in countries where small and medium scale agricultural producers have driven agricultural growth. Agricultural growth has not had as much effect in countries where the bulk of increased farm income has accrued to larger businesses. A dynamic small farm sector has other benefits. It reinforces social capital formation through greater interaction between households, communities, traders, input suppliers and banks. In Mozambique and Zambia, for example, government policy is to support both subsistence and export agriculture, with the expectation that subsistence farmers will increasingly move into the market economy.

*Q11: There has been some discussion—including in Malawi—of the potential role of the Southern Africa Development Community (SADC) in ensuring food security in the region. Are regional solutions, perhaps involving SADC, possible?*

*A11:* There is strong justification for regional level initiatives given that many risks and opportunities are common to the region. Climatic hazards and weak markets deepen and are deepened by underlying poverty. The UK amongst other donors is strongly supportive of current initiatives towards regional co-operation and economic integration. This is in line with the NEPAD agenda. We are directly supporting the restructuring of SADC as they finalise their Regional Indicative Strategic Development Plan and a longer-term response to the food crisis needs to be mainstreamed within regional and national plans. Additionally, DFID is taking forward a trade facilitation programme within the region. This will promote the benefits expected from the SADC trade protocol and particular attention is being given to small traders, many of whom are women.

There is a long history of political commitment to a regional approach to food security within southern Africa. SADC Ministers of Agriculture produced a food security strategy in August 2001 recognising the need to improve information and analysis. DFID is currently preparing a programme with the SADC Food Agriculture and Natural Resources Unit to build national and regional capacity to increase capacity for vulnerability analysis and targeting, and to improve policy developments that enhance food security at household level.

Land and agrarian reform pose significant development challenges to the SADC member states and have the potential to deter economic growth and promote instability if left unresolved. Agitation for land reform in some of the settler states has already led to violence on farms. Efforts to correct historical imbalances in land ownership have been hindered by lack of capacity and political considerations. Given the strong correlation between national land policies and balanced economic development, addressing the land question in SADC-member states is a prerequisite for regional development. Recognising this, SADC Heads of State have directed that land policy issues should be addressed through a regional technical facility and DFID is working with SADC-FANR to take this process forward.

*Department for International Development*

*November 2002*

29 October 2002]

[Continued

Indicators	Mozambique	Lesotho	Mahvi	Zimbabwe	Zambia	Swaziland
Population Rural: urban (%)	17.6 million 61:39 (this figure seems too urban) as Agriculture is the main economic activity for over 75% of people	2.2 million 65:35	10.5 million 85:15	13 million 65:35	9.3 million 62:38	1 million 70:30
Land Area (sq km)	781,129	3,000 (10% arable) 0.136 ha/person	118,484 1.1 ha/person	396,000 3 ha/person	752,616 7.3 ha/person	17,360 1.73 ha/person
Nominal area of Land (ha per person)	Overall, 5% of land is cultivated.	83%	60%	80% (97% in 15-24 yr olds)	77% but falling	79%
Literacy Rates	40% of over-15s. Rural man 44%. Rural women 15%	Low 31%	Low 15%	Medium 35%	Medium-low 20%	Low 34%
Skills base HIV/AIDS infection rates	Very low 13%					
Annual Cereal consumption	2 million tonnes mostly maize	412,000 tonnes	2 million tonnes mostly maize	2.4 million tonnes includes wheat and livestock feeds 1,654,000 tonnes	1.4 million tonnes mainly maize but some wheat 684,000 tonnes	205,800 tonnes (25% of which is wheat)
Estimated Cereal Shortfall in 2002	49,000 tonnes south of Zambezi but surplus in north	Approx 300,000 tonnes (normally imports more than 60% of cereals)	277,000 tonnes			
Preferred size of maize reserves	Study in 1999 (?) recommended no reserves	Not stated; use market in SA for sourcing as part of SACU < 70%	500,000 tonnes	500,000 tonnes	?	Not stated, depends on imports from RSA
Importance of maize in Diet	@ 50% (cassava also important staple)	1.0—5.0 ha	< 75%	50—75%	< 60%	50—75%
Size of holdings per Family	80% cultivate < 2 ha, 90% < 3 ha		< 1—9 ha	10—20ha	?	
Ownership of cattle	@ 4% of farms, mostly med-large in south and interior with 722,000 head	Low and reducing (500,000). Sheep 0.86m are more important	Low cattle ownership. Only 800,000 head	Bulk of national head of by smallholders	Cattle numbers declining now around 2.5 million head	750,000 head
Livestock Assets	Still low after war but increasing. 70% of rural families have more chickens and other small stock	Medium, especially in the mountains	Low	Most families have at least some goats and chickens	Small ruminants, pigs and poultry	Higher in the lowveld
Purchase of maize seed	Almost all use local (saved or traded) seed	Local seed normally retained	Local seed mostly retained from previous year	Hybrid seed brought each year	Mixture of purchased and retained seed	Local seed normally retained
Tillage	Mostly by hand	Mainly oxen, but some tractors	Mostly by hand	Mostly animal draught power	Mix of hand and draught power tillage	Mainly oxen and some tractors
Regular purchase of fertiliser	Almost none, except a few cotton and tobacco out-grower schemes	Subsidised fertiliser provided by Gov but little used by farmers	Very little	Most families purchase some but amount determined by price levels	Only larger farmers purchase	very little on food crops
Diversification	Still very low although increasing. Cashew important traditional cash crop. Recently Oilseeds, cotton, pigeon pea, tobacco, paprika	Little diversification	Some diversification into food crops for consumption and sale	Most families grow a cash crop with tobacco providing the highest income	Increasing production of drought resistant food and cash crops	Some diversification into cotton and sugar

---

MONDAY 25 NOVEMBER 2002

---

Members present:

Tony Baldry, in the Chair

John Barrett  
Mr John Battle  
Hugh Bayley

Alistair Burt  
Ann Clwyd  
Mr Tony Colman

---

**Memorandum submitted by OCHA (UN Office for the Coordination of Humanitarian Affairs)**

1. Factors contributing to the food crisis:

- Role of Governance
- Agricultural practice
- Steps taken to mitigate

Effective governance or lack thereof has been a major factor in precipitating the current food crisis. The most obvious example is of course in Zimbabwe where political expediency has precluded any rational approach to ensuring the food security of the country. The fast track land reform process has effectively killed off the ability of the commercial farming sector to provide for the country as well as Zimbabwe's neighbours. In Malawi and Zambia, poor Government choices have also exacerbated the crisis although the relative impact on the region has not been so significant as the structural changes to land tenure and economic generation taking place in Zimbabwe.

Following the drought in 92–93, many advocated for greater diversification of agricultural production especially at the level of the small holder, in order to escape the over dependence on maize. The evidence would suggest that this has been less than successful and still millions of people through the southern African region depend on growing maize as the principle means of food security. This continuing over reliance on the one staple impacts on diet / nutrition as well as the capacity for coping with the “lean” years.

The region has taken significant steps forward to predict food shortages. The current crisis has not yet fully taken hold and the fact that there are considerable efforts underway to address the needs is in itself evidence that these measures are in place and are working. The work of the Southern Africa Development Community (SADC)/Food, Agriculture and Natural Resources (FANR) as well as those of Famine Early Warning System (FEWS) are of note in this regard and have served to bolster ailing national capacity in some cases (Malawi, Zambia particularly). Zimbabwe here is again the exception. The Government of Zimbabwe announced a Z\$ 8 billion input scheme for the new settlers but this is by far not enough. Over Z\$ 70 billion will be needed. As a result little to no preparations for the next agricultural season have been undertaken. This area is also under funded by donors.

2. Ongoing Humanitarian Needs:

- how adequately are they being addressed?
- can humanitarian aid be used to mitigate against famine?
- are the needs adequately resourced?

The United Nations (UN) appealed for US\$ 611 million in July of this year of which US\$ 507 million was for food aid. While the response to these food aid needs is now beginning to occur, the response has been slow. This has meant that the desired strategy of pre-positioning food in food insecure areas ahead of the rainy season has not been possible. As a consequence, it may be that some inaccessible areas will not receive food despite the fact that it is available. This strategy was in itself a key measure to mitigate against famine. Provided that the food pipeline as requested by the World Food Programme (WFP) remains positive, famine in the region can be averted. There remains an ongoing concern however in Zimbabwe where the food gap remains considerable in view of the restrictions on the private sector to import. Should this situation continue, the food crisis in Zimbabwe is expected to deepen markedly in early 2003 and despite a healthy food aid pipeline, the amount will not be sufficient to meet all the needs.

While the emphasis of need in the region has been for food, the crisis is of much wider dimensions and is a reflection of the paucity of adequate social service provision. Health services and capacities are diminishing throughout the region although the effects appear to be particularly devastating in Zimbabwe and Malawi where capacities to provide for the increasing number of sick and malnourished are severe. The impact of HIV/AIDS is fast eroding what limited human capacities exist and further compounding the need. In this respect the needs in the non-food sectors, although not presented as needing the same amount of resources, are of equal importance to food. The response has however not been equivalent and cannot be described as “adequately addressed”.

25 November 2002]

[Continued

### 3. Adequacy of the International Response:

- could it be improved?
- is crisis management in the international system adequate?
- what support is needed to ensure future food security?

There are a number of levels at which this needs to be considered. Firstly, food insecurity in the region and its causes have become well understood. This has allowed for the flags to be raised sufficiently early enough to put the needs of the region on the agenda. In this respect the international response in terms of identification of the food security problem has been adequate. However from another perspective (as indicated above), the response to these identified needs has not been as quick nor in the magnitude required. For this reason, there are gaps and there will be problems in ensuring that the needs of all of those identified as requiring assistance receive it. A third perspective is that the response demanded so far has focused principally on food and that that in itself is inadequate. While non-food needs have been identified, there is a growing sense that the impact of HIV/AIDS both as a cause and an effect of the current food crisis has been underestimated in terms of response required. As a consequence, the international response could be significantly improved with a greater awareness of the impact of HIV/AIDS on the food crisis and vice versa with a corresponding increase in activities geared to address the needs of those affected by the pandemic.

The crisis has thrown up a number of challenges to the international crisis management system. On the one hand, since responsibility for managing the crisis rests with the national Government and that the majority of international actors engage on a country by country basis, situating and responding to the problem from a regional perspective has proved particularly challenging. With the exception of WFP, the UN and donor governments have been slow to establish mechanisms that could think and act on a regional basis. This could easily be improved if the principal regional institution (SADC) were more centrally engaged in managing the crisis both politically, economically as well as operationally. Currently, SADC engagement with the crisis is operational through its technical body the Food, Agriculture and Natural Resources Division, which while effective, represents only a segment of the sorts of issues it should be involved with if it were to be taken seriously as a Regional entity. With increased capacity and responsibility, SADC could facilitate and lead a more dynamic international response for the region particularly if it were able to take more of a political and economic lead for its member states. This in turn could enhance the prospects for improved food security for the region. On the other hand, the national responsibility for managing the crisis can prove to be difficult if the national Government has a fundamentally different understanding of the crisis and the needed response than other partners.

### 4. Balancing food aid and longer term measures:

- what is and should be the role of WFP, FAO and other UN organizations?
- what part should food aid play in development cooperation programmes?
- how can the impact of food aid on local markets be managed?

In the short term it is imperative that WFP be given the requisite resources to deliver. As part of the process of looking to the future WFP/UNICEF should be supported to provide school feeding programmes. Food for work and food for asset creation schemes should also be encouraged as far as relevant and appropriate. It is essential however that food aid be:

- (a) limited to support the most vulnerable;
- (b) supported by initiatives that help affected communities regain their own productive capacities; and
- (c) do not overlap or compete with other efforts.

For this reason, FAO should be more visible and more operationally active in the six affected countries. In sum, the role of food in development cooperation programmes should be kept to minimum and should only be used as a means to kick start more self sustainable activities. If this approach can be followed the impact on local markets can be contained. Considerable attention has been and is being paid to this issue. Local businessmen responded to this question during the UN Special Envoy mission in Lesotho recently and argued that the short-term effects of food aid on markets are minimal relative to the long-term benefits of maintaining a customer base. The need to keep people alive and getting them back into the productive economy is widely understood as the priority.

### 5. Operational Constraints:

- How does local politics influence priorities and targeting?

Apart from availability of funds, the single biggest constraint faced by the humanitarian assistance community at the outset of the operation was the logistics capacity in the region. Limited port handling capacity, deteriorating rail and road infrastructure and lengthy customs clearance procedures were identified as serious impediments. Much progress has been made in this regard to the point where it is believed that there is now sufficient capacity in the region for effective deliveries to be made. Provision has been made to cope with the effects of the rainy season and the difficulties this will pose in accessing rural areas.

25 November 2002]

[Continued

Local politics has not had a significant influence in prioritizing and targeting assistance in the region with the obvious exception of Zimbabwe. Politicisation of food aid in Zimbabwe remains one of the main obstacles for mobilizing funds for food and other types of emergency assistance. Politicisation of food distribution is a major impediment to effective targeting in Zimbabwe. Distribution problems have been highlighted viz. the Grain Marketing Board (GMB) depots; the Government's food for work programme; as well as food distribution by international donors, executed by NGOs. There have been reports of specific examples of opposition members being denied food assistance or access to the GMB sold maize, as well as cases of children from known Movement for Democratic Change (MDC) supporters being denied supplementary feeding at school. In some cases, MDC supporters in rural areas have been denied access to safe drinking water.

Targeting has also proved to be problematic in Zimbabwe in view of political considerations. This has been most clearly evident with respect to the needs of farm workers affected by land redistribution. A careful estimate of the number of farm workers so far affected (either displaced or remaining jobless on farms) by the ongoing land redistribution exercise is now revised to around 175,000 families or around 950,000 people. The Government has so far been extremely reticent about the assistance community addressing the needs of this group.

A third problem with targeting experienced notably in Zimbabwe and Malawi is that the magnitude of need is such that targeting virtually becomes impossible. SCF(UK) for example has already revised its strategy in two districts of Zimbabwe to provide blanket feed programmes.

6. Lessons learnt from the crisis in Southern Africa and about food aid generally:

- The crisis is not just a food crisis and cannot be solved with food aid alone. HIV/AIDS is now recognized as biggest impediment to the food security in the region and assistance must be targeted accordingly.
- Political considerations are crucial and have contributed to the crisis as much as, if not more than natural, climatic causes.
- Progress since the last major famine in the region (1992/93) to address the structural deficiencies in the agricultural sector has been minimal. There remains an over-dependence on maize production. The shift in Zimbabwe from commercial production to small holder, subsistence agriculture is clearly a major step backwards.
- While Governments have failed themselves to tackle fundamental weaknesses of governance practice, fiscal and economic management, international assistance over the past 10 years has equally failed to work strategically in the region to tackle issues at the root of the widespread poverty
- Nationally and regionally owned crisis prevention management and mitigation structures remain weak despite efforts to improve them. Sound contingency plans and structures should be put in place without delay.
- While information collection and collation in the region is relatively well-developed, effective mechanisms for consolidation of critical information sources both at country and regional level remains weak. This has served as a major impediment in helping to quantify needs and response across sectors.

*OCHA*

*November 2002*

### Examination of Witness

Ms JUDITH LEWIS, Regional Director for Southern Africa, World Food Programme (WFP) examined.

#### Chairman

48. Thank you very much for coming and giving evidence to the Committee. We are going to be, I hope, courteous but brisk in that we have a major debate on the floor of the House this afternoon on Iraq and a number of colleagues, understandably, either want to participate or intervene or contribute. Thank you for coming and giving evidence. James Morris put out a press release on 28 October in which he said a couple of things. He said that there were now 14 million food insecure people in the Horn and 14 million food insecure people in Southern Africa. He then went on to say in the press release that the international community, I cannot quote him

verbatim but the thrust of what he said was, should be concerned that the scale of these numbers is such that the humanitarian system is in danger of being overwhelmed. Firstly, just a quick factual question. Is 14 million for the Horn and 14 million for Southern Africa about the right order of magnitude as you see it at the present moment?

(*Ms Lewis*) From my latest assessments in the field for Southern Africa, certainly the peak period for assistance will begin in December and it is about 14.4 million. In Ethiopia they have assessments in the field now and the 14 million, I think, was worst case looking at all of the factors. We will know better as soon as these assessments are back and I understand

25 November 2002]

Ms JUDITH LEWIS

[Continued

**[Chairman Cont]**

they should be back in the next few days, so we will have a better idea of what the projections look like for Ethiopia. Certainly between ten, 12 and 13 is still very much very valid.

49. Those are still pretty huge numbers.

(Ms Lewis) Huge.

50. Essentially this is a logistical exercise. Going on to James' second point really, does there not come a point when the food pipeline simply gets overwhelmed in the sense of your physical capacity to be able to deliver these sorts of amounts of food aid?

(Ms Lewis) Absolutely. On Southern Africa we launched our appeal in July and we have been able to deliver just over 13 per cent of all of the needs in Southern Africa.

51. One-three?

(Ms Lewis) One-three, 13 per cent of all the needs. I think that what we are seeing is the longer term impact of the lack of a healthy pipeline. It is just a grinding poverty and vulnerability and I think we are beginning to look at the tip of the iceberg in terms of how bad it is going to become in Southern Africa.

**Hugh Bayley**

52. It was clear to those of us who went to Malawi recently that this is not just a food shortage crisis, that the AIDS pandemic has affected productivity, the production of food, and also the impact of a food shortage will be greater because people are weakened through HIV and AIDS. To what extent does that affect the way that you are doing your work and how can longer term food security be achieved in countries like those in South Africa where a quarter of the population is HIV Positive?

(Ms Lewis) Two points. Certainly we have been hampered by the lack of not having enough resources. We are convinced that one of the best ways to help address the HIV pandemic in terms of those who are infected and those who are affected by HIV is to increase the nutrition. This needs to be done through general distribution. As you saw, people in Africa do not have the opportunity to be tested, they do not know that they are infected with HIV, and certainly we think that if we can increase the protein and the other micronutrients that we can help people have a longer, more productive life. We have not been able to do that with the pipeline. Basically our pipeline has centred around cereals and, of course, that has an adverse affect on health. When you have too much dependence on cereals, you have pellagra and all of the things that go with that. We have not been able to do that but we are convinced that this is one of the best ways to help at giving people a little longer and a more productive life. In terms of long-term food security, I think one of the things that we are addressing now from the co-ordination unit is looking at the impact of HIV on food security. We cannot continue to have traditional agriculture as we know it. People cannot do labour intensive agriculture when they are affected. We are looking at less labour intensive irrigation. I think I read in your report that you had seen the treadle pumps. Many times people who are infected do not have the energy to even use those.

53. I could not use the treadle pump.

(Ms Lewis) I am glad you said that because I thought "oh, my goodness, a healthy person cannot do this". I think we have got to be very, very creative in looking at crop diversification. We have got to get away from this dependence on maize only in Southern Africa and in many other parts of Africa. We have got to look at how we can help preserve the agricultural intelligence. We are having children that are being left to try to eke out some type of living from the fields. There is a lot to be done in that area but I do not think that continuing to talk about food security in terms of traditional agriculture is even viable any more. We have got to work with the governments to be sure that we have economies and markets that support some type of agriculture economy. There is so much to be done and certainly you saw how critical the situation is in Malawi.

54. You make me even more pessimistic because you have not had the food requirements from your appeal met, although arguably there is still some time to get some more food in. You have got about half of your requirements. For the non-food inputs you have got five per cent, next to nothing.

(Ms Lewis) That is right.

55. So it is one thing to say we need to address health problems, we need to address agricultural and rural development issues but do you have the resources to do so?

(Ms Lewis) No, absolutely.

56. Do the governments have the resources to do so?

(Ms Lewis) No. I think the only government that has really done a fairly decent job of looking at the food imports particularly is Malawi. I think the flags were up early, the message got through and a lot has been done on that side. By and large we are still at ground zero in terms of epidemiological surveillance, nutritional surveillance, therapeutic and supplementary feeding for children. We just do not have the resources that we need to do that. All of the social sectors are certainly in the negative, if you will. From our appeal we did not have the necessary resources to meet the new agriculture inputs for this year, the seeds and the fertilizers that were needed, so that is going to have an impact on what the needs are going to be next year. No, we do not have any good news in Southern Africa.

57. How many people in those Southern African countries that are affected do you think will die from the food shortage over the next six months?

(Ms Lewis) It is absolutely very difficult to tell. When deaths are reported we are not sure if it is because of lack of food, if it is not having enough nutrition because they are infected with HIV, it is so intertwined. We do not have a baseline, we did not have a baseline when we started this crisis, so in terms of actually projecting how many people are going to die, it is going to be very hard to tell. We are in the rainy season now, I think we have to think about seasonal diseases, the cholera and the malaria and those increases, some of the proxy indicators for HIV, tuberculosis, all of those things. We are trying to work with the countries' health systems

25 November 2002]

Ms JUDITH LEWIS

[Continued

**[Hugh Bayley Cont]**

particularly and certainly our NGOs on the ground are looking at the situation and trying to apply it. My gut tells me that many people are going to die.

58. Finally, to what extent do you think the governments of these countries have the capacity to respond to a crisis of this scale? One of the things that struck me while I was out there which I had never realised before—although I guess people like you have—is that if you sit down in a room with a dozen senior civil servants or politicians you are probably talking to four or five people who know they have only a couple of years to live. How can people like that plan ahead for agricultural reform when all they can do is plan for whether their families can survive through the winter? To what extent do governments have the capacity to mount a response with aid?

(*Ms Lewis*) I think they are just now beginning to grapple with the situation. Certainly we are seeing the education sector totally decimated by AIDS, and in the health sector, nurses, doctors are just disappearing, not only to speak about the agricultural impacts, so I think this is the first time that we have really had very serious discussions about the AIDS pandemic and its effects on government and how to deal with it. We are just now beginning to focus on the impact, but the governments do not have the capacity to deal with it and I think the longer-term implications are just dreadful.

**Chairman**

59. We tend to get asked this from time to time by commentators saying that the problems of Africa are the fault of Africa, it is all their own fault, through bad governance or whatever. You see a flurry of these comments every time this issue is raised. Most of us have spent many years looking at concepts of sustainable development but does not the combination of drought and disease make any of our pre-existing notions of sustainable development in countries such as Malawi and Zimbabwe a complete nonsense?

(*Ms Lewis*) I think so. If you look at the amount of development aid that has gone into many of these countries and you just take the human development indices, we are going backwards, we are not making progress. We really have not been able to use that assistance properly to get at the grinding poverty that is affecting these countries. If you look at the six countries in this crisis, five of them are still in the very bottom of the human development index and are the poorest countries in the world. We have the highest malnutrition rates in the world, we have the highest chronic malnutrition in the world, we have got the highest rates of wasting and stunting in the world, then you add HIV on top of it. So talking about sustainable development right now is almost moot, if you will. I do not want to be cynical about development. We have got to continue to talk about this and we have got to continue to strive to do things differently.

60. My point is a slightly different one. I do not want to hog this but somehow one has a feeling that the media and the world have not quite taken on board just how serious the crisis is. Quite

understandably, a lot of attention has been focused on Iraq and some other areas and very little detailed attention has been given to the crisis that is unfolding in Africa.

(*Ms Lewis*) Absolutely, and I think many times we see in the media they take a very cynical view about Africa, but you have been there, you have seen the suffering and where people start in a crisis and they are so vulnerable and any shock causes mass suffering and that is where we are. I do think that we have seen a fair degree of coverage and interest in Southern Africa. Many of the high-level visits have continued to bring some attention to the situation. We have a good international media in South Africa that we continue to send out. We try to let them see what is going on, but it is just not enough and the UN's recent study shows that the crises that have the "CNN" factor are the ones that are resourced. That is one of the things we are struggling against when we are talking about Afghanistan, Palestine, North Korea and the Horn. Those are the type of challenges that the international community has to grapple with.

**Mr Battle**

61. To go back to the immediate food crisis and how we can move from this year's food crisis in which originally, apart from the acetate that HIV/AIDS has laid over it, there was a question of whether it was drought or capacity? On the last day of the last visit (we were there in October) we were out in the fields and it was starting to rain. I was visiting a seed store but they had not sufficient seeds and they could not afford fertiliser. I was left wondering, knowing that a year ago there was no rain and we were sending in food aid, yes, about distributing seeds and getting people fertiliser so they can plant in time for the rain that is coming now so there is not a crisis next year. How has that been addressed? Certainly in Malawi it did not look too bright.

(*Ms Lewis*) The only country that really made a good faith effort was Zambia where we have seen a good bit of input seeds and fertilisers to the most vulnerable. The funding has just been abysmal for the FAO part of the appeal. Zambia is the only country that received what they were looking for in terms of seeds and tools. James Morris, in conjunction with Mr Diouf, sent out a letter to the international community to help us with this, but the response has not been what it needs to be. Zimbabwe did in fact have some seeds available. Unfortunately, the poor farmers could not afford the seeds nor the fertilisers.

62. To be fair, the seed store was supported by our own DFID, and they were giving out starter packs of seeds and fertiliser all packaged so the people could put them in the soil and get on with it. Whose responsibility would it be to organise a full-scale replanting programme to get ahead of the game with even the possibility of two crops per year rather than just one? Who is addressing that within your organisation?

(*Ms Lewis*) This would fall under the Food and Agricultural Organisation's mandate working with the ministry of agriculture to do that. Certainly we have been trying to track a little bit about the winter

25 November 2002]

Ms JUDITH LEWIS

[Continued

**[Mr Battle Cont]**

cropping in Malawi, the alternative crops, not just the maize but cassava, and we are trying to figure out how to have surveillance so that we can monitor the input for the food balance sheet in Malawi. I understand that the starter pack programme in Malawi was certainly much more healthy and aggressive for this year than last year. It is certainly supported by DFID and is much more aggressive this year, which I think was certainly needed.

63. But it is the scale of what is needed.

(Ms Lewis) That is right.

64. Is there a time-line then for planting? We vaguely hope the rain will come every year and rather than lurching from one food aid crisis to another, it would be a disaster if this time next year we are talking about not drought but the lack of planting that caused hunger. Can we work backwards and say in two years' time we will make sure everybody has got seeds and fertiliser?

(Ms Lewis) Absolutely. One of the things the FAO is now doing is considering sending more senior technical experts to the region. They will be part of the Regional Inter-Agency Support Unit there in Johannesburg with us, and I think that is going to help all of us be very strategic in our thinking and looking to the future. Clearly the mandate right now is to save lives but if we are not going to be in the same position next year, the next year and the next year we have got to be very strategic in looking to the future.

65. Will there be a proper connection between what you are doing and the FAO are doing because at the ground floor level how do you stop a person whose family is pretty hungry and on the verge of dying from starvation from eating the seeds they are given to plant? You need to lay down the seeds and food together.

(Ms Lewis) That is right. We are working much more closely with FAO in terms of seed protection. This is where the food and the seeds go to the villages at the same time. The monitors are there to explain to people, "This grain is for eating, these grains are for planting." We are working to increase that. It also cuts down on logistics costs and on the amount of staff time involved if we go at the same time. We are working with our partners on the ground to do that. We are going to enhance that collaboration and co-ordination with FAO. FAO is also looking to work with UNICEF through the schools for nutrition awareness, planting gardens at community level, those types of interventions. I am encouraged. I think FAO is going to be much more engaged and involved than they have been in the past.

**John Barrett**

66. A number of the Committee who were in Malawi were seriously concerned over issues relating to the sale of the Strategic Grain Reserve, the potential for corruption and the governance in Malawi. Obviously in Zimbabwe there were very serious questions over governance there. What can the World Food Programme do to ensure that the food aid is not used by recipient governments as a tool and therefore becomes part of the problem, because they are then given another strong tool to influence within the country and to hold down

opponents by denying them that aid? If the government in a country is part of the problem, is the supplying of food aid to that government strengthening their hand and making the problem worse? What can be done about this?

(Ms Lewis) The World Food Programme has been very clear in terms of our strategy in any country. We provide food assistance to the most vulnerable. Vulnerable people do not necessarily have politics, if you will, and when we do not have enough resources we have to guarantee that the food gets to the most vulnerable. We have been very clear with the government of Zimbabwe from the very beginning and part of our negotiations with starting an office again in Zimbabwe was this issue of independence, that we would work with our implementing partners on the ground to work with the local authorities to determine vulnerability. We have issued a zero tolerance policy and we have had about a dozen instances where there has been some type of disruption or an attempt to influence the food that is being distributed. We have either stopped what we were doing or we have not started the assistance. We continue to reinforce that. We have had instances where we have asked the government to go with us to investigate where you have these armed combatants running around trying to influence what is going on. We have been very clear and we will not deviate from that policy. Our NGOs have been empowered to take those decisions on the ground should there be any type of influence. James Morris and President Mugabe have talked on five or six occasions since the World Food Summit face to face about this issue. We absolutely do not have enough food to do what needs to be done, let alone to have outside influences trying to impact on what we are doing.

**Chairman**

67. There is an article in today's *Independent*, I think, with a photograph suggesting that in certain parts of Zimbabwe unless you were a supporter of Zanu PF you simply did not get food. There was a photograph of a malnourished man and a whole village, village communities who had said they had supported the MDC and unless they could produce a party card they did not get any food aid. When you see press reports like that, what actually happens on the ground? Do your team go and investigate that and check up on what is happening?

(Ms Lewis) First of all, let me clarify what we are seeing. The amount of food assistance that has actually been channelled through the World Food Programme and that has actually been delivered in Zimbabwe is just under 100,000 tonnes of food since March. The amount of commercial imports that the government has been able to produce and move into the country is over 600,000 tonnes of food. What many people and journalists are confusing is the GMB, the Grain Marketing Board, and their attempts to influence food output. We cannot control how they use their food but if you look at the difference and the controls that the UN and our implementing partners take at ground level compared to the government's ability to move around this 600,000 tonnes, that is where the discrepancy comes in. However, if there is an

25 November 2002]

Ms JUDITH LEWIS

[Continued

**[Chairman Cont]**

instance where there are issues raised the resident co-ordinator's office follows up. The donors are very keen that we establish a monitoring surveillance unit to follow up on these instances so that we can come back and try to track and also try to influence the government. Every time we have gone back to a government with a serious incident we have found that they have in fact taken an interest in this, they have gone with us, and even the minister went to the Insiza incident to look at the situation. I think the UN will be stepping up their monitoring and surveillance of these types of instances.

**Hugh Bayley**

68. In another paper today, in *The Times*, Didymus Mutasa, the administrative secretary of Zanu PF, is reported to have said really quite an alarming thing. Zimbabwe has a population of 12 million people and he is quoted by *The Times* as saying "We would better off with only 6 million people, with our own people who support the liberation struggle. We do not want all these extra people". Will the World Food Programme raise that with the government of Zimbabwe and ask what on earth does he mean?

(Ms Lewis) Absolutely.

69. And let us know what their response is.

(Ms Lewis) I think this would be better raised by the Secretary General of the United Nations. I have not seen that. That is one of the most horrifying statements. I am shocked, I am speechless.

70. I was shocked but you are on the front line. You cannot deliver what you need to do to people who are starving in Zimbabwe—

(Ms Lewis) Absolutely not.

71.—if you have people in the government, or close to the government, in the ruling party, whose view is that you should let people starve.

(Ms Lewis) That is unconscionable, absolutely unconscionable.

**Chairman**

72. Maybe we might write to the Zimbabwean High Commissioner in London and ask on behalf of this Government was that said, is it a true and accurate statement and what does it mean. Can I ask a straight forward factual question? What information is available about the commercial imports into Southern Africa and private trading between Southern African countries? How useful and reliable is this information for WFP planning purposes? How do restrictions on commercial imports and private trading impact upon the humanitarian response and WFP's work in particular?

(Ms Lewis) Clearly we are able to track the commercial imports because we can work with the traders, we can work with the transporters, we can work with the people in the ports to know what is expected. According to the latest estimates there is still about a 900,000 tonne shortfall which does not take out the surplus in Malawi, there is about 300,000 tonnes eventually that will be in Malawi. This is 900,000 tonnes in the other five countries that we are

still trying to grapple with. That is fairly easy to track. The informal markets are much more difficult to track across the borders. There is traffic between Zambia and Tanzania, there still is some movement there, and from Northern Mozambique into Malawi, there is always a very strong, healthy, informal traffic there. We just do not have enough people and the network is not strong enough to get our arms around that. In terms of planning, I think what we have done is to build scenarios based on what we think we realistically can deliver based on resources, based on our implementing partners' abilities to deliver. When you put it in that perspective in terms of what the World Food Programme is trying to do overall compared to the needs, we just have to continue to track it and continue to raise it with governments in terms of how the commercial imports are going to impact on food security.

**Mr Colman**

73. Ms Lewis, can I start by thanking you and your colleagues for the tremendous work that you are doing and please go on doing it. The second thing is to say is you will have seen that a number of us are peeling off to go to the floor of the House because of the Iraq debate which is about to start. Can I pick up this whole concept under international law of people having the right to food and that states have the obligation to ensure that their citizens have adequate food to ensure their freedom from hunger. What do you think about the UN's Special Rapporteur on the Right to Food, the statement that was made at the General Assembly that "Anyone dying from hunger was dying from murder"? Who do you think is accountable for ensuring that people's rights to food are respected, protected and fulfilled?

(Ms Lewis) I think that is a very delicate issue when you are talking about human rights and national sovereignty. Part of the crux of his discussion was around the GM discussion. Clearly the World Food Programme, our colleagues in FAO and at the World Health Organisation, have a joint statement in terms of health and the implications of GM. The unanswered question still has to do with potential damages to the environment. I think at the end of the day governments have to be accountable for the decisions that they take. This GM question is very contentious and it has certainly not made delivering assistance any easier, particularly in Zambia. We have to continue to work with the governments, to give as much scientific evidence as possible. I think many statements, such as that of the Special Rapporteur, are based on disinformation, lack of information, and not enough information. I think we still have an obligation to do more on that side as we continue to talk about GM.

74. I was of course expecting to go on to discuss Zambia, and I will do so. May I again pay tribute to your staff in country in Zambia. In my two visits there I was very impressed with the work you are doing and mystified at the decision of the Government of Zambia not to accept milled GM maize. My colleague quoted a newspaper article from last Thursday and it was a quite extraordinary article in terms of the justification that was given by the Zambian scientists in terms of the information they

25 November 2002]

Ms JUDITH LEWIS

[Continued

**[Mr Colman Cont]**

received from this country from a number of sources. You may wish to give us a rebuttal in a separate paper in terms of that article in the *Daily Telegraph* last Thursday<sup>6</sup>. What are the consequences of the Government of Zambia's decision not to accept GM food for Zambia for the region and how far have you got in terms of being able to procure non-GM food?

(*Ms Lewis*) First of all, I should flag up that not only are they not accepting non-GM grain, they have refused corn soya blend which is essential for supplementary and therapeutic uses because it is soya-bean based. They also have declined US oil because it is a soya-based oil, so none of the resources from the United States Government have been accepted for Zambia. As you rightly point out, the stress and strain of trying to secure non-GM goes on. We are spending all of our cash resources that are not tied. The total Japanese pledge, the Dutch pledge, part of the EU recent contributions has gone to buy white maize in South Africa.

75. But some 80 per cent of the maize in South Africa is GM maize.

(*Ms Lewis*) That is absolutely correct and now they are even requiring that we have tests done on the white maize so the time delay that is involved is staggering. The other issue is we cannot get export licences from the Government of Zambia to move out the GM food which is in country. We could have as much as a 14-day delay on getting the import of the food that they have already accepted that is non-GM. It is mind boggling.

76. Could I ask if you would update your web site regularly to post people as to what the true situation is in Zambia. The reports on that are extremely worrying. What do you feel the lessons are that the World Food Programme can learn from the Zambian GM issue? When a sovereign government chooses not to accept GM food, does it surrender its citizens' right to food? I would hope not, but what is the situation?

(*Ms Lewis*) That seems to be the situation particularly in Zambia but even in Zimbabwe the fact that they have agreed to accept milled GM is not enough. We had found that the capacity to mill inside Zimbabwe was much more efficient than southern Africa's extraction rates. We were getting a 93 per cent extraction rate from Bulawayo. We milled 10,000 tonnes there. When some of the ministers found out that we had in fact transported the GM to Bulawayo they told us we absolutely could not do that any more so the wonderful efficiency that was going on in Zimbabwe has been limited because the cabinet has taken the decision not to let us transit the GM. So these kinds of decisions defy the thinking from the humanitarian community and how we can do more with—

77. And the lessons you are learning?

(*Ms Lewis*) The lesson we are learning is that we have to have a good, sound, solid discussion about GM and the commodities that are available before we go into humanitarian situations in terms of what governments will and will not receive. We have to be very clear with our cash donors that we are going to need more cash in the future. We cannot depend on

50 per cent of commodities coming from the United States Government, so we have to do a lot more effort and energy in discussions up-front before we get into a humanitarian situation.

**Chairman**

78. That sounds like another letter, this time to the Zambian High Commissioner putting these matters. Then we can advise him to ask his government to comment and report back before we produce our report on what his government's line of take is. Your last point really about not being able to have 50 per cent of food in kind from the United States raises this issue: the most recent UN-OCHA consolidated inter-agency appeal for 2003 is asking for the equivalent of US \$3 billion. These are now becoming very large appeals and they have characteristics of being *ad hoc* appeals each year. Have we now not got to the situation whereby the international community is going to have to accept that there is going to be a need each year for a certain amount of humanitarian aid and each year regardless there should be a baseline pledge that could be topped up as necessary, or carried over miraculously if there was a year when there was not a need? This present hand-to-mouth situation whereby you have to go out on appeal, you then get pledges, pledges have to be turned into commitments, commitments have to be turned into to food aid, food aid has got to be got to the place, means you are always chasing your tail, are you not?

(*Ms Lewis*) That is right. Certainly that would facilitate planning and also the immediate response and you are absolutely right, so many times we are running to catch up. Certainly this is a very interesting concept. Would your Government be interested in having these discussions?

79. We will have to ask in our report. Fortunately, we do not have to have the responsibility of speaking for Her Majesty's Government on this Committee. It is a matter for colleagues, but I suspect when we come to the writing of our report it will be one of the matters that we will want to look at. Just whilst I am on this subject, frequently this Committee is talking about responses of the international community and we have the United States and we have the European Union and we have individual members of the European Union like the United Kingdom and we have one or two others such as Japan, but the world has many more countries than that. So how about other countries in the Security Council, what sort of contribution can you get either in cash or kind from Russia or China? What contribution do you get in cash and kind from rich countries like Saudi Arabia and the Gulf countries? It seems we have a situation whereby we have got a very small number of countries that seem to be carrying a disproportionate burden in this.

(*Ms Lewis*) For this particular crisis we have had about 35 donors. The problem is that you get \$50,000 from Andorra. One of the things that James Morris has focused on is the non-traditional donors. He is very keen to engage other donors. He was recently in Russia where they had pledged I forget how many tonnes of food, but this was the first time ever. The million tonnes of wheat from India as a recipient country, which is also giving for Afghanistan, is a

<sup>6</sup> Ev 33.

25 November 2002]

Ms JUDITH LEWIS

[Continued

**[Chairman Cont]**

non-traditional approach. The only issue for non-traditional donors, particularly for food in kind, for example the South African pledge of 100,000 tonnes, is how do we resource the cash to move that food and the accompanying costs that go with that? These are things he is looking very carefully at in how we can work with our cash donors to help us encourage non-traditional donors to become involved. He is looking at this very, very closely. Getting back to the Southern Africa crisis, what we are seeing is there is a lot of interest, the problem is that the contributions tend to be much much smaller than from your big donors.

**Mr Battle**

80. As a caveat on GM, it is a very complex debate and it is massively misunderstood here in Britain as well as elsewhere. The risk assessment and all those questions need to be on the table and I would welcome a much more open debate on it. Is it not true in fact that corporations with an interest in GM foods actually sponsor the World Food Programme and the USA is paying for some of the GM corporations running research programmes? It is not a case of for or against GM in that clean way, is it?

(Ms Lewis) Absolutely. I would not know about the USAID funding but certainly there are interest groups in every aspect of food assistance, whether it is soya bean producers and the people who produce corn soya blend, so you always have interests, but I really would not know about the USAID funding.

**Mr Colman**

81. This is a good time because the World Food Programme is at this moment chaired by the United Kingdom, I understand. This is a good point at which to carry that forward.

(Ms Lewis) That is right, Ambassador Beattie.

**John Barrett**

82. It is important that food aid does not undermine local markets and one way of doing this is to target it at the poorest who do not have the resources to reach these markets. When you are selectively targeting everybody in an area, a village, what can be done to ensure that where there are local markets that they are not undermined and that the sustainable development of these local markets can grow?

(Ms Lewis) This is one of our jobs and that of our implementing partners on the ground, to monitor the situation. We want to be sure that when we go into a community situation that these are the most vulnerable people, that they do need food assistance in the short-term and then we start looking at a reasonable exit strategy. Also, one of the things that we try to do to support local markets, where possible, is to buy food, if there is any surplus, to support the local markets. We have seen from our implementing partners in some studies that have already been done in Southern Africa that there does not seem to be much disruption because there is not anything on the

markets anyway. We have to be very, very vigilant that we do not stay too long. It will depend on the next agriculture season and this HIV vulnerability.

83. Does there come a saturation point when you are trying to target the poorest, and that is 80 plus per cent in an area, that trying to distinguish those who should and should not receive it outweighs the advantage and you just have to blanket an area?

(Ms Lewis) I am sure there would come a time but unfortunately we have not had enough resources to reach nearly the targets, so at 80 per cent I would think I was fully funded.

**Hugh Bayley**

84. One of the lessons I would love to be able to draw out of this study we are doing is to look at ways of trying to avoid this sort of crisis happening in the future. We are told that in the Horn of Africa there are better early warning systems and better reserves of grain and better plans for responding to a crisis when it happens which grew out of the mid-1980s famine there. Why are there not similar plans prepared in Southern Africa? Is it practicable, having learned what you have learned in the last few months and doubtless will learn in the next few months, to put together a strategy, perhaps with SADC in the lead, if not to avoid these problems in the future then to respond to and deal with these problems better should they reoccur?

(Ms Lewis) Absolutely. One of the things that we are doing is trying to work with SADC to increase their capacity. We have a very strong collaboration in the food agriculture and natural resources unit there in Harare with Save the Children UK and FEWSNET, which is the famine early warning system funded by USAID. As I said, we have absolutely asked SADC to take the lead on vulnerability assessments in the region, which they have graciously accepted and are giving us leadership there. We are also working with the US State Department's Meteorological—

85. People.

(Ms Lewis) Whatever it is, those satellites. I cannot remember what the name of it is. That is a linkage that we are using now. We are also working very closely with the South African government in their early warning division of disaster management. Certainly they have had just a wealth of experience helping with the floods in Mozambique and many of the natural disasters in South Africa. I think we are learning from them and have a close collaboration with them. I think we are going to be doing things a little better but it is very important that SADC has the support and the capacity that they need to maintain this and to start looking to the future so that we do get the flags up early enough that we do respond in a much more rational and strategic manner.

86. When we looked at the DFID-funded grain starter pack distribution in Malawi, where starter packs were going to two-thirds of rural households, we were surprised to learn that many of the starter packs contained seeds which were one year only seeds, seeds which would grow a crop but the maize grown would not be fertile seed if it were planted the

25 November 2002]

Ms JUDITH LEWIS

[Continued

**[Hugh Bayley Cont]**

year afterwards. We were told that all of the commercial seed suppliers in Southern Africa were supplying seeds of this type. DFID took the view that the packs should contain an alternative type of seed called an open pollinated variety, which was a less high-tech seed that produced maize which you could then plant part of the following year to create a further crop. They have given contracts to a number of commercial farms to grow the open pollinated variety so that a greater proportion of starter packs contain this rather more sustainable type of seed. It strikes me that it is something that the World Food Programme really ought to take a lead on within the region because if through our aid programmes we are delivering seed into countries without the cash resource to buy new seed year after year, surely we should be delivering in seed that is sustainable and of the sort of technology that people have traditionally used?

(*Ms Lewis*) Absolutely. I have not heard this. I will flag this up for my colleagues in FAO and see if we can get more information about this. It seems to me that there are people who are taking advantage of the situation.

87. So it is an FAO-lead?

(*Ms Lewis*) That is right, it would be the Food and Agricultural Organisation.

Mr Battle: We were told it is the hybrid seed that is the marketable commodity but it is one year only and it self-destructs so you cannot sustain it.

**Chairman**

88. Thank you very much for coming and answering our questions. I do not think any of us, particularly those of us who have been, as we have collectively, to Malawi, Zambia and Ethiopia in recent months in any way under-estimate the scale of the difficulties that you face and hopefully we in part of the inquiry will come forward with some policy recommendations that in the future may make matters a little easier.

(*Ms Lewis*) I would certainly want to thank the Government of the United Kingdom. You were the first folks on the scene with us in Southern Africa and we appreciate that very much. If I may, I will tell you an update on the Ncala railroad. The locomotives arrived last Friday and the maiden voyage left with 25 wagons. There was a derailment and one of the wagons tipped over so we were delayed about 24 hours so even the best efforts —

89.—But you are getting there.

(*Ms Lewis*)—But we are trying. Thank you so much for your support on that.

---

**Supplementary memorandum submitted by the World Food Programme**

The United Nations World Food Programme response to accusations about GM/biotech foods made in the Daily Telegraph on November 20, 2002 in an article on the food crisis now affecting nearly 15 million people in southern Africa.

The position of the United Nations World Food Programme (WFP) in relation to the provision of food aid that may be genetically modified is simple. As long as the food is certified as safe by the donor government and is acceptable to the recipient country then WFP will distribute it. Each nation has the right to decide which food it will or will not accept. WFP respects this right and abides by the wishes of each government.

In a joint statement issued on August 28, 2002, WFP's Executive Director, James Morris, along with Directors General Brundtland and Diouf of the World Health Organization and Food and Agriculture Organization affirmed that there is simply no scientific evidence that GM foods currently on the market present any risk to human health.

The EU Commissioner for Consumer Affairs, David Byrne, has offered the same assessment on a number of occasions and GM foods have been the subject of 81 separate scientific studies sponsored by the EU Commission.

The only possible environmental issue in southern Africa is that GM maize, though hybrid and not very fertile, could be planted and cross-pollinate with local varieties. However, this issue is easily dealt with by milling the maize to prevent people from planting it—as is being done in all the other affected countries with the exception of Swaziland, which continues to allow the distribution of whole grain GM maize.

So why then have some authorities refused GM foods altogether as opposed to asking for it to be milled and getting on with feeding the hungry? Frankly, we do not really know. We are not familiar with most of the NGOs cited in the article. When we consulted scientific authorities about GM maize causing “aids-like” symptoms, they were—to put it mildly—incredulous. Perhaps these and other speculative reasons given for rejecting GM food were misquoted or taken out of context. In any event, we cannot substantiate them and it is fair to say that GM foods have been studied more than any other foods in history.

---

*25 November 2002]**[Continued*

---

The article says the United States has flooded Africa with GM food. The original US donation to WFP was to have been wheat, which is non-GM, drawn from the Emerson Trust, an emergency food reserve. However, African recipient states said they wanted maize and oil. So the wheat was sold in the US, the US government incurred the transaction cost and maize and oil were then donated to southern Africa through WFP and NGOs.

These countries are not commercial markets for US foods and the price of US maize is rising sharply. Nor would biotech companies need to introduce GM varieties into the region since South Africa already grows both yellow and white maize. So if there is some dark commercial conspiracy it has eluded us.

Having received the strongest possible support and consideration from the staff of the United Kingdom's Department for International Development (DFID), it is extremely implausible to us at WFP that they or Professor David King would have been dismissive of, or indifferent to, Dr Lewanika of Zambia in addressing his questions on GM foods. It should be noted that the UK was the very first donor to step forth to offer food aid and other assistance to southern Africa during the current crisis.

The reference to the report of the US National Academy of Sciences is a troubling distortion. The NAS report does not question the safety of the GM foods now marketed in the United States, but makes recommendations on future regulatory steps for biotechnology because of the rapidity with which biotechnology is being introduced into agriculture and other sectors.

It is not up to WFP to judge the behavior of government authorities that decline GM food aid. We simply do our best to try to find other sources of food. That is proving to be a very difficult task now. January will bring widespread starvation to much of southern Africa, yet we have received only 59 per cent of the funds we need to help 12 million hungry people and most of that is from the United States, much of it GM.

We sincerely hope everyone will set this issue aside for now. We appeal to the governments and NGOs worried about GM foods to step in and help. Please give WFP the funds we need to buy food for African families whose lives have been decimated by drought, aids and social conflict.

These people need cash, not commentary, their time is running out.

*World Food Programme*

*December 2002*

TUESDAY 3 DECEMBER 2002

Members present:

Tony Baldry, in the Chair

John Barrett  
Hugh Bayley  
Ann Clwyd

Mr Tony Colman  
Mr Piara S Khabra  
Tony Worthington

### Examination of Witness

DR STEPHEN DEVEREUX, examined.

#### Chairman

90. Firstly, thank you very much for acting as the Committee's Special Adviser for this inquiry, and also helping us with some academic rigour. I think one of the things which has been disconcerting for all of us are the sorts of comments by the Head of the World Food Programme and Judith Lewis, Director of Southern Africa, essentially saying, "Look, we're now reaching a stage where the food pipeline just simply cannot cope any longer". So we have got something like 14 million in Southern Africa, and estimates range from 8–14 million in the Horn. We have the EU representative in Addis saying, "What is particularly disconcerting about Ethiopia is that each year, irrespective of whether there is a drought, those who are food insecure get larger in number, because in the years when there is a drought there is such substantial asset depletion that they cannot cope". I think the following things are disconcerting about that: firstly, it seems to me that we are moving into a whole new era of really substantial famines, and with the humanitarian system on the brink it does not seem to be provoking the kind of debate that one would think it should be provoking—largely because I think people think we are just about managing to cope. Do you see that there has been some change in famines? For example, the Ethiopian Ambassador said the other night that in 1984–85 they only had one rain that failed and this time they had both rains that failed. Is it a climatic underlying change? Is it a social underlying change which is causing this? Is there a greater degree of vulnerability? Is it that people are so grindingly poor they are unable to resist the slightest "shock"? I see that your IDS Bulletin (which I hope the House of Commons Library has a copy of, or try and make sure they get one) is called *The 'New Famines'*.<sup>1</sup> Perhaps in a couple of minutes you can give us a critique of what you mean by that?

(*Dr Devereux*) Thank you. I think until fairly recently people who worked on famines felt that we understood what was going on with famines; we understood the problems. The problem was on the response side—it was about dealing with them; and when famines happened it was merely a failure of the food aid delivery system or maybe a repressive government. There was a perception that the understanding of famine had reached a point where it was merely a technical problem to solve and

prevent it from happening in the future. In the last few years the ongoing crisis in the Horn of Africa—which is not just related to conflict as was sometimes perceived in the 1980–90s—and the crisis now in Southern Africa suggests that we have not actually understood what is going on sufficiently. In particular, I would point to policies and policy failure. What we are seeing, I think, is a crisis of poverty, which is exacerbated by bad policies. The policies are partly national policies but partly also, I am afraid, the responsibility of the international community, which has been introducing policies which have not enhanced the livelihoods of the weakest, most vulnerable and poorest groups in the populations. There might certainly be climatic change going on, and that might be a reason why we are seeing increased rainfall variability in the Horn and Southern Africa. That is certainly another factor. To me, the trigger factors, whether it is conflict or climate, are only compounded by the vulnerability factors. What seems to be evident is that people are more vulnerable than before. They are closer to the edge than before, because of HIV/AIDS, because of bad policies, because of poverty, and the fact that people are dependent on rain-fed agriculture and that is not reliable. There seems to be very little alternative income or employment for people in places like Malawi and Ethiopia. It is these factors which set people up to the short-term drought or the harvest failure. At a broader level, I think there is an issue about governance here—and the governance is at the national and international level. The new factor that has come in is globalization. In the past when we looked at crises in India, China and Russia in the later 19th and early 20th century, they were mostly national crises to do with local economic problems, infrastructure constraints, weak markets, weak institutions and so on. Those crises have now gone and those countries have developed to a point where they are not vulnerable; but in Southern Africa and in the Horn of Africa the influence of the global economy on the national economy and down to the local communities is pervasive and has created a new set of vulnerabilities that were not there before.

91. What do you see as needing to change? Let us take Ethiopia. There is unlikely to be any significant shift in coffee prices for some time. Meles is probably as good a head of government as you will find anywhere in Africa. How does one get longer term food security in a country like Ethiopia; or is it simply

<sup>1</sup> A copy will be placed in library.

3 December 2002]

DR STEPHEN DEVEREUX

[Continued

**[Chairman Cont]**

a question of the donor countries having to give significantly more financial help? How do you see this?

(Dr Devereux) I think that is a very important point. Until recently there was a perception that democracies were an insurance against famine. We did not have famines in Southern Africa because they were more or less democratic; but under Mengistu in Ethiopia and in conflict countries like Sudan and Somalia we saw major famines in the 1980s and early 1990s. Now we have democracy in Ethiopia, democracy in Southern Africa, notional in some places but nonetheless it is democratic rather than a dictatorship, yet we have famines occurring, and food crises which are potentially as severe as they ever were in the past. That means we need to think again about the relationship between the political systems and the local food crises or food insecurity. Paradoxically, it is again this point about exposure to the international community. In a sense, with governments which were repressive or much more insular and much more cut off from the world, now that countries have opened up and are more open to trade, to foreign policy advice and so on, that has introduced a new set of vulnerabilities. What can be done about that? I feel very strongly that the international community, together with the national governments which they are supporting, should rethink fundamentally the policy advice which is being implemented in these countries. Malawi is a case which has not historically been famine-prone. It is only in the last ten years or so that the food crisis has emerged. Some of the factors are not to do with the policies. Some of them are to do with population pressure, HIV/AIDS and so on. There is certainly a significant element of policy advice which has undermined the ability of people to make a livelihood—in particular I would say in the agricultural sector, which the international community to some extent has neglected, and governments have been encouraged to withdraw from direct intervention in agriculture, either in input provision or in price support or in marketing. As a result of that we are now seeing new factors coming back into the economy, such as price seasonality, which to some extent were controlled and managed in the past by the intervention of government in parastatals. Parastatals have gone to a large extent, or have been commercialised; that is not a bad thing in some senses, but it has also removed a strong institutional support for food security in the sense of giving people access to input markets, output markets and price stabilisation. Those factors have been undermined by recent policy advice.

**Hugh Bayley**

92. If it is the case that something can be done about food insecurity, then some body or some policies need to be put in place to achieve that end. Who ought to be in the driving seat? Who is the key person who should be held accountable? Is it the national government in the famine countries? Is it some local village or community regional leadership? Is it the donor community? In the UK we are used to people in government, government servants, being held accountable for the success or failure of their

policies. They are on the *Today* programme—the Head of the Prison Service or some minister is grilled. Who is responsible? Who ought to take the lead? Who has primary responsibility to identify when there is a problem and put in place a mechanism for coping?

(Dr Devereux) In my view that is another important problem which exacerbates the current crisis. There is no *locus* of accountability. There is no person or institution who takes responsibility when a food crisis occurs, as is happening now in Southern Africa and in the Horn of Africa. The reason for that, I feel, is that accountability has in a sense been ceded by national governments to the international community. As they have given up some of their sovereignty in terms of economic policy and, to some extent, political policy as well, they have also given up control over their food security, over the population's well being. They have introduced, for example, health and education charges; some have been rolled back now, but they have introduced policy which they did not want to introduce. They introduced policies reluctantly which have undermined livelihoods and increased food insecurity. In a sense, collective responsibility and accountability is diffused between too many actors. Both the national and international community must take some responsibility for policies which have produced the current crises. There is no single institution or individual where one can say that person or that institution is responsible, because famine is a complex process. It starts with production failure—so in a sense we have to look at what is causing production failure beyond the climatic factors—what about the policy; then we have to look at response failure, which is the reason why the harvest failure turns into a famine. It is a complex process and there are different actors at different points in that process. One thing that has happened in countries that have managed to eradicate famine, such as India and, to some extent, China, is that there is some kind of social contract or anti-famine contract between the government and the population. In a sense the government is accountable. After the great Bengal famine of 1943, when India achieved independence, there was a view that famine should not be allowed to happen again. The colonial government was blamed by the Indians for that famine, and independent India made sure they did not have famines on that scale ever again. The free press, the democratic opposition and so on, keep governments honest. In Africa that does not happen to the same extent—in the past mainly because of dictatorship, because governments were not accountable; and in some cases they used famine as a weapon of war; but nowadays accountability has been ceded, to some extent, to the international community. They do not have control over their own policies and, therefore, you cannot blame governments entirely when things go wrong. Let us take a topical example, the sale of the Strategic Grain Reserve in Malawi. On the one hand, the government of Malawi blames the IMF for giving the very “strong advice” that they should sell their grain. On the other hand, the IMF are saying, “The government disposed of their grain without telling us. We don't know where the grain has gone”. There is a real problem here of trying to identify who is

3 December 2002]

DR STEPHEN DEVEREUX

[Continued

**[Hugh Bayley Cont]**

accountable for major policy decisions that impact on the poor and create famine conditions. What is the solution? Maybe a national food security agency, which would be jointly owned by national governments together with local representatives, local NGOs and community-based organisations working together with donors. The donors could provide funding and technical advice to the national food security agency, but its role should be to look at the causes of food insecurity and food crises, and to look again at the policies which are contributing to those problems and to start with a clean sheet—do not be ideological about going back on some decisions that were taken that might have been the wrong decisions in the past.

**Tony Worthington**

93. I agree with everything you say—you have to find solutions. My impression for quite some time has been that agriculture has been neglected and there has been no policy. All my feelings came to a conclusion in Malawi where there was no agricultural policy at all; there was no strategy. If the government intervened then it was disastrous because the grain store disappeared, rather than helped the people. The Food and Agriculture Organisation is a no, no. It is a total vacuum as far as agricultural policy is concerned. My impression is that the donors have severely neglected agriculture. We can talk about livelihoods, but an agricultural strategy for Africa and countries in Africa is not there. Do you agree with any of that?

(*Dr Devereux*) 100%. For whatever reason, the donors have withdrawn support from the productive sectors in the last 10–15 years in favour of creating what is called the “enabling environment” within which economic growth is supposed to happen. One consequence of that has been withdrawal of support for state-funded research and extension in agriculture, and for state interventions in the market both for inputs and outputs, and for price stabilisation measures. As I have said, the removal of all of those supports to food security has not been replaced by the kind of private sector intervention that was anticipated. I do not think we should attribute malign intent to people that designed these policies. I think they were naive. As a result, we are seeing vacuums where there should be thriving private traders. We are seeing people in remote communities in Southern Africa and the Horn of Africa being neglected. No traders go there, and prices are incredibly high. Where the trader does come then he or she is likely to exploit them. People are being either neglected or exploited by the private sector because the markets are so weak. It is not that the traders are to blame; it is just that the market infrastructure is not there. Policy uncertainty is such that traders are not willing to invest in trucks, warehouses and so on because they are not sure whether the government is going to change its policy in a couple of years’ time as they have done many times in the past. We need to really focus on supporting the private sector, as well as putting in place some kind of safety net or some institutional support for food security. This might sound paradoxical, but I think it is a two-pronged

approach. We do not want to go back to the state running everything; but we cannot leave everything to the free market, because there is not a free market; there is effectively no market in some cases. It is a combination of finding the right mix of minimal support from the state for agriculture and food security and, at the same time, promoting the private sector really strongly and giving them the right signals so that they can fill those gaps they were supposed to fill.

94. And the FAO?

(*Dr Devereux*) The FAO has had a fairly important role in the past, I would say more on the research side than on the advice side. There is potential for the FAO to become much more effective than they have been in the last few years; but they also need to be given a signal that the donors and international community are going to put real effort into supporting agriculture. If we choose to continue in this way of not supporting or not intervening in the productive sectors, including agriculture, then the role of the FAO will remain marginal.

**Ann Clwyd**

95. I want to say I totally agree with what you said about accountability. Some years ago this Committee did a report into Montserrat and the volcano there. We tried to find out who was responsible for taking the decision in this country to give the go-ahead for building a town in an area where the early warning people had said there was a possibility of further volcanoes. We never could find out who was responsible. If it is not possible in this country, I am sure it is equally not possible in others. Could you tell us what role you think early warning systems can play in reducing the impact of famine?

(*Dr Devereux*) Following the 1980s famines in Africa there was a proliferation of early warning systems. They were established all over the continent, just about. They tended to be very high tech and very sophisticated. We have gone now for satellite monitoring of rainfall and vegetation and so on. All that is very important and has contributed to the better prediction of harvest failure. It has not gone much further than that. For example, it has not been disaggregated, it has not been able to pick up on localised droughts and short breaks in rain during the rainy season, which does not constitute a drought but, nonetheless, can affect crops quite severely. More importantly than that, early warning systems of that kind tend to focus only on the supply side. They try to predict how much food there is going to be in the country. That is what the FAO and WFP’s Crop Assessment Missions do as well. They get an estimate of what the food needs are in terms of the gap between the food supply, the population and its requirements. There are two problems with the early warning systems, I think: one is, they do not tell us enough about the demand side; and if we are now seeing crises of poverty, leading to food insecurity of the kind we have in Southern Africa right now, then we need to understand more about livelihoods, poverty and market prices—we need to monitor market prices better. As I have said, price seasonality is back. Prices which double or treble between the harvest and six months later are unaffordable for the

3 December 2002]

DR STEPHEN DEVEREUX

[Continued

[Ann Clwyd Cont]

very poor, no matter what the availability in the country is. Early warning systems need to fill out the livelihood side. Save the Children will talk later about their “food economy”, or “household economy” approach which does a very good job of telling us more about livelihoods—the demand side of the story, if you like. The second point about early warning systems is that early warning systems are only as good as the information that goes into them; but they are also as good as the response that they generate. What we have seen increasingly is not a failure of information but a failure of response. Often we have known that a crisis was coming but the response has not been there. In a sense, it is not the information that is lacking, it is the communication, or it is the response—for whatever reason governments and donors do not act on the signals that are coming. If we go back to Malawi—we knew as early as August or September 2001 that there was going to be a very, very severe hungry season in late 2001, early 2002, but nothing was done until February. The government did not declare an emergency until February; the donors did not react until February; and by that time people were dying. The crisis peaked in February/March and the food aid came in much too late. The food imports, as we know, were delayed. Why were the signals not picked up earlier? It is not a sophisticated early warning system because they have not needed one in the past, but the NGOs on the ground were saying, “People are out of food” by August/September’ “We need to intervene now”, and nothing happened until February. It is not just about the information; it is also about the response failure.

96. I remember in the Sudan the UN people were very angry with this country for not responding to the reports the UN had put out well in advance about the deteriorating situation in the Sudan. How do you make those who should respond be more responsive?

(Dr Devereux) That is the Sudan story in the early 1990s. The same situation happened there. The same situation happened in Ethiopia in 1999–2000 where the signals were acted on months too late. Again, I think it comes back to accountability. Unless somebody is held responsible for failing to act on signals big problems are going to continue. No politicians seem to lose their job; no donor officials seem to lose their job when famine occurs. If somebody is not responsible for making sure that signals are acted on then perhaps we will continue facing the same problems in the future that we have done in the recent past. I think another point here is that there is a kind of hierarchy of information. If I can go back to the story of Malawi. We know that the cassava production was over-estimated and a lot of people were saying, “There’s a maize shortage this year, but cassava is going to fill the gap, so we’re not going to have a food crisis”. However, on the ground it was quite clear the cassava was not there in sufficient quantities, and the NGOs were sending out these signals that there was no food at all—maize, cassava or anything—but the NGOs’ information was not seen as credible. For whatever reason it was not taken seriously. Whereas the Ministry of Agriculture’s very biased and inaccurate cassava figures were taken as evidence that there was no food crisis—that was that. Personally I feel that NGOs

have a lot of information from the local communities which is potentially very important and should be used directly in early warning systems. Of course, they cannot often be scaled up to the national level; they cannot be quantified in a way that technocrats like; but, nonetheless, it provides important supplementary information which should not be ignored. If it had not been ignored in Malawi we might not have had the crisis that we had earlier this year.

**John Barrett**

97. On the few occasions you mentioned where there was clear accountability, in India and China, the problem was corrected. In the international relief system the publication from the Institute of Development Studies said, “There is a black hole”. Has the location of this black hole been identified? Is it within the donor community, the NGO system, or is it within the governance of the recipient countries? If you have identified where it is, can we help identifying how to fill it?

(Dr Devereux) I think in a sense it is between those actors. If you think of the people affected by a food crisis as being at the epicentre of the famine, around those people is a ring of actors that have some responsibility for making sure people do not die, do not lose their livelihoods and become destitute. What we see in the current crises is a failure of all of those actors to intervene where they should do. We see a failure of government, either to support agriculture or to mobilise the response fast enough; and we see a failure of the donors to respond fast enough. Often this is because of a problematic relationship between the donors and the government. We know that there is this black hole, this uncommunication between donors and governments at a critical time when donor support is needed, and goodwill is needed. Around those people are these actors who are failing to respond, and the black hole is in those spaces between the actors. The solution, I would imagine, is to try to build joint accountability to make sure that governments take more control over the food security of their own populations; and, at the same time, donors are held more accountable for when they fail to act when signals were there. There is a right to food in the international community. It is in a lot of international covenants—human rights covenants and so on. The right to food has never to my knowledge been acted on. In a sense you could argue that famine is a type of genocide. If we see people held accountable for crimes against humanity which involve massive mortality, could we not see famine in the same way? Should we not be looking for finding out what the real causes of the problems are and hold people to account, not to be punitive but merely to increase accountability in the future? That is the real objective.

**Hugh Bayley**

98. Stephen, is that a rhetorical statement or a real statement? Should there be an international tribunal where people who are held responsible for the deaths of hundreds of thousands of people face genocide charges? If there is not accountability, how would

3 December 2002]

DR STEPHEN DEVEREUX

[Continued

**[Hugh Bayley Cont]**

you establish accountability? Who is it most important to hold accountable—local leadership, national leadership of the country concerned, or the world community? How often has the head of a UN agency been sacked as a result of famine? How often has a government been toppled as a result of famine?

(*Dr Devereux*) It has happened but very rarely.

99. What mechanisms do we use? Who should be the first people we arraign before the mechanism?

(*Dr Devereux*) I think it is important to make a distinction between famines where food was used as a weapon against certain population groups. We could argue, for example, that the Ethiopian famine in the mid 1980s was partly a direct cause of Mengistu's war against the north, and the withholding of food aid as a weapon in that war. That has certainly been true for many conflict-related famines in Africa in the early 1980s and 1990s. In those cases I think it would be relatively straightforward to put those national leaders on trial for genocide. In cases of contemporary crises which are caused as much by long term demographic problems, HIV/AIDS, climate change and where policies come in (agriculture, economic or food aid response policies) only in response to a short-term crisis, to a short-term shock, it is less easy to identify which individual or which institution should be held accountable for that, because the famines of today are very, very complex. All I am saying is, there is a right to food in international conventions; it is not being acted on at the moment. If national governments, for example, knew that they would be held accountable when there was a famine in their countries they might be more resistant to adopting policies that they are reluctantly adopting at the moment, knowing that the consequences of those policies failing could be very, very severe for them. In a sense, we could argue that national governments should take more responsibility; but, in a sense, I am also arguing that it is a complex problem which requires both the international community and the national community, and perhaps other national governments, to work together and to take joint responsibility for that. I am not saying we need to put donors on trial at this point; but we need to respect the right to food much more than we have done to date.

**Mr Colman**

100. We asked the same question of the Southern Africa Director of the World Food Programme when she came to give evidence about two weeks ago, and I paraphrase but she was saying that crucially it was the national states who had the responsibility of delivering the right to food to their populations. Obviously the World Food Programme was their back-up. Clearly this is a situation in Zambia where the President of Zambia has taken a particular position. Do you want to comment on that particular situation at all?

(*Dr Devereux*) It is a tricky one. It is difficult to force a government to accept GM food aid, if they feel strongly that the health and agricultural implications could be quite damaging. So they are taking a longer term view in response to a short-term crisis, and that I think is problematic. Are they

responsible for dealing with the short-term emergency right now, independent of the possible long-term consequences; or do they have the right to say no at this point, knowing that the longer term consequences could be quite serious? They are trading off the present for the future. I do not have a view about whether they have taken the right decision or not. I think every national government has the right to take or reject whatever advice and aid they are given or offered. I do feel that national governments should be more accountable than they are; and that partly means saying no more often, particularly to pressures from the international community, which sometimes forces them into policies which are damaging to their own populations. There is no doubt that that has been the effect of some policies. The international community does not always speak with the same voice; it does not always share the same objectives as the national government; even the donors themselves do not always agree on the right way forward. Yet governments, in response to poverty and the need for international assistance, are adopting structural adjustment, liberalisation and poverty reduction strategies which they did not actually design and choose for themselves.

101. I think we have moved on to poverty reduction strategies rather than structural adjustment. Could I suggest you are suggesting that NGOs know better than elected governments?

(*Dr Devereux*) NGOs often have more information about what is going on, on the ground, than governments, in the sense of government officials sitting in the capital city. It is certainly the case that in Malawi the NGOs working in the communities were sending information to the central level in late 2001, which was apparently ignored by the central government. They either did not know or they were denying the evidence they were getting from the field, from the NGOs. I think that is probably a reflection of the power that NGOs now have, as having stepped in following, to some extent, the scaling down and the withdrawal of the government and the public sector generally, in the sense that we do not have the same number of agricultural extension officers and other government workers at community level that there were 10 or 15 years ago when the government were much bigger.

102. Obviously when we go to Malawi, Zambia and other countries we see a situation where land is held communally. Do you believe that one of the reasons why there has not been a move forward in having a vibrant and strong agriculture-producing economy in many African countries is because there is a lack of agreement on private ownership of land, which would enable farmers to be able to build up those farms and to be able to profit from the production of crops that could be sold elsewhere within that country? Zambia is an example where there is a lot of very fertile land but a very strong view on not allowing individual ownership of land to develop.

(*Dr Devereux*) This is a debate which has a number of viewpoints and no clear consensus. My own view is that ownership of land, or least access to communal land, provides a very important safety net for households in Africa who risk losing everything

3 December 2002]

DR STEPHEN DEVEREUX

[Continued

**[Mr Colman Cont]**

in the first drought if they have a potential opportunity to sell that land. This is a view which is held very strongly by the government of Ethiopia, and I do not entirely disagree with them. They are very concerned that if land was privatised in Ethiopia then with the first drought that comes along millions of peasants would sell their land because they would need to buy food and they only have land to sell, and they would be forced into the cities. They would migrate to the city and become urban squatters, probably very vulnerable to poverty and food insecurity but now in an urban context rather than a rural. Some people would say, "Maybe that's not a bad thing. At least we don't have urban famine on the scale of rural famines".

103. This is a trend which is happening all over the world and not just in famine areas.

(Dr Devereux) Yes. Certainly it is clear that development (if we take by "development" urbanisation, people moving off the land into towns, offices, factories and so on) is associated with a decline in famine vulnerability. We should not reject the potential for urbanisation in Africa to solve some of the problems of poverty and food insecurity. However, I would be reluctant to support a policy which, in a sense, forced people off the land because they have to sell it in order to survive the drought. That is not the way to urbanise Africa.

#### Mr Khabra

104. Firstly, with your vast experience of work in Southern Africa and the Horn of Africa and the research on famine and food security, you may have better ideas of how to deal with different famine situations in many of the countries of Africa. How, in your view, does the crisis and emergency response in Ethiopia differ from that in Southern Africa? Secondly, are there any lessons from Ethiopia—as regards the WFP's multi-annual planning of food aid—which might be applied in Southern Africa?

(Dr Devereux) I think that one clear difference between Ethiopia and Southern Africa is that Ethiopia has a long, tragic, but sometimes successful history of dealing with food insecurity. In a sense, they are better prepared for the current crisis, because they have had to deal with it in the past. They have an infrastructure; they have an institutional set-up there. For example, even in a normal year, or in most years, about 4–6 million people get some kind of food assistance anyway. This year it is going to go up to 10, 12 or 14 million, but the institutional structures are in place. Ethiopia is better prepared logistically to deal with the crisis. I think what is happening in Southern Africa is as much a logistical crisis right now as anything else, because they have do not have enough transport; they do not have the institutional support; they do not have the presence of aid agencies like WFP on the same scale; they do not have the history or institutional memory for dealing with these kinds of crises. Southern Africa more generally has a bigger problem in the short-term dealing with the crisis, just because they are not used to dealing with it as much as Ethiopia is. You mention the specific case of WFP's multi-annual programming—one of the innovations that donors are trying now in Ethiopia (the latest in a long line of

attempted innovations) is to take some districts out of the annual food needs appeal process, whereby it is assessed every year how many people will need food aid, and to try to work with them on a more long-term basis to recognise that these districts are chronically food insecure; there will always be people needing assistance and, rather than wait for the annual food emergency appeal, they will programme three or five years of assistance for that district. The point about that is not just to make sure that food aid arrives in time, because often it is late, but also to try to build assets and protect assets and livelihoods in those communities. In a sense, it is what we call "linking relief and development". It is about trying to move beyond seeing every year as a food crisis, and seeing it as a longer term development crisis and making sure that interventions are protecting livelihoods and not just saving lives. For example, using food for work or public works programmes to build infrastructure, because road building is still a very important feature of long-term anti-famine strategy.

105. Taking up a question and taking it further, the distribution and ownership of land by small farmers is a problem in many of the countries on the continent. What do you think about the situation in Zimbabwe as far as distribution is concerned? It is not going to help food production if the land is distributed from big farmers to the smaller ones.

(Dr Devereux) Again, the land issue is very complex all over Africa, and it is different in different places. Just to pick up on the first point, it is certainly the case that in highland Ethiopia and in Malawi, and in some other places like Burundi, farm size per household is so small that some people have called them "starvation plots"; you cannot grow enough food to feed your family even in a good year, even with fertilisers. Those livelihoods are going to remain unviable until people find alternative sources of income: either they have to work off the farm for six months of the year doing something else to earn enough income to buy food, or they have to move out of agriculture altogether. There is a kind of Malthusian crisis in some places where it is a lack of alternative livelihoods to agriculture that is keeping people trapped in their highly vulnerable livelihood system. In Zimbabwe it is much more a policy issue. The land distribution programme has been potentially very catastrophic for food production; and it is more to do with policy and politics than it is to do with actual land availability. There is plenty of land in Zimbabwe which has been very badly distributed in the past, but the way it has now been redistributed is not necessarily the way forward in terms of guaranteeing food security for the poor.

#### Tony Worthington

106. Can we come back to Malawi and the issue of what you do about it. Just to describe what we saw. We saw severely depleted soil. There was an obsession with growing maize. It was land which had been over-farmed, over populated for food to support the population. There was dependence on foreign seeds and foreign fertiliser, with obvious power for multinational companies to exploit that. There was no legal system; there were no exports;

3 December 2002]

DR STEPHEN DEVEREUX

[Continued

**[Tony Worthington Cont]**

there were no animals to speak of; no internal means of producing compost. Then there was AIDS. Nothing I have heard or seen makes me think we will not be there next year in the same position. What I am interested in from you is for you to say: how do we get out of that? What are the key things that need to be done in order to make that a more sensible agricultural land?

(Dr Devereux) Unfortunately, I think I share your pessimism about Malawi. I do not see in the short-term any way of avoiding a series of food crises as we have had this year. In the long term we need to re-think again what policies are most appropriate for Malawi. I am certainly not the person who knows what Malawi should be doing in terms of generating economic growth; but my feeling is that livelihoods need to be supported, and that means a two-pronged approach looking at supporting agriculture, increasing agricultural yields; by giving people access to input which they do not have at the moment; and, at the same time, supporting the opportunities for people to find income off farm. Malawi does not have much of a non-agricultural sector, and that is one of the main problems they face. Some investment and some thought needs to be given to finding alternative livelihoods for people who are presently farming but not making a livelihood out of farming. One of the key points about agriculture in Malawi has been the undermining of access to inputs over the last several years. As you say, soil has depleted; there is very little livestock for manure or ploughing in Malawi. The interventions that have been put in place, for example DFID supported Starter Pack/Targeted Inputs Programme, have provided some fertiliser and seeds to some farmers but in a rather ad hoc way, and it does not give people the choice over how much fertiliser they acquire and when and so on. It is more about improving the structural provision of inputs, and making them available at affordable prices to the farmers, and giving them choice over their production. That is one set of factors. The other set of factors is to try and find alternative incomes for people so that they can move off these very small plots and out of this vulnerable livelihood system. At the moment, nobody seems to know where those alternative livelihoods are going to come from. One strategy which I think the donors are more or less behind right now is to try to set up a rather large safety net programme for the foreseeable future of 10–15 years maybe; and, at the same time, to invest rather heavily in primary and, increasingly, secondary education which has been somewhat neglected, as a way of trying to give people the skills base so they might find employment outside of agriculture. I think that might be a longer term solution; but it is very important to invest now in the next generation, otherwise the problems are going to intensify.

**Hugh Bayley**

107. Mine is a macroeconomic question. When we were in Malawi we were told that even in a good year Malawi is not food self-sufficient. We were told that production last year was down by 15%, I think. Either country by country or across the region of Southern Africa, if one were to total the GDP of the

countries affected and total the value of the food deficit, how does one compare with the other? What I really want to know is: is it a shortage of resources, a shortage of money to purchase food? It is an absence of money, or is it an absence of policy? That there are the resources there to feed everybody, but choices are made not to spend the resources in ways that do feed everybody. I am asking you as our adviser, if the answer is not immediately to hand could you chase after some development economist and get a paper written looking at whether it is a resource problem or a distribution problem?

(Dr Devereux) I think it is a very important question. I do not have the figures to hand to answer that question here. My feeling is that it is a combination of both. It is partly because governments are so resource-constrained; they have so little foreign exchange, particularly a country like Malawi, that they cannot really afford to import food on a significant scale when a crisis occurs; and the private sector which was supposed to be doing this job is not responding partly because the policy environment is uncertain and partly because of poverty, and there is not much incentive for traders to provide small isolated communities with food for a short time every hungry season. It is certainly a problem of national resources. I would say, without going into too much detail here, that government spending seems to be more pro-poor than it has been in the past in countries like Malawi, and Ethiopia for that matter. There is much less spent on defence in a country like Ethiopia than there was before. The Poverty Reduction Strategy Papers that have been completed in many countries, including Malawi and Ethiopia this year, have a large component of pro-poor spending in them. Health and education, and food security to some extent, but less immediate, are getting much more attention from government budgets than they were before. I would say probably it is a resource constraint as much as a distribution issue. The resource constraint is manifested in the fact that the government has had to go to the international community for aid and they have had to write the poverty reduction strategies to qualify for debt relief, and at the same time they are continuing to pay a heavy percent of their income in debt relief and accepting conditionalities that they do not necessarily want to impose in order to get those funds. So there is an issue of resource constraints leading to policy problems that I mentioned earlier. That intersection, I think, is what is creating a large number of problems.

**Chairman**

108. If one goes back to the 1997 White Paper and then you have all that work on sustainable livelihoods, the theoretical work the IDS, ODI, and others did, so we now have maximising people's assets, a whole range of assets, and then that leads on to the Poverty Reduction Strategy Papers and so on. When one travels through the Horn, goes to Malawi or whatever, the extent of the impact of the HIV/AIDS disease combined with drought seems increasingly to make a nonsense of those sorts of concepts of sustainable livelihoods. Going back to an earlier answer you gave to Tony Worthington about

3 December 2002]

DR STEPHEN DEVEREUX

[Continued

**[Chairman Cont]**

the need perhaps for jointly owned organisations, between the local community and international community, for dealing with the famine—I know that sustainable livelihoods were not looking as far back as 1997, but do you think that methodology needs revisiting in the light of the impact of HIV/AIDS on Africa and the frequency now of drought and famine in Africa?

(*Dr Devereux*) Yes, I do. The sustainable livelihood approach is really just an analytical framework which looks at the various assets—that households and communities, or even national governments and countries, have, and then looks at options for achieving livelihoods which are sustainable and self-reliant in the longer term. One of the values of the approach is that it identifies different types of assets that people and communities have. Human capital is obviously one, and HIV/AIDS severely undermines human capital, in the sense that it makes people unproductive, it makes them ill, it drains household resources caring for them, and it leaves large numbers of dependants who cannot necessarily fend for themselves. What we are seeing, using the sustainable livelihoods approach, is a collapse of the human capital component of a household's asset base. The value of that approach is, therefore, to identify where the gaps are so we can think of where to put appropriate interventions. It is not obvious how you replace an economically active cohort of the population that has been removed, but certainly we can think of ways to introduce labour-saving technologies or to provide livelihoods for people that do not require heavy physical labour. That would be a way of dealing with the human capital crisis that has been created by HIV/AIDS. The other part of the framework is alternative livelihood strategies. There are three that were identified in the original formulation: agriculture intensification; extensification (farming more land); and migration. This comes back to the point about urbanisation. It might well be the case that a combination of agricultural failure and HIV/AIDS will require people increasingly to urbanise, to leave the land, to migrate to town and, hopefully, to find work there in the informal sector and ultimately in formal sector jobs. I think the framework is fairly

useful. It has limitations, of course, but it does indeed identify where the problems are, and therefore suggest appropriate interventions.

109. Politicians and civil servants spend some time working up policy and, for a long time, work up policy on sustainable livelihoods and build up literature and practical examples. Somehow one has the impression that, irrespective of what is now happening, the policy is still pursuing those approaches when clearly, just setting aside the drought, the impact of HIV/AIDS on Africa is signalling something rather more seismic happening: a million AIDS orphans already in Malawi alone. I wonder whether it does not require people waking up and saying, "Maybe for these countries we need a different type of intervention than that developed through the 1997 White Paper sustainable livelihood intervention, or have I got this wrong—it is just perspective and scale?"

(*Dr Devereux*) I think you may well be right on that. One of the features of academics like ourselves is that we are much better at explaining the last crisis than the next one. I think some of the frameworks we have developed have explained what happened in the past; but what is happening now is changing. The crises we are seeing, particularly in Southern Africa, are so different from what we have analysed or conceptualised in the past that we need to think again. The Horn of Africa might be a continuation of a fairly familiar type of scenario, where we can apply the old models and the old framework; but I think the Southern Africa emergency, where you have democracy, free markets, campaigning opposition and active, healthy opposition press, fairly fertile land, is a different story. What is going on in Southern Africa is different from the Horn of Africa and requires new thinking, and HIV/AIDS comes in, as you say, as a seismic factor there which has not been adequately built into previous models. That is certainly true. I think that the Southern Africa crisis which we are now experiencing or seeing is something which requires us to look again at policy and conceptual approaches.

**Chairman:** Thank you very much. Thank you for answering all our questions.

---

**Memorandum submitted by Save the Children Fund UK**

**UNDERSTANDING AND RESPONDING TO FRAGILE LIVELIHOODS IN SOUTHERN AFRICA**

**SUMMARY**

The southern Africa region is currently facing a humanitarian crisis, unprecedented in its complexity and potential impact. The populations needing basic food staples will increase, from December, to over 16 million, with an estimated total food requirement of over 4 million tonnes lasting until, at least, March 2003.

Using Malawi as a case example, this paper examines the development of the southern Africa food crisis. It indicates that, at least in the crucial initial months, governments, donors and humanitarian agencies failed to take action on available information, with the result that avoidable suffering, impoverishment and loss of human life occurred.

3 December 2002]

[Continued

The paper highlights the chronic levels of vulnerability and the depths of poverty in the southern African region, which food security assessments are able to capture and quantify. It is emphasised that food security and livelihood monitoring systems at national and regional level must be put in place or enhanced. These provide an accurate analysis of poverty and its underlying causes and could guide policy and programme interventions linked to longer-term poverty reduction strategies, as well as disaster prevention.

The role of DFID is briefly reviewed and, whilst they were the first donor to respond, there were shortcomings in their internal mechanisms that prevented them from being as clear and responsive as they should have been at the outset.

## INTRODUCTION

The southern Africa region is currently facing an unprecedented humanitarian crisis. Recent figures estimate that the region needs to import over four million metric tonnes of cereals during the current marketing year. According to recent findings from WFP/FAO the scale of the crisis and populations requiring food aid, will rise dramatically over the next few months. Between now and December 2002, the populations needing basic food staples will increase from over 11 to over 16 million, with an estimated total food aid requirement of 1.2 million mts<sup>1</sup> plus at least 2,000 tonnes food aid per month to meet the requirements of Angola.

In recent months, there has been a significant shift amongst the donors and the humanitarian community with regards to their understanding of the size of this crisis and the response required to avoid a widespread famine on a scale never experienced in southern Africa.

Until mid 2002, the international humanitarian response to this crisis was inadequate, lacking due attention and in-depth analysis. However, in early July, WFP launched an international appeal (EMOP 10200) worth \$507 million to provide 992,000 mts of food aid for 10.25 million people. As of early October, WFP reported pledges of just over one third of the commodities required through to March 2003. It appears that there is now full acceptance on the enormity of the crisis and the international humanitarian community is now orchestrating what may become the largest humanitarian effort in the southern Africa region.<sup>2</sup>

## POINTS FOR CONSIDERATION BY THE INTERNATIONAL DEVELOPMENT COMMITTEE

1. It is of concern that a number of vulnerability assessments and early warning systems in the region failed to register the emerging crisis as it began to unfold, ultimately threatening the lives of many rural Africans. It is of equal concern that early communiqués and appeals from various agencies, highlighting the enormity of the crisis, were unnoticed at policy and decision-making levels within national governments, donor agencies and the UN system. Were these early assessments credible? Might a timely response to the underlying problems identified in these reports, have prevented the loss of lives and the development setbacks the region is currently experiencing as a direct result of the famine?

The evidence suggests that the first warnings were accurate and that the household economy approach used in these studies was sound; that the approach should be used as a basis for future early warning and monitoring; and that, with its focus on access to food, income and other livelihood resources, it is a valuable tool for linking poverty reduction strategies (and monitoring their impact) with disaster prevention.

2. Children are at risk in situations where people are having to migrate because of the food crisis. It is of real concern that there is already a steady trickle of migrants into South Africa and Botswana from Zimbabwe. Children are at greater risk of being exploited—both physically and sexually; being separated from their families and falling into child labour traps as well as taking to the streets where they are likely to be faced with various forms of violence, especially if they get into trouble with the law.

3. The Department for International Development (DFID) were the first donor to respond to the crisis in Malawi and should be applauded for this and their subsequent inputs. However, their different approach to the situation in different countries, particularly Zimbabwe, Mozambique and Angola has highlighted areas of concern. Specifically these relate to:

- their inconsistent engagement with civil society (DFID funded the Save the Children work in Zimbabwe well before agreement was reached in Malawi, despite the need in Malawi being potentially greater);
- the lack of clarity or openness relating to where decision-making was taking place—at national, regional or London levels—that delayed the implementation process in Malawi;
- the internal linkages between the development programme and emergency response needing to be strengthened. It was unclear what triggers DFID were using to prompt an emergency response, with its concomitant requirements of appropriate scaling-up, urgency of response and the need to view

<sup>1</sup> SADC Food security Network Ministerial Brief, August 2002.

<sup>2</sup> *ibid*

3 December 2002]

[Continued

the crisis within a regional rather than specifically national context. The split between the DFID and CHAD (Conflict and Humanitarian Aid Department) functions was not clear (and CHAD were only invited in at a relatively late stage); and

- whilst direct budget support to governments is welcome, this should not be at the expense of livelihood support initiatives (eg in Mozambique where no emergency response is anticipated).

Events in Malawi are the main focus of this paper, where Save the Children UK (SC-UK) maintains that early, pre-emptive interventions could have saved lives and protected livelihoods.

#### SAVE THE CHILDREN'S ANALYTICAL APPROACH TO ASSESSING VULNERABILITY AND FAMINE PREDICTION

In the early nineties, SC-UK in collaboration with the FAO Global Information and Early Warning System and with funding from the EU, developed a methodology for famine prediction, assessment and monitoring, now called the Household Economy Approach (HEA). The methodology aims to provide an understanding of household economy and its relationship to markets and employment opportunities. This information is used to estimate the effect of a shock on household income and food supply and the likely ability of the household to compensate for this by implementing the various coping strategies available to it.

The focus of the approach is on access to food. It recognises that understanding what happens at household level is the key to addressing all food security related questions. At the heart of these investigations, is the attempt to understand the relative importance that families place on different sources of food and cash income.<sup>3</sup>

As part of the initial HEA work, a computer programme, RiskMap, was developed to facilitate the analysis of large data sets over large geographical areas. The RiskMap project had generated databases in many African countries. In southern Africa, these countries included Malawi, Zimbabwe, Lesotho, Swaziland and Mozambique, some of which have been updated recently.

In Malawi, recent HEA survey findings have shown that the pernicious effects of poverty, the decline in agriculture production, the impacts of HIV/AIDS and poor macro economic policies have all contributed to a deterioration of livelihoods. This is true for other countries in the region.

#### A FEW EXAMPLES OF RURAL LIVELIHOOD CONDITIONS IN MALAWI:

- Chronic poverty is deeply entrenched throughout Malawi, where the poor comprise 65 per cent of the population. Poor households have difficulty meeting their annual food energy requirements: even in normal years, they may not have enough to eat. Their lack of access to capital to improve food production or to take up other economic activities is a main feature of this impoverished group.
- The middle income group (27 per cent) and the better off (9 per cent) either meet their food requirements or have small surpluses at the end of the year.
- Poor households can only cover three to five months' worth of their annual food requirements, through their own production.
- For the seven to nine month period when the poor cannot meet their food needs by their own production, they rely heavily on agriculture and casual labour to gain their access to food. Tobacco, trade and livestock sales provide the main sources of income for both the middle and better off wealth groups.
- Beginning in November through to early February, poor households struggle to make ends meet. In January, hunger and food access<sup>4</sup> issues become acute. Most reduce their consumption patterns and live on a day to day basis from day paid work, usually paid in maize flour or grain at the rate of 1kg per day.<sup>5</sup> This "hungry" season is a regular feature of agriculture throughout the region.

<sup>3</sup> Save the Children (UK), The Household Economy Approach, A resource manual for practitioners.

<sup>4</sup> Access relates to a household's ability to acquire food, (eg, food may be available, but too expensive to purchase). Availability relates to the physical presence or the absence of food.

<sup>5</sup> (1) Save the Children (UK), A final report on the findings of a household economy assessment and training in Mchinji District, October 2001

(2) Save the Children (UK) Malawi, A household economy assessment of rural Malawi (2000–01) December 2001

(3) Save the Children (UK), Final Report—Malawi Food Crisis, An HEA Vulnerability Assessment, May 2002.

3 December 2002]

[Continued

---

 THE FAILURES OF EARLY WARNING TO PREDICT THE SOUTHERN AFRICAN FOOD CRISIS A CHRONOLOGY OF EVENTS 2001–02
 

---

. . . There is strong evidence to suggest that poor households (65% of the population) and proportions of the middle, (27 per cent) are sliding into distress strategies. . . There is an urgent need to begin planning and preparing for a potential, food aid intervention. Targeted food distributions will likely be required for. . .<sup>6</sup>

October 2001, An HEA Assessment, Mchinji District, Malawi

This section reviews the early stages of the southern Africa food crisis. Its account of the build up to the crisis indicates that, at least in the crucial initial months, governments, donors and humanitarian agencies failed to take action, with the result that avoidable suffering, impoverishment and loss of human life occurred throughout the region. In Malawi alone, it is estimated that in the southern portion of the country, at least 500 to 1,000 lives have been lost due to hunger or related diseases during the first quarter of this year. These deaths make it the worst famine in living memory.<sup>7</sup>

From SC-UK's perspective, and recognising that the Mchinji results were symptomatic of what was taking place more widely in the region, there are three major areas of concern arising from these events:

1. That established national and regional early warning systems initially failed to predict the onset of this famine.
2. That initial reactions to the early warning signals, when they were finally voiced, were dismissive. This caused further delays in the launch of a co-ordinated humanitarian response; and finally.
3. That inadequate food security and livelihood monitoring systems existed, and there was poor integration of these systems with effective national, regional and international policy response mechanisms.

#### CHRONOLOGY

July 2001—Monthly Food Security Report by FEWSNET (Famine Early Warning System Network) Malawi, (May/June). This report highlights the Ministry of Agriculture's final crop production figures and estimates that national maize production will drop by 32 per cent in comparison to the bumper crops of 1999 and 2000. It cites a maize deficit of approximately 273,000 mts. However, this was not raised as a major concern because "the deficit is offset when other cereal crops and tubers (particularly cassava) are taken into consideration. The end result is a national food surplus of 438,000 mts". FEWSNET Malawi, which is wholly funded by USAID, primarily collects its data from remote sensing and secondary sources, mostly from the Ministry of Agriculture.<sup>8</sup>

September 2001—Initial observations and enquiries are made on the status of the rural population in Salima District, during a Vulnerability Assessment Training, hosted by SADC-VAC and facilitated by SC-UK and FEWSNET. Village key informants report maize production losses, a recent and sudden increase in the price of maize and general food shortages in both village and commercial markets.<sup>9</sup>

FEWSNET Malawi reports that ADMARC (the Malawian grain marketing parastatal) has raised the price of consumer maize by 240 per cent. However, the impact of this sudden rise in prices and the scarcity of food appear to go unnoticed. The report mentions that "official maize stocks remain low at only 2,528 mts . . . Fortunately, households are able to depend on actively functioning markets as a source for their maize." Once again, references are made to the "other food crops and tubers" and how they are helping to alleviate the food insecurity problem caused by the maize shortage.<sup>10</sup>

It becomes public knowledge that the Government of Malawi (GOM) had sold most of the 165,000 mts of maize in the strategic grain reserve. The country is left with virtually no emergency buffer stocks. In the weeks and months ahead this issue and related corruption charges result in a breakdown of relations between the GOM and donors, with serious repercussions for the humanitarian effort.<sup>11</sup>

---

<sup>6</sup> *ibid.* 3.

<sup>7</sup> Devereux, Stephen, *The Malawi Famine 2002, Causes, Consequences, and Policy Lessons*. May 2002. Paper commissioned by Action Aid Malawi.

<sup>8</sup> FEWSNET Malawi, *Monthly Food Security Update, May-June*, published July 2001.

<sup>9</sup> Save the Children (UK), unpublished findings, FSLU de-briefing notes, October 2001.

<sup>10</sup> *ibid.* September 2001.

<sup>11</sup> SC (UK) situation reports, note to the file, correspondence with donors, various press clippings.

3 December 2002]

[Continued

October 2001—SC-UK conducts a Household Economy Assessment and Training in Mchinji District. The findings from the assessment are alarming. The report notes that the price of consumer maize has risen by 340 per cent, maize production has fallen by 40 per cent and the cost of agriculture inputs has continued to steadily rise, approximately 30 per cent. The reports suggest that the rural populations are now facing significant food deficits and will not be able to meet their annual food energy requirements.<sup>12</sup>

November 2001—In order to verify the Mchinji Assessment findings and to ascertain how widespread the problems are, SC-UK commissions a second HEA assessment to cover three large geographical areas in the centre and south of the country. Similar to the Mchinji assessment, the findings were very disturbing and clearly show that the crisis is not isolated to specific pockets or locations, but is widespread and has national implications.<sup>13</sup>

These conclusions lead SC-UK to undertake a major initiative, alerting both the government and donors of the emerging food crisis. In mid November SC-UK convened a meeting on the food crisis in Malawi and made formal overtures to the government and representatives of the donor community and non-government organisations

FEWSNET Malawi, WFP and the European Commission Food Security Programme (ECFSP) conduct a rapid food availability assessment. In its main findings, they describe that *groups of people depend on other sources, especially the market for food. Fortunately, general observations indicate that people in the southern region are more enterprising and engage in various activities to generate income.* Once again, it is acknowledged that maize production did not do well, but “other food crops (tubers, sorghum, etc) are playing a big role in supplementing and substituting for maize.” *Additional references are made to price increases. However, there is no analysis on the impact of these price increases on consumers’ access to food.*<sup>14</sup> This report delays a concerted humanitarian response.

Based upon the findings of this assessment, WFP approves an EMOP 10153 for Malawi. For the entire population of Malawi (approximately 10.4 million), it aims to target only 255,000 beneficiaries over a period of three months, in selected geographical areas within 19 districts.

December 2001—SC-UK submits an emergency response proposal for Mchinji District to the Department for International Development. The projected beneficiary caseload is estimated at 65 per cent of the rural population or approximately 295,000 individuals.

To underpin the HEA findings, SC-UK establishes a nutritional monitoring and surveillance programme. Plans are developed to carry out nutrition surveys, of the under-5 years age group, on a quarterly basis in the districts of Salima and Mchinji. The December findings showed global malnutrition rates of 11.8 and 9.3 per cent in Mchinji and Salima respectively. In itself, these figures did not suggest a crisis. However, when taken together with the HEA data and in considering the time of the year (three months prior to the harvest) they were very serious indeed.

SC-UK commissions a national study on the availability of roots and tubers. The report confirms that these crops are not cultivated on a national scale, but are predominantly grown along the lakeshore and in the northern areas of the country. It concedes that there may be surplus in these areas, but poor transport networks and markets make it prohibitive to shift this food to deficit areas.

January/February 2002—The national and international media begin focussing on Malawi and the region as a whole. There is a ground swelling of distressing reports from CBOs and field based NGOs from various points in the country. These include:

- Acute shortages of maize in ADMARC markets, forcing people to purchase at street value prices at anywhere from 400 to 500 per cent above normal.
- Sale of assets and widespread de-stocking is underway. Livestock prices begin to fall. By the end of February, livestock prices reach desperate levels (goat prices dropping from Mk500 to 150 and cattle from Mk 6000 to 1500).
- Overwhelming reports of reduction and changes in dietary patterns. (consumption of boil bananas, maize bran, tree roots, adding sawdust to flour, etc).
- High incidence of children being withdrawn from schools due to hunger and swollen feet.
- Increased cases of malnutrition in both children and adults, noting widespread cases of oedema/swelling of face and feet.<sup>15</sup>

<sup>12</sup> *ibid.* 4.

<sup>13</sup> *ibid.* 4.

<sup>14</sup> FEWSNET Malawi, ECFSP, WFP, *Final Report: Rapid Food Availability Assessment for Malawi*, November 2001.

<sup>15</sup> SC (UK) *Living in the Abyss: Hunger in Mchinji*, Food Security Monitoring Report, February 2002.

3 December 2002]

[Continued

February 2002—Findings from the February nutrition surveys are most alarming and confirm the earlier prognosis of the HEA studies. Within the short period of 10 weeks since December 2001, global malnutrition has risen from 9.3 per cent in Salima to 19 per cent. This means that one in five children under the age of five years is malnourished. Under-nourished children are affected both short and long-term. They fall ill recurrently; their physical and mental development is less than optimal; and death rates increase.

In recognition that the humanitarian community has not addressed the crisis with sufficient rigour, SC-UK intensifies its appeals to donors and the UN system. It advocates a significant increase in a system wide effort to address the unravelling crisis in Malawi, as well as the region.<sup>16</sup>

After a three-month delay, DFID finally agrees to fund SC-UK's emergency response for Mchinji District. In consideration of the disturbing nutritional findings they are, as well, responsive to a second emergency response proposal for Salima District.<sup>17</sup>

27 February the Government of Malawi declares a state of emergency. President Muluzi declares that acute maize shortages have reached critical levels, resulting in famine conditions.<sup>18</sup>

March 2002—SC-UK makes a formal presentation to the UN Inter Agency Standing Committee Working Group in Rome on the emerging Southern Africa Food Crisis. The presentation highlighted the severity of the crisis with countrywide impacts in Malawi, Zambia and Zimbabwe, as well as affected pockets of populations in Angola, Lesotho and Swaziland.<sup>19</sup>

April/May 2002—Resulting from this meeting, the World Food Programme was requested to co-ordinate a series of inter-agency vulnerability assessments in the six countries most affected in the region. SC-UK was requested to contribute to these assessments and to be part of a technical working group with WFP, OCHA, UNICEF and FAO.

June 2002—SC-UK submits its final report entitled: Malawi Food Crisis, an HEA Vulnerability Assessment to the UN-WFP Inter-Agency Vulnerability Assessment Committee and is tabled at the Humanitarian Needs Meeting in Johannesburg on 6–7 June.

The assessment findings provided a “best case” and “worst case” scenario. Under both scenarios, significant deficits for 2002–03 are noted. Approximately 2.1 to 3.2 million people are facing a considerable food shortages and potential livelihood failures. The estimated total food tonnage requirements to fill this deficit are in the range of 380,000 to 580,000 metric tonnes<sup>20</sup>. However it goes on to note that after two years of repeated shocks to livelihoods, the “worst case scenario” of 3.2 million being affected is likely to be the more accurate depiction of the situation.<sup>21</sup>

July 2002—Eight months after SC-UK presented its evidence of a pending crisis, WFP launches an international appeal (EMOP 10200) worth \$507 million. The EMOP aims to assist 10,255,880 people through a variety of food aid activities. Of this, a General Food Distribution will provide a contribution to the household basket to 9,958,000 people.<sup>22</sup>

#### TRIGGER FACTORS AND ROOT CAUSES OF THE CRISIS

The southern African crisis can be linked to a combination of trigger factors and underlying causes.

This paper has illustrated the way in which, in parts of Southern Africa, a majority of households live on the brink; barely meeting subsistence and survival needs. As we have seen over the last year, shocks such as crop production losses or the failure of market mechanisms, can lead to hunger and destitution on a massive scale. These are the shocks that tipped the balance for many rural households in the region. Over the past year, in order to feed their families, households have depleted their savings, sold their assets, livestock etc. They have gone to extremes to survive and their ability to recover will be gradual and difficult.

For Malawi, these trigger factors included:

- A sudden and rapid increase in the price of maize cereal, ranging from 300 per cent to 500 per cent above normal.
- Two consecutive years of poor harvests resulting in household production dropping by approximately 40 to 60 per cent, attributable to poor environmental and climatic conditions, including widespread floods in early 2001.

<sup>16</sup> SC (UK) HO file notes, communication and correspondence to donors and UN.

<sup>17</sup> SC Malawi situation report, 3rd week February 2002.

<sup>18</sup> *ibid.* 20 and various press clippings.

<sup>19</sup> SC (UK) Southern Africa Food Crisis, Background Note for the IASC-WG, Rome, March 2002.

<sup>20</sup> Estimated food aid requirement is based upon the *Humanitarian Charter, Minimum Standards in Disaster Response* of 2,100 kilocalories per person per day.

<sup>21</sup> Save the Children (UK) *Malawi Food Crisis, an HEA Vulnerability Assessment*.

<sup>22</sup> World Food Programme, *Southern Africa Crisis Response, EMOP 10200*, July 2002.

3 December 2002]

[Continued

- Continuous increases in the prices of agriculture inputs (fertilisers, seeds etc.) resulting in prohibitive high costs and inaccessibility for the majority of households.
- A steady decline in cash revenues from cash crops and declining labour market opportunities.
- Sale of the strategic grain reserve leaving the country with no emergency buffer stocks.
- HIV prevalence rates of 20 per cent. People living with HIV are less able to work productively, have greater food needs, require extra resources to access health care and the burden of support frequently falls on the children.

Analysis of the underlying causes of the crisis in rural economy that has hit Malawi and other countries in southern Africa has been well covered in various recent papers (Oxfam and Action Aid). Household economy analysis complements this work, particularly as it relates to market liberalisation (where far more needs to be understood about the post liberalisation working of local and regional grain markets) and the environment (including degradation of soils and population pressure on the natural resource base). It provides a basis for quantitative analysis of the impact of macro level policies, and highlights their consequences in human and developmental terms—for example, in children’s lost opportunities to access education<sup>23</sup>

#### LOOKING FORWARD: STRENGTHENING REGIONAL CAPACITY TO RESPOND TO FRAGILE LIVELIHOODS

A main conclusion of the October 2001 HEA assessment in Mchinji District was the need to strengthen or establish national food security and livelihood surveillance systems. It further recommended that such an initiative should be a collaborative effort between government, national and international partners, and should be incorporated in existing government structures, in particular the national safety nets programme.

The need to evaluate and improve vulnerability assessment systems in the region is not a new idea. There are a number of valuable initiatives presently underway in the southern African region. Most notable is the approval of a new regional strategy to “ameliorate cereal deficits”, by the SADC Ministers for Food, Agriculture and Natural Resources (FANR). The strategy has two overarching objectives<sup>24</sup>:

- to improve information systems that collect and analyse data relating to food availability at national and regional levels;
- to establish inter-agency vulnerability assessment groups or units, with the aim of improving the understanding of food access. Emphasis will be on household food security and the livelihood conditions of vulnerable communities, leading to better targeting of emergency and development interventions. The SADC-FANR Vulnerability Assessment Committee (VAC)<sup>25</sup> has been tasked with providing leadership and technical backstopping.

In view of SC-UK’s particular interest and expertise in both food access and livelihood analysis, it has played an instrumental role in furthering the aims of the second objective. In 1999, at the request of SADC-FANR, SC-UK seconded a Food Security Adviser directly to them. Over the past year a number of initiatives have been undertaken, which include the development of a Vulnerability Assessment Framework.

This aims to incorporate food access and livelihood approaches to vulnerability analysis in the region. This draws heavily on SC-UK’s household economy approach, in collaboration with other principal stakeholders (FEWSNET, FAO, and WFP).

This has led to discussions between the VAC and the Department for International Development to fund a five-year project<sup>26</sup>, which aims to reduce hunger at the household level within the Southern African region. The purpose is to enhance the adoption and implementation of effective hunger reducing policies, programmes and projects. The project is due to become operational at the end of 2002.

Key elements of the proposal include:

Livelihood based Vulnerability Analysis—At present, monitoring food security at a national level is heavily reliant on food availability indicators, as represented by national food balance sheets. Within the region there is a need for better information on who the food insecure are, where they are located, why they are food insecure and what is the depth of their food insecurity. This information cannot be derived from a supply side (food availability) perspective alone and so Livelihoods-based Vulnerability Assessment (VA) is increasingly regarded as a critical component of any food insecurity information system.

<sup>23</sup> (1) Devereux, Stephen, *The Malawi Famine 2002, Causes, Consequences, and Policy Lessons*. May 2002. Paper commissioned by Action Aid Malawi.

(2) Oxfam Briefing Paper 23, Crisis in Southern Africa, June 2002

(3) Dorward A, Kydd, *The Malawi 2002 Food Crisis: The Rural Development Challenge*, September 2002.

<sup>24</sup> SADC-FANR, *SADC Regional Food Security Policy and Strategy to Ameliorate Cereal Deficits, 2001*.

<sup>25</sup> The SADC-VAC was established in early 1999 with a mandate to keep abreast and encourage co-ordinated development in the field of vulnerability assessments including RiskMapping. SC(UK) played an active role in establishing the VAC, along with the FEWSNET, FAO and WFP-VAM.

<sup>26</sup> This section is largely referenced from the project memorandum entitled: *Regional Level Support to Reduce Food Insecurity in SADC*, May 2002.

3 December 2002]

[Continued

- Improve vulnerability tracking and poverty monitoring systems
- Creating linkages between policy and implementation
- Capacity building in livelihood and vulnerability assessments to ensure that there is a sustainable system for maintaining technical capacity to train, conduct, analyse and disseminate vulnerability assessments throughout the region.

#### CONCLUSIONS

This paper has argued that, by using a livelihood approach to food security assessment, it is possible to predict and potentially avoid hunger emergencies of the kind currently unfolding in Southern Africa. However, the use of inadequate methods of analysis, based on food availability indicators, persists. It is imperative that food access be incorporated as an integral part of any analytical process. This will result in a strengthening of existing systems and will also allow for a much deeper understanding of the root causes of vulnerability and its relationship with poverty.

In addition to this, more detailed analysis is required of the way in which newly liberalised grain markets are operating in the region. To what extent was this a 'free market famine', and what steps are needed to ensure that poor harvests do not, in future, result in a similar collapse of the market system.

Any situation that leads to populations becoming reliant on others intrinsically makes them more vulnerable. Food aid programmes can themselves undermine child protection as evidenced in the landmark study undertaken by UNHCR and SC-UK in West Africa. All parties involved in the food crisis must therefore be proactive in acknowledging the risk and ensuring that appropriate activities and management mechanisms are built in to all plans and proposals.

Finally DFID, who have responded well to the emergency and post-emergency recovery challenges in Malawi and Zimbabwe need to be more explicit about their responses in the other countries of the region (especially Angola and Mozambique). They should also look at their own internal processes that would allow a more timely and appropriate mechanism for scaling up to deal with emergencies, that have radically different requirements than longer-term development programmes.

*Save the Children Fund UK*

*October 2002*

#### **Memorandum submitted by Christian Aid**

Christian Aid is the official relief and development agency of 42 protestant churches in the United Kingdom and Ireland. It supports development organisations and projects in 56 countries, including six of the southern African countries presently facing a humanitarian crisis: Angola, Lesotho, Malawi, Mozambique, Zambia, and Zimbabwe.

Christian Aid has been actively supporting and encouraging emergency and humanitarian relief efforts of its partners in response to the unfolding humanitarian crisis in Angola since the early 1990s and in Malawi since last year. Since early this year it has been supporting emergency food and agricultural input distribution programmes in Angola, Mozambique and Zimbabwe. (For more details see attached appendix).

Christian Aid's submission to the International Development Committee is based on its experience as a non-operational development and emergency relief agency. It believes that working through local partners and assisting them to develop their emergency preparedness and response capacity is a sustainable way of providing development assistance. In southern Africa, Christian Aid actively supports integrated rural development, HIV/AIDS-related, human rights, and food security programmes in addition to responding to emergencies.

#### KEY FINDING AND RECOMMENDATIONS

*Christian Aid has found that:*

1. The current humanitarian crisis in southern Africa is threatening the future livelihoods of around 16 million people (including Angola).
2. Although the crisis was mostly triggered by staple crop failures due to erratic weather conditions, its impact would have been contained and much less devastating if a series of contributing factors had not been present.
3. These factors include: chronic poverty and food insecurity, exhausted coping mechanisms, ill-advised donor policies, failure of agricultural policies to promote food security, conflict, high HIV/AIDS prevalence, the failure of staple food markets, and weak state institutions and governance.

3 December 2002]

[Continued

4. Chronic poverty and food insecurity are interrelated conditions that have been long in the making; they result from a complex web of causes and are becoming worse in affected countries. More than 60 per cent of the population in affected countries live below the poverty line. Of those, most do not have access to adequate nutritious food at all times for a healthy and productive life. They are therefore extremely vulnerable to external shocks such as erratic weather or conflict.

5. Coping in the face of food shortages is a way of life for most rural southern Africans. In western societies this would be socially and politically unacceptable. Food rationing, scavenging for wild foods, and selling off productive assets are some of the ways in which households in affected countries have been dealing with lack of staple foods in local markets or lack of sufficient income to purchase maize, whose price in some countries has increased three-fold. People have been doing this since last year or earlier this year, and cannot carry on for much longer.

6. Ill-advised donor-sponsored structural adjustment policies, implemented in all the affected countries, have exacerbated the vulnerability of small-scale farmers in remote areas. They no longer have access to affordable agricultural inputs, stable food prices, or marketing services. In Malawi, the International Monetary Fund (IMF) advised the Malawian government to sell most of its grain reserves on the cusp of a major production shock. Stop-and-go donor support (including Department for International Development (DFID) funding) for input subsidies in Malawi has confused growers and fertiliser traders alike, denying most smallholder farmers from access to fertilizer in the previous growing season.

7. Government agricultural policies in affected countries have neglected the smallholder and subsistence sector, partly due to donor advice, and partly due to the political and social exclusion of this sector. Food security is not dealt with adequately in the World Bank-sponsored poverty reduction strategies of Lesotho, Malawi, Mozambique, and Zambia.

8. War has been the greatest cause of famine worldwide. In Angola, the humanitarian crisis is the result of 27 years of civil war, which had led to massive population displacement, and the destruction of social and economic infrastructure, social cohesion, and arable land, leaving two million people destitute.

9. HIV/AIDS prevalence has both exacerbated and been exacerbated by the food crisis. The dramatic loss of productive farm labour as a result of AIDS-related deaths has led to decreased agricultural production, increasing household vulnerability, and loss of farming knowledge. Of those in the region who recall the drought of 1991–92 many believe that the low resilience of households due to HIV/AIDS this time around is what is causing greater devastation.

10. Staple food markets have failed to stabilise prices for producers or consumers in affected countries. This is partly because state institutions have ceased to play a catalysing role in creating markets for remote farmers or to support the prices of staple foods for the most vulnerable. The mismanagement and inefficiency of national grain reserves have contributed to this failure.

11. Weak state institutions and governance (including corruption) have led to a late response to the food crisis in some countries and to a cumulative reduction in staple food production in others. The government-led land reform programme in Zimbabwe has prevented maize planting on most large-scale commercial farms in the 2001–02 planting season, leading to a reduction in overall maize availability.

12. National food production forecasting systems are inadequate. The SADC regional early warning mechanisms wrongly assumed that countries would be able to fill national food gaps from imports at the end of last year and therefore failed to raise alarm internationally. Based on lessons learned from the 2000 floods, the Mozambican government has put in place a national emergency preparedness and mitigation system. This system is still facing several constraints but has played a role in mitigating the food crisis in the centre and south of the country this year.

*Christian Aid therefore recommends that:*

1. *Food security is given priority in the donor-sponsored anti-poverty strategies of Lesotho, Malawi, Mozambique, and Zambia.* More government revenue, donor aid, and private sector resources need to be allocated to advice and extension services for smallholder farmers, to provide vulnerable households with affordable inputs and credit, and to build and maintain rural infrastructure that would facilitate transport and marketing of agricultural produce.

2. *Food early warning systems in affected countries are re-designed to provide adequate warning of the onset of a food crisis.* The assessments of food insecure households and civil society organisations should form part of national production forecasts to avoid delays in calling for an emergency response. Better systems for root and tuber crop assessments (which cannot be detected by satellite) need to be put into place.

3. *Governments and donors strengthen existing agricultural marketing bodies.* These bodies need to be better managed, more accountable, better capitalised, and complement private sector activities in food and agricultural inputs markets.

3 December 2002]

[Continued

4. *Donors sponsor poverty and social impact analyses of all recommended agricultural policy and institutional reforms.* These include the introduction of user fees, elimination of subsidies, and the commercialisation or privatisation of parastatal marketing agencies. The findings of these ex-ante assessments should guide their policy advice to governments.

5. *Governments, SADC, and donors explore more cost-effective and sustainable means of grain storage to complement existing national grain reserves.* These could include a range of solutions, from household food banks, which operate at village level, to joint operation and management of regional grain reserves.

6. *Governments and donors target HIV/AIDS-affected farming households in their agricultural rehabilitation and long-term agricultural development programmes.* Special extension services for child-headed households, targeted access to affordable (or free) credit and inputs, and income support to extended households need to be provided.

7. *Governments and donors support programmes to develop alternative indigenous staple crops in drought-prone regions.* Dependence on maize, a rain-fed crop, as a staple food increases the vulnerability of households to droughts, which occur on a regular basis in southern Africa. Indigenous grains such as sorghum and millet, as well as roots and tubers, are more adapted to local climatic conditions.

8. *Donors remain consistent in their support for input subsidies.* Stop-and-go maize input subsidy policies in Malawi, Zambia and Zimbabwe have sent confusing signals to growers and input traders. This has resulted in high fertiliser prices and reduced production over time.

9. *Donors, international NGOs, national governments and local organisations and institutions improve their coordination* to improve the overall response to the emergency, and to improve and complement long-term developmental interventions to enhance food security and increase agricultural productivity.

10. *A culture of accountable, transparent and democratic governance needs to be encouraged in affected countries* through constructive engagement by donor governments and through increasing support for civil society organisations as well as parliamentary and other democratic oversight mechanisms in affected countries.

## 1. INTRODUCTION

1.1 According to the latest World Food Programme estimates, 16.3 million people in Angola, Lesotho, Malawi, Mozambique, Swaziland, Zambia, and Zimbabwe will be affected by food shortages over the following six months until the next harvest in April 2003. They may lose their livelihood assets, their nutritional intake will decline, and some may die (an estimated 300 people have already starved to death in Malawi). Of these, 10 million will already need food assistance from September to November this year.

1.2 The usual “hungry season” stretching from January to March every year may next year turn into a catastrophe given that the level of resilience and “normal” coping strategies of affected people will have been exhausted.

1.3 The food crisis is evident at several levels. At the national level, the domestic cereal gap this year, after commercial and food aid imports, is 10 times higher than the average of five years before in Zimbabwe, and one and a half times higher in Zambia. In Malawi, Mozambique and Lesotho it is respectively 71 per cent, 61 per cent and 40 per cent higher. One in two Zimbabweans, one in three Malawians, one in four Zambians, one in three Lesotho citizens and one in 30 Mozambicans will need emergency food aid until April next year. Within countries rural inhabitants are more affected, especially those who live furthest away from cities, towns and public infrastructure. Three quarters of communities in Lesotho, half in Zambia, two thirds in Malawi and almost every community in Zimbabwe surveyed by national Vulnerability Assessment Committees report that cereals are no longer available on local markets.<sup>27</sup>

1.4 This crisis cannot be divorced from the continuing realities overshadowing most people’s lives and livelihoods. Almost two thirds of the region’s population live below the poverty line and are chronically food insecure; up to two thirds live in rural areas, trying to make a living from infertile land with very little opportunity to earn off-farm income (three quarters of those living in rural areas also live beneath the poverty line); in some countries up to a third are estimated to be living with HIV/AIDS; public funds for health, education and agricultural services are extremely limited; public institutions (including legal and regulatory ones) are weak; and staple food markets have failed to stabilise staple food prices for both producers and consumers.

<sup>27</sup> SADC Regional Food Security Assessment Report, 16 September, Harare, p 5.

<sup>28</sup> Sources: UNAIDS—UNAIDS Report on the Global HIV/AIDS Epidemic 2002, IPRSP—Interim Poverty Reduction Strategy Paper for relevant country, PRSP—Poverty Reduction Strategy Paper for relevant country, UNDP—UNDP Human Development Report 2002, EIU—Economics Intelligence Unit Lesotho Country Profile 2002.

3 December 2002]

[Continued

*Crisis-affected countries in a snapshot (%)*<sup>28</sup>

	<i>Angola</i>	<i>Lesotho</i>	<i>Malawi</i>	<i>Mozambique</i>	<i>Zambia</i>	<i>Zimbabwe</i>
Population living with HIV/AIDS	5.5	31	15	13	21.5	33.7
Population below poverty line	N/A	68	65.3	69.4	72.9	64.7
Population living in rural areas	65.8	72	90	80	60.4	64.7
Poor as % of rural population	N/a	80 in mountain areas, 70 in low-land and foothills	66.5	71.2	83.1	
Population making a living from agriculture*	75	57	87	83	75	68
Population living from small-holder agriculture	N/A	Majority	63.7 subsistence	Majority	76	N/A

\*These include households who are wholly dependent on agriculture for their livelihoods (a minority) as well as households who are dependent on agriculture for a large part of their livelihoods

1.5 Environmental shocks such as drought bring collapse only to systems that are already weak owing to poor policies and governance. The livelihoods of a significant number of the region's population are extremely vulnerable to external shocks such as floods or droughts. They face unimaginable risks in their everyday lives—their resilience in the face of consecutive floods and droughts is therefore very low. National Vulnerability Assessment Committees in the six countries have confirmed that: “those most affected by the current crisis are poor, have few assets, few entitlements and are therefore highly vulnerable to livelihood failure”.<sup>29</sup>

1.6 This submission will focus on the following questions the International Development Committee are seeking to answer in their inquiry around the humanitarian crisis in southern Africa: what factors contributed to and exacerbated the food crisis, what evidence is there of governments and other organisations taking steps to predict and mitigate food shortages, what support is needed to ensure future food security, and what lessons can be learnt from the crisis in southern Africa about food security generally.

## 2. FACTORS CONTRIBUTING TO AND EXACERBATING THE FOOD CRISIS

### 2.1 Introduction

2.1.1 Christian Aid staff and partners believe that the extreme food shortages faced by millions of people in southern Africa can be traced back to factors other than the consecutive seasons of localised and general flooding (in Malawi and Mozambique), prolonged spells of drought (Malawi, Zimbabwe, Zambia, and Mozambique), and erratic weather in Lesotho. While the latter certainly triggered the crisis, it has been much longer in the making. Food shortages would not have caused as much distress if people had been less vulnerable. In Zimbabwe and Malawi the 1991–92 drought triggered a much less severe humanitarian crisis even though gross food production was much lower—less than half the 2001 harvest in Malawi.<sup>30</sup> According to many Zimbabweans they were much better off during the 1991–92 drought even though it caused a much more severe production shock.<sup>31</sup>

<sup>28</sup> Sources: UNAIDS—UNAIDS Report on the Global HIV/AIDS Epidemic 2002, IPRSP—Interim Poverty Reduction Strategy Paper for relevant country, PRSP—Poverty Reduction Strategy Paper for relevant country, UNDP—UNDP Human Development Report 2002, EIU—Economics Intelligence Unit Lesotho Country Profile 2002.

<sup>29</sup> SADC Regional Food Security Assessment Report, 16 September 2002, Harare.

<sup>30</sup> This view is shared by the Institute for Development Studies, in a report “The Malawi Famine of 2002: more questions than answers”, July 2002.

<sup>31</sup> Based on interviews conducted by Christian Aid journalist, Judith Melby, in drought affected areas of Zimbabwe in September 2002.

3 December 2002]

[Continued

2.1.2 The international community and southern African governments' response to this crisis should therefore go beyond addressing the immediate humanitarian needs to supporting pro-poor long-term recovery and development. Policies that assure famine prevention and long-term food security are imperative to avoid a repetition of a humanitarian disaster on this scale. Such policies must promote and encourage agricultural growth particularly among small farmers, infrastructure development, institution-building, improved governance, environmental rehabilitation, and more effective markets. Well-developed famine early warning systems and the proper management of buffer grain stocks are needed. Governments need sufficient capacity to design and implement appropriate food policies and programmes at all levels.<sup>32</sup>

## 2.2 *Trigger factors*

2.2.1. Malawi, Zambia, Mozambique and Lesotho have all experienced two or three consecutive years of flooding, spells of drought and other erratic weather (such as hail and frost in Lesotho), which have contributed to reduced yields and repeated failure of rain-fed maize crops. This in turn has cumulatively triggered the depletion of national grain stocks (including strategic national grain reserves). Zimbabwe experienced the longest mid-season drought in 20 years from the end of December 2001 to February 2002, leading to widespread maize crop failures in communal areas, which normally produces half of the country's maize.

2.2.2 Compared with the past five-year average, 2001–02 national cereal production was lower in all these countries, except for Mozambique<sup>33</sup>. The most severe drop in food production occurred in Zimbabwe, where this year production was 65 per cent lower than the five-year average. This was the combined result of drought-induced maize crop failures as well as severe disruption in maize planting on large-scale commercial farms due to the Zimbabwean government's land reform policies.

## 2.3 *Chronic poverty*

2.3.1 More than 60 per cent of the population in affected countries already live below the national poverty line. This means that they lack sufficient income to purchase basic goods and services or alternatively to buy the inputs required for producing enough to feed themselves or earn an income for surplus production. The vulnerability of poor people to the shock of food running out many months before the next harvest will increase progressively as they wipe out their assets through distress selling.

2.3.4 Poverty reduces the ability of people to grow, buy, or earn food. Most subsistence farmers rely both on their own production and on the market to fulfil their food needs. When they experience a production shock, they become even more dependent on money-based transaction. In Zimbabwe, for example, an estimated 90 per cent of households will rely on food transfers or purchases this year.

## 2.4 *Chronic food insecurity*

2.4.1 Chronic poverty can be caused by and manifest itself in chronic food insecurity or lack of access to sufficient nutritious and culturally acceptable food for a healthy life. In Malawi smallholder farmers, who constitute about three-quarters of the population or over 60 per cent of households, face chronic food insecurity.<sup>34</sup> In Zimbabwe, households in semi-arid communal areas neither produce enough maize to last them for a year, nor earn enough off-farm income to purchase the shortfall.

2.4.2 In all the affected countries significant numbers of children under five years show signs of chronic malnutrition, which is a key indicator of chronic food insecurity.<sup>35</sup>

2.4.3 Chronic food insecurity is also the result of low productivity and yield. This is a problem in all the affected countries. Smallholder farmers are unable to produce enough food due to declining soil infertility caused by increased pressure on the land from population growth and the dependency on chemical fertilisers.

2.4.4 The livelihoods of most people in the drought and flood affected countries are therefore extremely vulnerable—long-term development interventions are needed to address this.

<sup>32</sup> Many of these recommendations are echoed by the International Food and Policy Research Institute, "Fighting Famine in Southern Africa: steps out of the crisis", Washington 2002.

<sup>33</sup> Recorded national cereal shortages were down 29 per cent in Lesotho, 65 per cent in Zimbabwe, 33 per cent in Malawi, 15 per cent in Zambia, and up 5 per cent in Mozambique. (REWU, September 2002).

<sup>34</sup> Govindan and Babu, March 2001, 94. WPF, Malawi Emergency Programme Overview, p 1.

<sup>35</sup> Stunting levels (height for age) in Lesotho, Swaziland, Zambia and Zimbabwe are 35–45 per cent. Regional Food Security Assessment Report, SADC Food, Agriculture and Natural Resources Vulnerability Assessment in Committee. The percentage of children under the age of five who are underweight averages 21 per cent in Lesotho, Malawi, Mozambique, Zambia and Zimbabwe (UNDP Human Development Report 2002).

---

*3 December 2002]**[Continued*

---

## 2.5 *Exhausted coping mechanisms*

2.5.1 Southern Africa experiences continuous cycles of bad weather, which cause crop failures. In all the affected countries a large percentage of the population reduce their calorie intake between December/January and March/April of every year—the so-called “hungry” season. This is because they have run out of maize and cannot afford the high market prices at that time of year.

2.5.2 This forces them to rely on coping mechanisms. “Coping” is a term used to describe the ways in which people respond to an external shock to help them endure the consequences over a short period of time. This would be a socially and politically unacceptable situation in any Western country. The causes of seasonal hunger (market failure, weak, corrupt or non-existent public and private institutions, chronic poverty, and lack of opportunity to earn off-farm income) should be investigated and resolved.

2.5.3 Consecutive crop failures have forced households to rely on these coping mechanisms much earlier this year. The unavailability of food in public and private markets and the lack of access to food that does come available have led households to adapt their normal behaviour. In rural areas of Malawi maize stores are empty—they should have lasted until April next year. In Malawi and Zimbabwe poor people have already started reducing their food portions or skipping meals, eating wild foods, selling livestock, tools, and household implements to buy maize in the local market, and pulling children out of school to help gather food since August last year and April this year respectively.

2.5.4 In Malawi many people used up their harvest by July this year. Villagers are now reduced to eating a local weed called Denje, which they gather from the bush and pound to make a bitter porridge. Christian Aid partners report that they have not seen people eating these foods before.<sup>36</sup>

2.5.5 Coping strategies are now becoming exhausted, forcing people to revert to more desperate measures to stay alive. Alternative crops such as sweet potatoes and root vegetables are not sufficient and the market for casual work is becoming more competitive as an increasing number of people are seeking work—the sick, the elderly and those living with HIV/AIDS are the first to be excluded from this market as they are unable to compete with the young and able bodied.<sup>37</sup> The price of livestock has fallen dramatically as those forced to sell far outnumber those who can afford to buy. In Zimbabwe, for example, livestock prices have fallen 80 per cent between July 2001 and July 2002.

2.5.6 Many families across the affected countries used to boost their income through remittances from migrant workers, often employed on farms or in mines in South Africa. Retrenchments in the mining industry and stricter immigration controls have reduced this very important source of income.<sup>38</sup> This has hit the Lesotho economy particularly hard, given the large number of men from Lesotho employed in South African mines. Unemployment rates have reached 40 per cent in Lesotho. Households in southern Mozambique have also been hard hit by reduced employment opportunities in South Africa—for example, women producers can no longer afford to employ others to work their fields.

2.5.7 It is impossible to live a productive and active life when eating mostly wild foods and cutting overall calorie intake for long periods at a time. Many communities in the worst affected regions of these two countries have reached the end of their ability to cope. This may not only affect their ability to prepare the lands and plant seeds (where these are available) when the next planting season starts this month, but also their overall health status, especially in view of the high prevalence of HIV/AIDS.

2.5.8 Food shortages are also increasing vulnerability to HIV/AIDS. Women, for example, are engaging in sex work to earn money or food. Malnutrition is further eroding the immune systems of HIV carriers, speeding up the contractions of AIDS-related diseases.

## 2.5 *Donor policies*

2.6.1 All the affected countries, apart from Zimbabwe, are classed as heavily indebted poor countries. They share more or less similar economic structures and histories of donor dependence. High post-independence public expenditure in the context of falling foreign exchange earnings (due to their dependence on falling or unstable commodity prices) have led them to knock on the door of multilateral lending institutions and other donors by the mid-1980s.

2.6.2 The loans given to them by the World Bank, IMF, and others came with strings attached. Amongst others they had to reduce the unsustainable fiscal deficit by cutting back state expenditure on public services and food, rural credit and agricultural input subsidies.

---

<sup>36</sup> Interview with Philip Mtshobwa of the Likulezi project, August 2002.

<sup>37</sup> In Malawi, competition among destitute households for “ganyu” or piece-meal work was observed during a Christian Aid visit to drought-affected areas in August 2002.

<sup>38</sup> Remittances (from many other sources and urban centres) have not dried up completely and still remain an important source of income to rural households.

3 December 2002]

[Continued

2.6.3 World Bank and other donor advisors have based their recommendations on the belief that a key cause of food insecurity in sub-Saharan Africa has been overreaching state institutions creating an environment that was not conducive to the development of a private sector. Their recommendations were more or less the same in every country: reduce the role of the state in agricultural marketing, eliminate state subsidies, and encourage small-scale and commercial export crops. This was based on a belief that smallholder farmers will grow more if farm-gate prices are higher.

2.6.4 Today, after almost two decades of stop-and-go implementation of these policies, the results are mixed.

2.6.5 In Zambia a recent World Bank study has confirmed that access to animal draught power has been a key constraint to higher agricultural productivity and household welfare. "Policies to foster accumulation of these assets and to provide complementary public goods could have a high impact in terms of poverty reduction and productivity". This recognises the non-price related constraints on agricultural production.<sup>39</sup> Yet, in clear contradiction to this finding, the World Bank earlier advised the Zambian government to introduce user fees for farmer access to communal dip tanks to control tick infestation as part of its structural adjustment programme. With cutbacks in government expenditure farmers were expected to take over the maintenance of communal dip tanks and pay for the chemicals required. This sudden decision to withdraw government resources has left these dip tanks in disrepair and led to a substantial increase in animal deaths, thus drastically reducing draught power available to farming households in the southern province, the area most affected by food shortages this year.<sup>40</sup>

2.6.6 Under World Bank-sponsored structural adjustment reforms the Zambian grain marketing authority was replaced with the much smaller Food Reserve Agency. This was intended to stimulate private actors in the food market. Lack of infrastructure, however, made it uneconomical for private traders to do business in remote areas and people have been left with no access to markets to sell their produce or buy inputs.<sup>41</sup>

2.6.7 In Zimbabwe, the share of marketed crops from communal areas has declined by half during the 1990s, partly due to the closure of Grain Marketing Board outlets in non-viable, mainly communal areas. In addition real budget allocations for extension services and research and development were reduced as part of the 1991 Enhanced Structural Adjustment Programme. According to a UNDP-sponsored study, traders alone have benefited from liberalisation.<sup>42</sup>

2.6.8 Malawi has one of the longest existing structural adjustment programmes. Agricultural output, however, has grown only 1.4 per cent between 1980 and 1992, showing that farmers have not responded as expected to higher farm-gate prices. This can partly be attributed to the fact that fertiliser subsidies and state marketing functions were cut back at the same time<sup>43</sup>

2.6.9 Stop-and-go donor policies on the provision of subsidised or free agricultural inputs have exacerbated the humanitarian crisis in Malawi. In 1998 DFID and other donors sponsored a government Starter Pack Programme, which distributed free fertiliser and maize seeds to all of Malawi's 2.8 million smallholder farming households. This led to a bumper maize crop in 1999 and 2000. In the 2000-01 planting season this programme was reduced to serve only 1.5 million households, and in 2001 it was restricted to only 1 million households due to concerns around unsustainable costs and the creation of a culture of dependence. This sudden unannounced swing in policy has given confused signals to fertiliser traders who did not plan for major fertiliser shortfalls. Shortages in 2000 and 2001 pushed prices up to unaffordable levels for especially smallholder farmers, who planned on free inputs.<sup>44</sup> This year, DFID and the Norwegian government are again planning to support the provision of inputs to two million small farmers, but the decision to support a targeted inputs programme came too late for inputs to reach farmers by the planting season at the end of this month.<sup>45</sup> Input subsidies are essential in the absence of affordable rural credit for vulnerable farming households. The stop-and-go nature of input support programmes in Malawi over the past few years has disrupted growing and therefore contributed to household vulnerability.

2.6.10 The policy advice and economic policy conditionalities imposed by the IMF in Malawi this year have further exacerbated the impact of the flood and drought induced production shock. On the advice of donors (including the World Bank and DFID) the Malawi government has set up an independent National

<sup>39</sup> K Deininger and P Olinto, "Why liberalisation alone has not improved agricultural productivity in Zambia", World Bank, Washington DC, April 2000.

<sup>40</sup> Thomson Kalinda et al, Resources, household decision-making and organisation of labour in food production among small-scale farmers in southern Zambia, Development Southern Africa, Vol 17(2), June 2000.

<sup>41</sup> "Governance and Challenge of Food Security", Pete Henriot.

<sup>42</sup> "The implications of globalisation on the Zimbabwean economy: background paper to the 1999 UNDP Report", Godfrey Kaneyenze, February 2000.

<sup>43</sup> Govindan and Babu, March 2001, p 95.

<sup>44</sup> Stephen Devereux, "State of disaster: causes, consequences, and policy lessons from Malawi" an Action Aid Report commissioned by Action Aid Malawi, June 2000.

<sup>45</sup> At a meeting between DIFD, the Chair of the International Development Committee and Christian Aid representatives on 16 August in Lilongwe, this funding proposal has not yet been approved.

3 December 2002]

[Continued

Food Reserve Agency (NFRA) on a cost-recovery basis, instead of capitalising the body. To pay for operational costs the agency had to take out a loan from a commercial bank in South Africa at an interest rate of 56 per cent.

2.6.11 In the first half of last year, based on concerns about its running costs and future sustainability, the IMF advised the NFRA to reduce its near capacity stocks to around 30,000–60,000 metric tonnes of maize, enough to feed the Malawian population for two to three months, and to use the proceeds to pay back its debts of one million kwacha. It also advised the Agency to sell the maize abroad to avoid depressing local prices. Given the occurrence of widespread localised floods at the time, as well as the reduction by half of the Starter Pack programme during the previous year's planting season, this advice was short sighted and irresponsible. The IMF's response that it gave the wrong advice based on wrong government crop production forecasts shows that it is not prepared to take equal responsibility for its imposed policies. Even more startling was its withholding of a disbursement of US\$47 million of Poverty Reduction and Growth Funds in May this year under the pretext that ADMARC and NFRA activities to minimise famine mortality were unjustified and "unproductive".<sup>46</sup> This, together with legitimate concerns about government corruption, has led several other donor agencies to suspend their aid budgets to Malawi at a time of great uncertainty and increasing vulnerability. The emergency credit made available by the IMF in August to supplement foreign exchange reserves for staple foods imports has come far too late.

2.6.12 Poverty and social impact assessments of the kind now proposed by the World Bank were never conducted prior to the recommendation of these policies.

2.6.13 Donor advice is too often mistakenly based on the most optimistic assumption of market liberalisation, namely that once the state has withdrawn from marketing and price setting, new market institutions will emerge to provide opportunities for farmers, consumers and traders to trade in surplus produce, and that farm-gate prices would rise due to competitive buying, providing farmers with an incentive to grow more. Experience in all the affected countries has shown that this outcome is impossible in the absence of certain preconditions. These include investment in rural transport infrastructure, access to market information, and the ability of producers to come together in associations to increase their bargaining capacity, and effective institutions to manage the process.

2.6.14 Bilateral and multilateral donors wield disproportionate power in Malawi, Mozambique and Zambia, given that overseas aid form a major part of their budget revenues.<sup>47</sup> This dependency is not conducive to democratic and transparent state institutions. They are expected to account primarily to donors (and taxpayer concerns in donor countries), often to the detriment and neglect of the priority needs and concerns of their own citizens. The international donor community should therefore take joint responsibility for mistaken and harmful policy advice.

## 2.7 Failure of Agricultural Policies to Increase Food Security

2.7.1 Government agricultural policies in most affected countries have been neglecting the small-scale farming sector. National expenditure and donor assistance for agrarian development has declined over the past two decades.<sup>48</sup>

2.7.2 The plans of the governments of Lesotho, Malawi, Mozambique and Lesotho to enhance food security as part of their donor-sponsored poverty reduction strategies are inadequate and need to give more attention to asset-building, vulnerability, diversification of livelihood strategies, nutrition and diversification of staple crops.<sup>49</sup>

2.7.3 In Lesotho agricultural productivity has been falling for 30 years. According to the World Food Programme "without serious long-term interventions it is highly probable that crop production could cease altogether over large tracts of agricultural land". Soil erosion, soil degradation and the decline in soil fertility need to be reversed. The government of Lesotho's food self-sufficiency programme, based on the use of chemical fertilisers, has contributed to soil degradation<sup>50</sup> and its provision of subsidies for the use of tractors for tilling the soil has promoted soil erosion. According to the World Food Programme the government extension system is unable to deal with the above challenges: it is understaffed, lacking in motivation and short on transport, and therefore unable to assist farmers in improving their farming techniques. Despite this, the Lesotho government's Interim Poverty Reduction Strategy Paper does not plan any intervention to improve extension services.

<sup>46</sup> Cited in Devereux, June 2002.

<sup>47</sup> In Malawi, Mozambique and Zambia, overseas aid averages 27 per cent of GNI (World Bank, World Development Indicators 2002).

<sup>48</sup> "Only Swift Agrarian Development will Create Poverty-reducing Economics Dynamics in Africa" 2001 U. Otzen and S. Neubert, Quarterly Journal of International Agriculture 40 No 4.

<sup>49</sup> "Food Security and PRSPs: a rapid assessment of Poverty Reduction Strategy Papers and their relevance to food security problems", April 2001, Gareth Williams and Alex Duncan

<sup>50</sup> Most of Lesotho has acidic soil which needs liming rather than fertilisers which make organic nutrients unavailable to the plant.

---

3 December 2002]

[Continued

---

2.7.4 In Malawi, Zambia and Zimbabwe the maize yield in the small-scale farming sector has been declining as a result of a combination of four factors: reduction in rural credit subsidised by the state, a decline in subsidies for agricultural inputs such as fertiliser and seeds, declining public investment in agricultural marketing services, especially in remote rural areas, as well as a decline in government advice and extension services.

2.7.6 In Zambia the decline by almost half in the area under maize cultivation has correlated with the elimination of subsidised credit for maize and fertilisers. The withdrawal of government distribution and procurement agents has not led to the emergence of dynamic private entrepreneurs servicing remote rural areas. This has depressed production. The Zambian PRSP acknowledges that the “initial impact of liberalisation on Zambian small farmers has been negative due to the limited opportunities to access both agricultural inputs and credits”.

2.7.7 In Zimbabwe, after initially trying to integrate the communal farming sector into the formal economy, the government phased out targeted subsidies and support to this sector in favour of cash crop production in the commercial sector at the beginning of the 1990s as part of the World Bank-sponsored Enhanced Structural Adjustment Programme. Extension services were reduced while a static budget had to service increasing numbers of farmers demanding the service.

2.7.8 The Zimbabwean government’s present Land Reform and Resettlement Programme will not enhance the future food security of resettled farmers. Resettled farming households lack adequate technical and extension services, tillage units, agricultural inputs, and capital. They do not have access to social, economic and marketing infrastructure. The Programme has left out important groups of landless households such as farm workers.<sup>51</sup> It is also unclear whether the households targeted for resettlement are indeed landless. Finally, resettled households are cutting down trees on newly occupied farms both for building huts and sale of firewood. This is compromising the quality of land both for future crop cultivation and livestock breeding.<sup>52</sup>

2.7.9. The government of Malawi has admitted in its Poverty Reduction Strategy Paper that it “has not been focused on its role as a service provider to farmers”. It has neglected public investment in rural infrastructure and small as well as large-scale irrigation, without which productivity will remain low. Malawian smallholders have also been unable to buy sufficient quantities of chemical fertiliser to improve agricultural yields mainly due to confusing government-led and donor-sponsored input subsidy programmes.

## 2.8 *War as a cause of the humanitarian disaster: the special case of Angola*

2.8.1 Angola is facing a humanitarian disaster of a potentially catastrophic scale after 27 years of almost uninterrupted civil war. According to the FAO, 1.4 million people are in need of urgent food assistance. Up to four million people have been displaced from their homes but only half of these have been allocated land and are no longer dependent on long-term food assistance. The war has destroyed the livelihood base of most Angolans. In addition to basic health, education and infrastructure, Angolans—especially internally displaced persons—urgently need food supplies and agricultural inputs to rebuild their livelihoods. Agricultural land furthermore needs to be cleared from landmines.

2.8.2 Angola’s agricultural, food processing, and marketing systems have been severely disrupted by the civil war. Angola used to be self-sufficient in all cereals, apart from wheat and exported staples, fruit and vegetables, and processed food. The food processing industry was destroyed shortly after independence.

2.8.3 The armed forces of both sides in the war used rural villages to supply them with essentials such as food and water. This frequent loss of their harvest to combatants has led households to reduce the area they cultivate to the minimum needed for subsistence. This practice has removed any incentive to produce surplus crops.

2.8.4 In the last phase of the war it had become virtually impossible to access large areas of Angola due to the threat of attack and landmines. Virtually all commercial transport occurred via air, thus limiting bulk transport and pushing up the cost of transport. The very high demand in Luanda resulted in much of the limited production of vegetable and staple crops in the country being flown or sometimes trucked to Luanda where they fetched a much higher price than at the point of production, leaving remote areas short of available food. Food markets in the rest of Angola are highly fragmented mainly due to the appalling condition of even the main road arteries linking major cities.

---

<sup>51</sup> Only 1.7 per cent of farm worker households have been resettled between June 2000 and July 2001 as part of the Zimbabwean government’s Fast Track Land Resettlement Programme.

<sup>52</sup> Based on observations by Christian Aid journalist Judith Melby on a visit to drought affected and resettlement areas in Zimbabwe in September 2002.

---

*3 December 2002]**[Continued*

---

2.8.5 After independence the Angolan government made some effort to encourage rural development. These efforts were undone when the armed forces of the conflicting parties increased the sophistication of their weaponry and when the armed conflict turned from a guerrilla to conventional warfare, which drained funding away from agricultural ministries.

2.8.6 During the last phase of the war, between 1998 and 2002, humanitarian access to UNITA-controlled areas was reduced or prevented altogether. The warring parties rejected repeated requests by UN agencies for “humanitarian corridors”. This increased large-scale population displacements, with communities fleeing both attacks and the lack of means to survive, leaving behind land and assets.

2.8.7 Government armed forces adopted vigorous counter-guerrilla tactics from late 2001 that aimed at depriving the military wing of UNITA of its rural support mechanisms. These tactics included the burning of village fields that could be used to feed UNITA combatants. This has resulted in reduced productive capacity in targeted rural areas, causing mass food shortages amongst populations there. Displaced people from those areas were suffering from malnutrition before the ceasefire. After the ceasefire, resident populations showed high rates of malnutrition and mortality. International agencies arriving in quartering areas and newly accessible areas after the ceasefire reported mortality rates up to ten times the accepted emergency threshold.

2.8.8 The 27 year civil war has led to a political culture of unaccountability and non-transparency. The Angolan government has until now not incorporated oil concessions received from multinational oil companies in the general budget—most of it has been used to fuel the war effort. Given this source of income the Angolan government and people need not be entirely dependent on donor grants or loans to support agricultural revival and post-conflict reconstruction. Angolan civil society, however, will need support to build their capacity to monitor external and internal sources of revenue and to track whether the money is going towards reducing poverty and increasing food security.

## 2.9 *HIV/AIDS induced vulnerability*

2.9.1 High HIV/AIDS prevalence among the adult population in affected countries is a leading cause and an exacerbating factor in the humanitarian crisis. Today, an estimated one in three adults in Zimbabwe, one in five in Zambia, one in seven in Malawi, and one in eight in Mozambique are living with HIV/AIDS.<sup>53</sup> In Malawi the national estimate belies the reality at district level. In areas where Christian Aid partners are providing emergency relief estimates are as high as 38.5 per cent in Blantyre, 21.8 per cent in Salmina and 25.7 per cent in Nsanje.

2.9.2 This epidemic is gradually changing the demographic pyramid in southern African countries as it is affecting mostly those in the 15 to 49 year age group, who are in their reproductive and economically most productive years.

2.9.3 HIV/AIDS has contributed significantly to a decrease in household food security across affected countries, and will continue to do so. According to the FAO an estimated 23 per cent of the agricultural labour force has been lost in Zimbabwe, 20 per cent in Mozambique, and 14 per cent in Malawi between 1995 and 2000 alone—and this was before the peak of the epidemic. When a productive member of a farming family becomes sick or dies yields are lower because there is not enough labour to prepare and tend to the fields, or plant the seeds. With fewer family members capable of working the land, families often reduce the area of land they farm or switch to less labour intensive subsistence crops (such as roots and tubers) that often have a lower nutritional or cash income value.

2.9.4 When productive household members die, farming knowledge becomes lost to the younger members of the household. The young and elderly who are left cannot carry on farming as before due to lack of experience, knowledge, tools, agricultural inputs or physical strength.<sup>54</sup>

2.9.5 The impact of the HIV/AIDS epidemic in rural communities can be seen in the increasing number of AIDS-orphans and child or women-headed households. In southern Africa women produce most of the food for local consumption and typically carry out the most labour-intensive farming.<sup>55</sup> As the traditional caregivers in households and communities they are unable to spend the necessary time tending to fields when family members fall ill with HIV/AIDS related illnesses, thus leaving more land to lie fallow.

2.9.6 Health and funeral expenditures have led households to sell off productive equipment and assets such as livestock and to mortgage productive land, further reducing production.

---

<sup>53</sup> Report on the Global HIV/AIDS Epidemic, UNAIDS 2002.

<sup>54</sup> Stuart Gillespie and Lawrence Haddad has done a comprehensive survey of the literature on the impact of HIV/AIDS on agriculture in Food Security as a response to HIV/AIDS, IFPRI Annual Report Essay, 2001–02.

<sup>55</sup> SARDG-WIDSAA, 2000, “Beyond inequalities: women in southern Africa”, SARDG, Harare, 2000.

---

3 December 2002]

[Continued

---

2.9.7 AIDS orphans are generally cared for in communities or by extended family members. This has increased the burden on households that have limited income and food supplies, especially in rural areas. Child-headed households, an increasing phenomenon in affected countries, are the poorest and least able to cope with external shocks. AIDS orphans are more likely to miss out on education opportunities and are at present not targeted in the provision of agricultural extension services.

2.9.8 People living with HIV/AIDS require balanced nutrition to be able to perform basic tasks or to continue tending to crops—current food shortages are therefore further weakening their immune systems and accelerating the onset of illness and even death.

2.9.10 Given its slow-onset and complex nature and causes, its invisibility at the household level, and the long-term and indeterminate nature of possible solutions, government and donor responses to HIV/AIDS have not treated the epidemic as an emergency. However, present prevention and treatment interventions are not a sufficient response to ensure continued food security. Rural households that have been affected by this epidemic should receive ongoing and long-term rehabilitation support in the form of subsidies, specially tailored training, and affordable or free access to basic services and inputs to revive agricultural production in affected countries.

## 2.10 *Failure of Staple Food Markets*

2.10.1 Market failures occur when traders fail to respond to signals of effective demand or when prices rise excessively due to market fragmentation, speculation or hoarding. All the affected countries have experienced staple food market failures, which discourage staple food production and distribution, but also destabilise staple food prices for producers and consumers.

2.10.2 Private traders and businesses have not stepped into the gap left by the withdrawal of parastatal marketing agencies from remote rural markets in Malawi, Zambia, and Zimbabwe. Entrepreneurs in all these countries are more interested in doing business in urban and surrounding areas. Instead of the guaranteed price they used to receive for their crops, remote farmers now have to accept whatever prices they are offered, given the lack of competition. In Mozambique, maize producers in the north have no market information, their individual bargaining capacity is very low, and they are physically cut off from the rest of Mozambique.

2.10.3 The lack of rural feeder roads in Malawi, Zambia, and Zimbabwe, the inaccessibility of main roads and bridges during the rainy season, and the almost complete lack of adequate road and railway infrastructure linking the maize deficit south from the maize surplus north of Mozambique have therefore contributed to highly fragmented staple food markets in these countries. Distribution of food from surplus areas to deficit areas is very costly, and this cost has to be carried by remote rural farmers.

2.10.4 In Malawi traders and food speculators with the necessary capital and contacts were able to buy large quantities of maize when the NFRA sold off its stocks in 2001, at the same time as a bumper maize harvest went on sale country-wide. They were predicting food shortages later that year and hoarded their stocks, thus creating an artificial shortage. When the Malawian Agricultural Development and Marketing Corporation (ADMARC) lifted the ceiling price on maize in October 2001, prices shot up by as much as 350 per cent in some areas, denying poor households access to food.

2.10.5 In view of these market failures, government-regulated buffer stocks (national strategic grain reserves) and trade interventions, if appropriately designed, are important instruments to stabilise staple food markets. All the affected countries still maintain a national strategic grain (wheat and maize) reserve. From the mid-1980s to the mid-1990s stocks in these reserves were usually the equivalent of at least three months' total consumption. A national strategic grain reserve is an essential buffer against food shortages brought about by external shocks, particularly in countries that do not have ready access to sufficient foreign exchange to purchase grain from outside.

2.10.6 National grain reserves however are expensive to maintain and their operational costs have become a financial drain on government budgets in Malawi, Zimbabwe, and Zambia. The strategic grain reserves in all the crisis-affected countries have been characterised by inefficiencies, political manipulation, corrupt or bad management, high transport costs, lack of technical capacity, lack of capital, and lack of physical infrastructure. This has deprived vulnerable households of access to food during this crisis. Christian Aid partners in Malawi have been calling for a review of the management and operations of the NFRA.<sup>56</sup>

2.10.7 Excessive government intervention in staple food trade can contribute to food market failures and therefore carries high risks. In Zimbabwe, the government ban on private sector maize imports has fuelled maize shortages and pushed up prices on the parallel market up to three times as high as Grain Marketing Board (GMB)-controlled maize prices. The Zimbabwean government controlled GMB maintains an almost absolute monopoly on the buying and selling of maize. By contrast, the Mozambican experience of releasing

---

<sup>56</sup> In Malawi, the CISANET, a civil society food security network has called for the review of the GMB. In Zimbabwe, the Zimbabwe Council of Churches has called for a review of the GMB.

---

*3 December 2002]**[Continued*

---

food aid in the public market during the post-conflict years has stabilised the cost of whole wheat to the south of the country. The Mozambican government also allows imports from South Africa to offset the deficit experienced in the south due to a fragmented market.<sup>57</sup>

2.10.8 Declining levels of foreign exchange reserves in all the crisis-affected countries, apart from Mozambique, have created serious difficulties in importing maize, both to restock grain reserves and for emergency distribution. Zimbabwe has seen the worst decline in foreign exchange reserves from US\$266.5 million in 1998 to US\$78.6 million in January 2001 (due to government economic policies) and then in Zambia, from US\$222.5 million in 2000 to US\$124.6 million in January 2002 (due to a dramatic fall in copper prices).<sup>58</sup> This has put a strain on commercial and government imports of cereals. All these countries are subject to foreign exchange shortages, given their dependence on a few export commodities.

2.10.9 The competing demands from Lesotho, Malawi, Mozambique, and Zambia on South Africa's maize surplus have caused regional maize prices to rocket. Maize is the cereal that is produced in the largest quantities in the southern African region. It is the main staple food in all the affected countries. In most years, maize production in South Africa and Zimbabwe is sufficient to meet their own domestic requirements as well as that of some of the neighbouring countries. Normally Zambia and Malawi do not supplement their maize supplies with commercial imports.<sup>59</sup> Lesotho and Mozambique rely heavily on imports from South Africa to fill their national food gap. In Lesotho this is due to a limited resource base. Mozambique, which could theoretically be food self-sufficient, is also dependent on maize imports from South Africa due to a fragmented national market between the maize surplus producing north and centre of the country and the maize deficit south of the country.

2.10.10 The Southern African Development Community provides a vehicle through which members can cooperate to jointly build, operate, and fund regional emergency cereal reserves. This could be drawn upon during food production shocks, thus alleviating the demand on South African producers and stabilising prices. It could also save individual countries significant cereal reserve storage costs.

2.10.11 Some members of the donor community (including the World Bank and Department for International Development) have on occasion shown reluctance to acknowledge, promote or support the role of the state or state-related institutions in creating, supporting, and regulating staple food markets. Their fears are largely based on three legitimate concerns. First, in all the affected countries there have been previous or recent examples of parastatal mismanagement. Second, none of the affected governments collect sufficient revenue through aid, taxes, loans, or debt relief to sustain medium-term subsidy regimes. Third, they fear that government domination of staple food marketing activities may 'crowd-out' especially small and medium private trading and processing entrepreneurs, who mostly do not have the access to subsidised grains accorded to large scale industrial millers. This is especially true in Malawi, Zimbabwe, and Zambia.<sup>60</sup>

2.10.12 However, some form of government intervention is clearly needed in crisis-affected countries to regulate and create markets in order to ensure stable food supplies and distribution, to align demand more closely to supply, to regulate the activities of private market actors, and to protect and promote the production capacity of households with few assets and low resilience to external shocks. These include households that are headed by women or children, are HIV/AIDS affected, poor, or live far from marketing infrastructure such as transport routes.

2.10.13 Government intervention that would assist these groups include access to affordable credit as well as controls on staple food prices when production shocks may result in unaffordable price increases. In Malawi, for example, private credit companies charge around 45 to 50 per cent interest on loans and staple foods increased by 35 per cent when the government eliminated the price ceiling on maize in October 2001.

2.10.14 Donors and governments have tried to avoid encouraging farmers to grow maize, a rain-fed crop, in unsuitable non-irrigated or semi-arid areas as a result of maize subsidies. Christian Aid shares this concern, but recommends that support should only be withdrawn in parallel with support for programmes to encourage the cultivation of indigenous alternative staple crops.

---

<sup>57</sup> "Successes and Challenges of food market reform: experiences from Kenya, Mozambique, Zambia, and Zimbabwe", Michigan State University International Development Working Papers, No 72, 1999.

<sup>58</sup> IMF International Financial Statistics, May 2002.

<sup>59</sup> Between 1986 and 1996 South Africa, Zimbabwe, Malawi, and Zambia produced up to 90 per cent of their maize requirements domestically. Van Rooyen, J, "Regional food security and agricultural policy in southern Africa: a challenge of policy conversion in diverse settings", Development Southern Africa Vol17(1), March 2000.

<sup>60</sup> For an analysis of this latter effect see: "Successes and Challenges of food market reform: experiences from Kenya, Mozambique, Zambia, and Zimbabwe", Michigan State University International Development Working Papers, No 72, 1999.

3 December 2002]

[Continued

### 2.11 *Weak State Institutions and Corruption*

2.11.1 After two decades of promoting the idea that “less government” would allow the emergence of a more efficient private sector to manage and deliver services, the international development community is beginning to recognise the importance of sufficiently resourced, capacitated, accountable, transparent, and well-managed state institutions.<sup>61</sup> These should provide public social, political and economic goods, including public infrastructure, national food security, and basic services, and protect and promote those who are excluded from economic, political and social life.

2.11.2 Markets can only respond to purchasing power, not to needs, hence the need to build institutions and strengthen government capacity to design and implement pro-poor policies. The 1996 World Food Summit recognised the right to food as a human right. States carry the primary responsibility protecting, promoting and respecting this right. This is proving difficult or impossible in the affected countries where state institutions have been a contributing factor to the humanitarian crisis.

2.11.3 Efficient food marketing systems are needed in order to store and distribute food at reasonable prices to all parts of the country in all seasons and all years. The private sector may play a role in the long term in redistributing food surpluses, but the state retains a key role as a catalyst for food markets.

2.11.4 In Malawi, a combination of a lack of capital, technical capacity, and good management and accountability structures has led the NFRA to sell the country’s entire strategic grain reserve, including emergency grain bought and stored in ADMARC silos by the EU on the eve of a major food production shock.

2.11.5 Malawians, including Christian Aid partners, have called for a full independent audit of the NFRA to uncover where the food reserves went and why they were sold. The government’s completed audit still leaves many questions unanswered. The Minister of Agriculture has been fired for alleged corruption—there is widespread feeling that he has been used as a scapegoat and that the problem is much wider.

2.11.6 Zimbabwe used to be one of the breadbaskets of the southern African region, partly due to the high level of production in the fertile areas of the country owned by large-scale commercial farmers. However, the government’s land reform programme has severely disrupted production on commercial farms, which has led to a reduction in the area of maize planted on commercial farms by 61 per cent during the 2001–02 planting season. Large-scale commercial farms produced 44 per cent of maize in 1998–99, 38 per cent in 1999–2000 and 26 per cent in 2000–01<sup>62</sup>. This has not only reduced the total amount of maize available in Zimbabwe, but has also led to a reduction in foreign exchange reserves from tobacco and cotton exports, making food imports very difficult.

2.11.7 In 2000 charges were made of corruption in the Zimbabwean Grain Marketing Board (GMB), which forced it to pay farmers late for their grain. Farmers were therefore reluctant to sell their maize to the GMB this year, which contributed to the national strategic grain reserves running out early this year.

2.11.8 Zimbabwean state institutions such as the GMB and government ministries have neglected Zimbabwe’s semi-arid areas (of which all are affected by food shortages), where most of the rural population live and earn a livelihood. These areas have not been well integrated into mainstream markets. The needs and demands of their inhabitants, of whom between 70 and 80 per cent live in poverty, are not articulated through the political or policy process. Recent research indicates that there has been a significant decline in living standards and consumption in these areas. Increasing numbers of Zimbabweans retreating back into subsistence, partly due to the inability of households and communities to rebuild assets after the devastation brought about by the 1991 drought.<sup>63</sup>

2.11.9 In Malawi and Zimbabwe corrupt political leadership, together with a culture of non-accountability, strong-armed state oppression of political opposition (in Zimbabwe), ill-advised and politically expedient land reforms (in Zimbabwe) and the decimation of state capacity as a result of World Bank-sponsored cutback policies, have cumulatively contributed to the humanitarian disaster.

2.11.10 The economic policies pursued by the Zimbabwean government have led to spiralling inflation, an unsustainable domestic debt burden, and massive disinvestments. Inflation currently stands at 120 per cent and is expected to rise to 150 per cent by the end of the year. Poor households cannot afford to buy maize or other basic foodstuffs even when it becomes available—more than 90 per cent Zimbabwean households will rely on purchased food by the end of the year.

2.11.11 Political intervention in food aid distribution is also denying deserving households, who do not support the ruling party, access to essential staples.

<sup>61</sup> World Development Report 1997 “The State in a Changing World”, World Bank.

<sup>62</sup> CSO figures cited in “The Impact of Land Crisis on Food Security”, E. Bvurumuku, FEWS NET Zimbabwe in “Land: Facing the Millennium challenges in Unity and Hope”, S. Mpunga, W. Jekemu and G. Ruswa (eds), Zimbabwe Council of Churches and Konrad Adenauer Foundation.

<sup>63</sup> See “Coping strategies of poor households in semi-arid Zimbabwe”, Natural Resources Systems Programme, Kate Bird and Andrew Shepherd, March 2002.

---

3 December 2002]

[Continued

---

2.11.12 Future food security cannot be planned for or guaranteed in the absence of strong state institutions that are responsive to the needs of those they serve, accountable to the local citizenry, and have adequate capacity to implement agricultural policies, provide necessary marketing and support services, stabilise prices of staples, and protect the vulnerable. This can only happen once the vulnerable (poor) are given a voice in dealing with the daily constraints they face.

### 3. EVIDENCE OF ATTEMPTS TO PREDICT AND MITIGATE THE FOOD CRISIS

3.1 In order to mitigate food shortages effectively, governments and other actors need to be able to accurately predict shortages and then act effectively on those predictions. In all the affected countries, systems are in place to monitor crops and provide warning of shortages. The food crisis has reached its current level partly because early warning systems in some countries are defective. There is also a need for national level planning for emergencies to enable effective responses. The Mozambican government has attempted such planning.

3.2 The Southern African Development Community (SADC) has a Regional Early Warning Unit (REWU). This Unit, however, derives its information from national sources. The information provided by this unit was generally accurate in 2001. The REWU predicted a regional deficit for the 2001–02 season of 2.56 to 3.24 million metric tonnes and the actual deficit was 2.7 million metric tonnes.

3.3 The SADC regional food assessment in November 2001 did not raise alarm as it expected this deficit to be covered by imports. This was clearly a mistaken and devastating assumption, given the increasing competition for food imports from the region, weak regional transport infrastructure, slow border customs procedures, political disturbances in Zimbabwe, which slowed down food trucks to Malawi, and the low level of foreign exchange reserves in most countries in December 2001.

3.4 Poor road and rail links throughout the region and low capacity at ports slowed down the rate at which food could be imported, especially given the high levels of demand across the region. Efforts are now being made to address the transport problems, for example through the reconditioning of the railway line from Nacala port in Mozambique into Malawi.

3.5 Despite the largely accurate predictions at a regional level, mistakes were made at a national level, which led to a late response to the crisis and prevented its mitigation. The National Early Warning System in Malawi seriously miscalculated the amount of food forecasted to be available in the country in 2001. In April it was predicting a surplus of 322,000 tonnes of cereals for the 2001–02 season. By July this had to be revised to a deficit of 155,000 tonnes and by October there had been a further revision to 313,000 tonnes. The actual deficit however was 610,000 tonnes.<sup>64</sup>

3.6 Two factors may have led to the underestimation of the deficit. Flood damage may have reduced production in a way that was unpredictable. However, better meteorological data may have been able to pick this up. The final deficit may also have increased as people began eating crops before they were ripe. The crisis was also exacerbated by the over-estimation of tuber production, which it was assumed would compensate for the cereal deficit.

3.7 Efforts have been made to provide some form of national emergency preparedness in the region. This has been particularly prominent in Mozambique. The government of Mozambique set up the Institute of Disaster Management (INGC) to co-ordinate emergency preparedness at a national level. This body has received considerable financial support from the UNDP. The establishment of the INGC has focused on Maputo with information flows to the provinces and on to the districts being extremely weak. This is because it has been under-resourced and lacks in physical infrastructure.

3.8 The INGC has been attempting to work closely with the Ministry of Agriculture, the FAO and the WFP on co-ordinating assessments and collaborating on reports to provide a consensus on the reports. As part of the government's contingency planning, food stocks were placed around the country and did help to alleviate some effects of the drought. Christian Aid partners have been working with the INGC to strengthen its role. Despite a current lack of capacity, such national bodies could play a key role in assisting communities to cope with situations of stress before they occur. However they need to be resourced, well planned and supported by local structures to be effective.

---

<sup>64</sup> Figures from SADC Food Security Bulletins and SADC FANR Figures.

---

3 December 2002]

[Continued

---

#### 4. SUPPORT NEEDED TO ENSURE FUTURE FOOD SECURITY

##### 4.1 *At household level:*

4.1.1 Support is needed for programmes to increase agricultural productivity through targeted affordable inputs and credit, rural social and economic infrastructure, and large-scale irrigation.

4.1.2 Households affected by HIV/AIDS need access to targeted extension services, credit, and agricultural inputs.

4.1.3 Well-designed government public works programmes that provide rural employment on a sustained basis need to be supported

4.1.4 The improved reach and relevance of extension services, especially to promote alternative crops, need to be supported

4.1.5 Community food banks provide a potentially valuable backup to national grain reserves in times of staple food shortages. Christian Aid partners in Mali have successfully experimented with low cost pest-proof food storage buildings. The grains they managed to store in these sheds tided them over following poor rains two planting seasons ago. Food banks can only work if there are surplus of food to store, which is dependent on irrigation, and if it is supported in the framework of an integrated rural development programme.

4.1.6 Without assets farming households cannot access credit to buy inputs and productive equipment. Many small-scale farmers do not own the title to the land they farm, which means they cannot offer it as collateral on loans. Support for land reform and distribution, as part of an overall poverty reduction strategy, will ensure greater future food security.

##### 4.2 *At national level:*

4.2.1 Governments need support to set up and maintain marketing institutions in remote rural areas not presently serviced by the private sector. This should be coupled with incentives and the creation of an enabling environment for private traders to invest in remote markets.

4.2.2 Support should be provided to enable commercial and government credit institutions to provide rural credit, which is a high-risk lending activity.

4.2.3 Governments, donors and the private sector need to support small-scale and large-scale cultivation of indigenous staple crops, which are better adapted to local weather conditions than maize, in all the affected countries. This will reduce their dependence on imports of foreign cereals.

4.2.4 Governments, donors and the private sector need to invest in the building and maintenance of rural economic and social infrastructure, including rural feeder roads, bridges, main roads, and railways.

4.2.5 Household and national food balance forecasts need to be improved, both in accuracy and in the scope of assessment.

4.2.6 HIV/AIDS prevention and care support programmes need to be stepped up in parallel with the distribution of food aid in affected countries.

##### 4.3 *At regional level:*

4.3.1 Government, donor and private sector investment is necessary to build, renovate, or maintain SADC-wide regional strategic grain reserves. Complementing national grain reserves, this could save significant maintenance and management costs.

4.3.2 The upgrading, building and maintenance of a cross-regional road and railway infrastructure in southern Africa needs to be supported, especially the projects already identified by the region's spatial development initiative linking ports to landlocked countries. One such transport corridor is the Nacala railway line. Nacala port, for example, has received 12,000 metric tonnes of grain over the past few months but only has the capacity to send out 8,000 metric tonnes of grain. Limited rail infrastructure also forces grain to be transported by truck, further delaying imports.<sup>65</sup>

---

<sup>65</sup> This is because each truck has to be processed by border control officials.

---

3 December 2002]

[Continued

---

4.3.2 Support is needed for a regional emergency foreign exchange mechanism to ease foreign exchange shortages

4.3.3 Support for national customs mechanisms to allow easier access for emergency imports.

#### 4.4 *At international level:*

4.4.1 The World Food Programme needs to have a sufficient reserve fund to enable it to respond more quickly to food emergencies

4.4.2 Donors need to give increasing financial and other support to encourage food security as part of poverty reduction strategies

### 5. LESSONS LEARNED ABOUT FOOD SECURITY

5.1 National maize self-sufficiency cannot be achieved in the drought-prone countries of southern Africa. Alternative and indigenous staple crops such as sorghum, millet, and sweet potatoes need to be promoted and cultivated.

5.2 The HIV/AIDS epidemic necessitates a rethinking of agricultural policies and production-enhancing intervention strategies. Support and extension services as well as inputs and credit need to be targeted to child- and women-headed households to help revive food production in southern African countries.

5.3 Chronically poor households can never be food secure given their low resilience to external shocks (conflict, drought, floods). Long-term pro-poor development interventions are needed to assist households to build their asset-base (land, livestock, capital) and to provide opportunities for off-farm income generation or formal employment

5.4 Well-functioning rural staple food markets will increase food security. Private agents, though, cannot operate or compete in areas that are not serviced by transport and communications networks. Well-functioning markets are dependent on up-to-date market information, which cannot be transmitted in the absence of a basic communications infrastructure. Well-managed government marketing agencies still have an important role to play as a buyer of maize and provider of inputs in remote rural areas.

5.5 Efficient and transparent government intervention is essential to stabilise staple food prices for producer and consumers alike. This may take the form of selling national grain reserves or selective import and export restrictions. Markets do not respond to needs, but only to purchasing power.

5.6 Timely, appropriate and affordable inputs are essential to increase yields. Agricultural policies need to prioritise setting up sustainable delivery mechanisms for inputs.

## APPENDIX

### *Christian Aid's response*

Christian Aid is not directly operational but supports partner organisations around the world. In southern Africa there are around 70 of these partners who work in a range of issues. Some are directly involved in programmes at the grass roots, which include agriculture and food security work, while some are advocacy organisations involved in raising awareness around policy issues. A growing focus for our work is HIV/AIDS given the extent of its affects in southern Africa.

Christian Aid has responded to the current food shortages in Zimbabwe, Malawi, Lesotho, Angola and Mozambique in particular. We have ongoing programmes in these countries and the assistance we have given partners to enable them to respond is in the context of these long-term partnerships. We will continue giving support for those organisations after the crisis has ended and have a well-established knowledge of their situations and the communities they work with.

---

*3 December 2002]**[Continued*

---

**MALAWI**

Christian Aid began to respond to the emergency in Malawi in October 2001 when a partner working with HIV/AIDS community groups approached us for food aid. The Likulezi organisation is staffed by volunteers, many of whom are HIV- positive themselves, who work with those most severely affected by HIV/AIDS. The project was finding that its volunteers were unable to carry out their work as they had to spend more time searching or working for food, as the food they had harvested that year was insufficient.

In January 2001 a grant was made to the Church of Central Africa Presbyterian (CCAP) Livingstonia Synod to distribute rice seed to 2,106 families and porridge to 4,500 underweight children. As the crisis worsen before the harvest Christian Aid provide emergency food relief to 19,200 families and porridge to 10,000 under fives, distributed by Churches Action for Relief and Development (CARD).

When it became clear that the harvest in April 2002 would probably only last a few months Christian Aid made a grant to the CCAP Blantyre and Livingstonia Synods and CARD to provide winter seeds to 16,940 families to enable them to plant a second winter crop. Further grants have now been made to these organisations and the Evangelical Lutheran Development Programme for further seeds and agricultural inputs to enable families to plant for the next years harvest, as many would have been forced to eat seed they had set aside for this. A further grant has been made to the Likulezi project to enable it to deliver food aid to 1,150 families who have exhausted this year's harvest already.

**ZIMBABWE**

In Zimbabwe two partner organisations, Christian Care and Organisation for Rural Associations for Progress (ORAP) have been running successful feeding programmes targeting school children and under fives since August 2001 and has recently been extended to March 2003. This has now become the main source of food for many of these children. A programme of general feeding has also been set up to provide 80,000 people with food rations in the Gutu district, Masvingo Province. The programme has been supported by the Department for International Development and around £4 million has been committed so far.

**LESOTHO**

The Christian Council of Lesotho is responding to families in need in the Qacha's Nek and Quithing districts of Lesotho. Christian Aid is helping them to provide food aid for 97,000 people for eight months up to May 2003. This food aid involves food for work for the more able-bodied recipients, namely re-trenched mineworkers. Participants will be asked to help with environmental rehabilitation schemes in return for food. The project will also give people seeds to help re-establish farming patterns.

**MOZAMBIQUE**

Although the situation is not as severe in Mozambique as a whole as other countries in Southern Africa, there are still pockets of extreme hardship. The Christian Council of Mozambique had been using their experience of disaster rehabilitation programmes after the floods of 2000 to respond to the food shortages in Mozambique. The council is implementing a programme of over a million dollars which includes food aid and seed distribution to enable farmers to re-establish their farms. Christian Aid is funding the seed distribution element and it is hoped that this will reduce dependence on food aid. As well as seeds for traditional crops such as maize the distribution includes drought resistant crops such as sorghum, millet and sweet potatoes. The sweet potato cuttings provided are enriched with Vitamin A and farmers can use both the leaves and the tubers

**ANGOLA**

The end of the civil war in Angola many families have been displaced by the civil war and therefore have lost their land and stocks. They are in need of food aid to help them in the short term and seeds and tools to help them re-establish their agriculture. Christian Aid is supporting three NGOs working in different provinces. The Association of Christian Young People (ACM) is providing food aid, seeds and tools to displaced families in Kwanza Sul province; the Evangelical Reformed Church of Angola (IERA) is working in Uige province and ADRA is working in Bengo province

*Christian Aid**October 2002*

3 December 2002]

[Continued

### Examination of Witnesses

DR JOHN SEAMAN OBE, Development Director of the Food Security and Livelihoods Unit, Save the Children Fund-UK, MR RICHARD MAWER, Director of the Food Security and Livelihoods Unit, Save the Children Fund-UK, MR TONY DYKES, Head of Southern Africa Team, Christian Aid, and Ms KATO LAMBRECHTS, Senior Policy Officer, Christian Aid, examined.

In the absence of the Chairman, Tony Worthington was called to the Chair.

**Tony Worthington:** Welcome. Thank you very much for coming along. I am going to ask Hugh Bayley to start to lead our questioning.

#### Hugh Bayley

110. Thank you. I do not know whether this is addressed to Save the Children or Christian Aid, so choose. Late last year why did the early warning systems and vulnerability assessments in Southern Africa not produce an adequate response from governments in the region and from the donor community? Was it that the early warning systems were flawed or were they working okay and people were not listening?

(*Dr Seaman*) A combination of things. The most fundamental is that there is no, as Stephen Devereux said, what one could call proper early warning system for famine in place. The 1992 crisis in Southern Africa led to quite a large investment in systems for monitoring agricultural production through satellites to a certain amount of ground proofing and in keeping some record of price changes to a different extent in different countries in the region. The difficulty with such systems is that they do not predict when there is going to be some sort of a subsistence crisis because they have within them no measurement or even estimate of demand, so one can notice that crops have failed, for example, and prices have gone up but have no idea—

111. No estimate of what? You said they have within them no estimate of?

(*Dr Seaman*) Of demand for food. They are very supply side. It can become evident, as it did to stay with Malawi because it is a clear case, pretty early on. FEWSNET, which is the regional device based in SADC, was reporting maize failure in Malawi from, I think, July or August quite clearly and unambiguously, it was available on the web. The difficulty is to go to the next stage and say “maize has failed but what does that mean?” There have been no systems in place to do this. Crop failure does not necessarily lead to a subsistence crisis; a rise in price does not either. The result was, therefore, that these reports were coming out and the people responsible were trying to interpret them but not doing it very accurately. Again, from July or August great play was being made of this rather large national figure for cassava and other root crop production which appeared to fill the deficit. This brings us into problem number two which is the system is not well technically resourced. To take cassava just as an example, cassava is a peculiarly difficult crop to measure. I think anybody in agriculture will tell you this, it is under ground and it is no more complicated than that perhaps. The question should immediately come where does this figure come from and there were a variety of stories that were attached to it. One was that USAID had invested quite heavily in an

extension of cassava production over several years and, therefore, there was an interest in demonstrating that this had been successful. The second question would have been let us suppose that the figure is true, where is this cassava? We put up a special study in January of this year to demonstrate what was already informally extremely well known, that most cassava production is down by the lake, it is mostly produced by households for their own domestic consumption and very little of it goes on to the market at all. It is possible to buy cassava in Lilongwe, in Blantyre, but if one went, say, to Mchinji or Salima or any of the other districts it would be quite unusual to find any cassava even available on the market. That is, as it were, one set of failures. The second was, and I think not enough play has been made of this and it is partly because I deal in the minute technicalities that I tend to notice these things, we came up with a prediction almost by accident beginning in September when we were doing a SADC training in Salima. This was a training in techniques of estimating demand and that took us to villages and it was evident that the villages in which we were training were already distressed. I think that is the word. We subsequently went on and did more work in October to produce more formal data sets with the hope that this would convince people to respond. In November an official early warning assessment was done. I have got a copy of it here if anybody would be interested, it is the *Joint Food Availability Assessment for Malawi* November 2001.<sup>2</sup> This was a combination of FEWSNET locally, I think the EU Food Security Adviser and a WFP VAN regional person who came down from Kampala. They produced a paper and this paper repeated the argument about cassava and other root crops and said that there is really no overall supply failure anyway. Secondly, it was quite unable to come up with anything sensible on demand at all and simply fudged the issue. They reached the conclusion that there was a problem but it was not a very big one and one that could be dealt with through very modest resources. This paper, frankly, had much greater status than ours. I think we have fairly good evidence that the Americans responded to this paper as if it were the truth, it was the current prevailing wisdom, that we were overstating the case, in reality the case was much less and, therefore, they did not need to be overly concerned with what was going on.

112. One of the points that was made to us when we were in Malawi was that people reporting root crop output were the agricultural extension workers who also had the job of encouraging diversification away from maize into root crops and, therefore, it was in their interests to tell their bosses that they were being successful in promoting diversification.

<sup>2</sup> Available at: <http://www.malawiagri.org/reports/foodassmt1001.pdf>

3 December 2002]

DR JOHN SEAMAN OBE, MR RICHARD MAWER,  
MR TONY DYKES AND MS KATO LAMBRECHTS

[Continued

[Hugh Bayley Cont]  
(Dr Seaman) Yes.

113. In a country with so little agricultural administrative capacity, how would you get round that problem? I can see that there is a problem there but you cannot just double the number of secondary school trained agricultural enumerators, can you? What do you do?

(Dr Seaman) Indeed, this has been a problem throughout Africa for two decades really as national statistical services have tended to decline. I would say just in mitigation that the extension services in Malawi are actually extremely good. We do get very good sense and co-operation out of them and it is surprising how, given the general decline in the economy, the activity of these people has continued. The problem, just to restate it, is how would one get consistent measures of demand over very large areas of land and in a very contemporary way. I think there is no proper answer to this. We have been developing techniques over a good many years to really try and be able to measure demand reliably using minimal technical resources and at the lowest possible cost. I think we would claim some considerable success in doing this but there is no denying that there is a cost attached to doing this and that cost is probably beyond the money available to governments. There is even a question, given the shortage of money, whether governments really ought to be prioritising this. The only way that a compromise can be found is if donor resources are available. We have some hopes now, largely as a result of this crisis I think, that DFID will now be investing in SADC so that SADC can do the necessary training in the various countries of the region to try and install this additional layer of early warning so that we then do have some complete early warning system come the next crisis.

114. From what I have read it seems that there is a critique of the supply side methodology that governments traditionally use, there is a critique of the demand side methodology that unless you put huge resources into it your samples are unlikely to be representative. It may be the case that the household affordability work that has been done this year happens to have predicted a shortage, but to make it a reliable system one would have to extend it considerably. My question is this really: I can see the strengths and weaknesses of both systems but they seem to me to be measuring different things. If you go back to UK social policy 100 years ago when food shortages and famine were serious problems in this country, researchers at the end of the 19th Century and the early part of the 20th Century used to talk about primary poverty and secondary poverty, primary poverty being not having enough food to feed people, not having enough money to survive, and secondary poverty being having enough money to survive but spending it in a way that meant you did not have enough food, that you were spending resources on other things. Now things have moved on because relatively we are so much wealthier a country but in a sense is that not what the two systems are doing, the government system with all its flaws is trying to detect a primary food shortage, trying to detect whether a country has enough food for self-sufficiency irrespective of the distribution of it, and the second household approach is saying given the availability of food, which has been

determined to a certain degree of accuracy by a government system, we estimate that unless special measures are taken by the government or somebody else to feed these vulnerable communities, a third of the population, or some other proportion, will not get enough food? Are they doing these different things?

(Dr Seaman) They are entirely. It is not a question of either/or. The estimation of supply is a proper, necessary and fundamental step. Countries do need some estimate of supply if for no other reason than to come up with some figure for import requirements just to balance the national books. There is no dispute about the need for such systems. Secondly, clearly the demand side has to have some knowledge of the supply side. One cannot operate a demand side system without having some sort of trigger information available. The sort of questions that we set out to answer would be that given, for example, maize has failed by 20, 30%, what does that mean for people's ability to acquire food, and one has to say non-food going back to the 19th Century example? What proportion of households of what type will be unable to acquire sufficient food to meet their requirements?

115. Can I ask one final question. How do you move on from the second, the demand side survey, which might establish 20% or 40%, a proportion of families will not have sufficient income to feed themselves through the current year, on to policy for distributing food? How do you then identify, best identify, which villages, which regions and which families or households in a particular region or particular village ought to be the beneficiaries of food aid?

(Dr Seaman) As long as the demand side work is done at a sufficient level of disaggregation—we have largely been working in Malawi at a district level, which is actually quite a large level of aggregation, but that sort of geographical space—it is possible to say “this area is that much worse than that area”. It is hard to defend these statements here but they have proved to be very reliable and, touch wood, so far we have failed to make a mistake out of 14 predictions in different parts of Africa. There is good reason to believe that they should be reliable and it is not just me saying so, as it were. The next stage is where does one go from there? Given the ad hoc nature of a lot of this work it has tended to be a straight run to food aid because it is the only plausible mechanism in the short run which can satisfy the deficit. This is how it has been very much in Southern Africa. These techniques can also be used to give very substantial guidance on other possible policy interventions. The scope for these varies quite a bit from place to place because clearly it brings into play questions about administration, the honesty of administration, the depth of administration in particular places. The really fundamental one, of course, is what would the effect be of stabilising cereal prices because this is the one thing that is within the power of most Southern African governments, as Stephen Devereux has already mentioned. It is a modelling technique that we use. We can demonstrate quite clearly that if you had stabilised the price of maize in 2001 in Malawi no crisis would have occurred. People would have

3 December 2002]

DR JOHN SEAMAN OBE, MR RICHARD MAWER,  
MR TONY DYKES AND MS KATO LAMBRECHTS

[Continued

**[Hugh Bayley Cont]**

continued in the depths of poverty but there would have been no crisis and I think we probably would not be sitting here.

**Tony Worthington:** I will move on now to John Barrett. Do not repeat what has been said but if there is an insight that you feel has not been covered, please do come in.

**John Barrett**

116. There are obviously different methodologies of assessment of food security and one that exists is the household economy report. Perhaps somebody could expand on what the household economy report is and how that would improve knowledge available for identifying the number of people at risk and how the problem can be dealt with?

(*Dr Seaman*) It is me again. A very brief history, and we can easily supply basic papers on this. For an NGO it has a slightly odd history, which I will not go into. It comes from work done by Professor Amartya Sen on a thing called exchange entitlements, he got the Nobel Prize two years ago for this work, which gave rise to this whole view of famine in terms of an access crisis rather than a supply crisis. He published a book in 1981. We had an interest for historical reasons and took up work with FAO to see if it was possible, because a corollary of the theory was that you cannot predict famines unless you can measure entitlement. To take a purely practical example, say of a Malawian village, entitlement would really reduce to the sum of the assets of a particular household. This can get quite intricate in Africa because households have multiple sources of income. They produce food, they may choose to sell one food item and buy a cheaper one, they have assets that they sell like livestock, livestock may reproduce and then they have assets they can sell without depleting the asset base, some people may work in the city, some may work locally. It is not uncommon to find 15 sources of income in a single African household. This makes the technical problem of measurement quite intricate and we set out with FAO in the early 1990s to see if it was technically possible to do this meeting the criteria of being trainable, that is to say we could get non-specialist staff to do it reasonably accurately, it was reasonably cheap to do, we could cover big areas quickly and so on. The technique itself involves usually primary data collection because the data is simply unavailable from conventional sources, but now in a very highly standardised way in which we will obtain household budgets, all sources of income, food, all sources of incomes, cash, and usually the expenditure to make sure that we are getting the first two right, it has to be a balanced book, an estimate of assets, which typically would be livestock, cash which one can get indirectly, although it is usually zero for the groups that we are most interested in, and other tradeable assets. On larger areas we would also take a great interest in the markets, in the form of the particular points at which each good is traded. Armed with that information it is possible to construct a model and the need for a model also comes out of Sen's work, which is a fairly generalised model of a rural economy in which one can say "Supposing we lower production by this much in this place, what effect will

that have on the potential for this household or that household to acquire a certain amount of food at some stated price", or combinations of problems where one can change production and price, different depths of problems in different geographical areas. There are holes in the argument. The most obvious, and one that the international community will never face up to, I suspect, as was said by Mr Bayley, is households make choices about food and non-food consumption. We have always taken the position that there is a minimum level of non-food consumption that a household should be allowed to retain before meeting its food requirements. Many Malawian households are existing for long periods without soap, clothing, light at night or any of those basic things, which always tends to exaggerate food requirement to some extent. Donors in general regard it as food requirement and they will not discuss non-food requirements. These are fairly fine points in the context of a crisis such as the one that is occurring in Southern Africa.

**Tony Worthington**

117. Can I switch, and this will allow you to come in, to the role of NGOs in their humanitarian focus in terms of food aid in the area where you come into a society and you are in it but in a sense not of it and your relationship to the politics of the area. What has your experience been, SCF's experience, Christian Aid's experience, in delivering humanitarian assistance in Southern Africa?

(*Mr Dykes*) We are not going to speak if we are going to add or we are going to duplicate. First of all, we have got perhaps different approaches. In Christian Aid, where I work, it is in a non-operational way and, therefore, we are not a direct implementer, we support local partner organisations. Whilst we ourselves have been present in all the countries affected in the current Southern Africa food crisis, we are working through local organisations. They are part and parcel of the fabric of that life, they will understand the local language. For most people affected, English is not their mother tongue, for example, and those who have been to Malawi would have experienced that. Understanding cultural practices. If your question is in terms of the politicisation of humanitarian assistance, I think the first point is in any humanitarian crisis there is probably a political component and direction. I think Christian Aid and other well established UK NGOs have a track record of dealing with that in difficult and demanding circumstances. It is also the case that in a humanitarian crisis the host government, and it is a host government, will often seek to take credit for the response, whoever provides that response, and that needs to be understood. For effective relief you normally need to try to co-ordinate your actions, it is not just a question of one NGO on its own, it might work in a given area. As regards the wider situation, particularly in the case of Zimbabwe, there is a deeply politically contested situation where we have a situation with our own programmes working through local NGOs and we are able to say quite positively that assistance is reaching the people it should be reaching and the targeted population, in

3 December 2002]

DR JOHN SEAMAN OBE, MR RICHARD MAWER,  
MR TONY DYKES AND MS KATO LAMBRECHTS

[Continued

**[Tony Worthington Cont]**

our case it has been mainly child feeding, has been agreed through a variety of mechanisms, not one sole mechanism giving you a list of beneficiaries, for example. I think there is a wider concern about Zimbabwe at a number of levels. One is the relationship between the Zimbabwe Government and the UN humanitarian relief operation and the number of, if you like, participants being allowed to carry out effective relief. That is a concern and something that Save the Children may wish to comment on. It does not directly affect Christian Aid because we are not seeking to be the direct implementer, we are supporting local organisations. The other issues in Zimbabwe concern the fact not that humanitarian aid is freely available, it is not, but that the Government of Zimbabwe is apparently importing larger quantities of food for sale through the Grain Marketing Board depots and there are repeated reports that that has been handled in such a way that it is not party political—neutral—and that is of concern. Even if it does not directly impinge on our programmes I think there is a responsibility for the humanitarian community broadly defined to raise questions and issues about that. We would hope and support that the UN system is pursuing any such allegations of that vigorously and thoroughly.

(*Mr Mawer*) If I may add from Save the Children's perspective, I think our preferred partners are by and large different. We initially try and work, as far as is possible, with government, that is our preferred way of working: we particularly try and work in a capacity building manner. So if we are looking to improve nutritional services that are supplied by government rather than doing it ourselves, we are looking to improve the ability of national government teams to understand the likely impact of this famine and to be able to predict where it is going to hit hardest, as well as being able to respond in a better way. That is our preferred option. In particular, also here in Southern Africa we have been trying to work very closely with SADC as a regional agency to come up with a much more co-ordinated approach both to be able to predict, again, where the problem is going to be worst and to be able to come up with a co-ordinated response. Obviously any response needs to be a regional response and is not country specific. That is one of our particular ways of working. Where that is not possible, as is obviously the case in Zimbabwe, then we do go it alone or we do go in with local partners as may be appropriate.

118. In Malawi the system of distribution and allocation of resources seemed to work fairly well. It was organised largely by the NGOs. There was an internal distribution service. We heard from DFID and we heard from the local people and everyone we spoke to said this NGO system of distribution is working very well but they still had some qualms about it in the sense this was really the internal structure of government within the country and that was bad in a way, that is not an NGO job. Do you have any feelings about that?

(*Dr Seaman*) Yes. I share their qualms. This is a personal rather than an institutional position. Exactly as Richard said, we do try and work with government precisely for the reason that some of

these are properly government functions and it is our job, if we have one, to support the process, not to supplant it. There is, however, a reality that government has been undermined in many ways and is sometimes actively undermined by donors who may actually refuse to supply food through government agencies. At the very least it should be possible to square that up with, in this instance, the district level by working very closely with the district administration, which we certainly do in Malawi. There are good practical reasons for doing that in that government does have the machinery that we do not have and actually knowledge of villages and individuals and so on that we do not have. It is a very uncomfortable relationship, yes.

119. This is the difficulty. On the other hand, there was a loan being granted through the World Bank for food, which we found difficult to accept, the way in which it was done. That was going to be done through government in terms of distribution and one had doubts about whether it would have been done in a politically fair way, it would be coinciding with elections and so on. So there is that kind of difficulty.

(*Dr Seaman*) If I may chance my arm very slightly, and this is built slightly on something that Stephen Devereux said, we have to ask ourselves the question who is running the country and how does the political process evolve and is there such a thing as politics in a country that is not politically interested, in any country? I have a sense here that we want it both ways, we want absolute political neutrality where there is something that is potentially acutely embarrassing to us—famine in Malawi—where we know really we cannot have it and if we want the political process in Malawi to evolve over the next several years we have to give a reasonable amount of power back to Malawians and we have to accept that comes with, from our political perspective, a small price tag, which is that it will not always be neutral.

120. As NGOs you must have written guidelines for staff on the ground about what the boundaries are.

(*Mr Dykes*) There are guidelines contained in the codes of conduct drawn up by the International Red Cross and Red Crescent Movement which NGOs are signed up to in the main—we have—which are principles of political neutrality in terms of providing humanitarian relief and assistance. I think the difference we would draw is we accept we work in a political environment and if you have got a humanitarian situation it is often driven by an apparent lack of resources or an ability to access resources and that will give a certain degree of politics, so you have to understand you are working in a political environment, sometimes a very contested political environment, and people will try to assign aspersions to your actions. What you have to be able to do is demonstrate not only to yourselves but to any other party who wishes, that the assistance is provided for those genuinely in need, accepted, and it reaches those and it is appropriate and it is not based on any party political affiliation. I think that is an important thing.

3 December 2002]

DR JOHN SEAMAN OBE, MR RICHARD MAWER,  
MR TONY DYKES AND MS KATO LAMBRECHTS

[Continued

[Tony Worthington Cont]

121. Could you send us a copy of the Red Cross guidelines?

(Mr Dykes) Yes.<sup>3</sup>

**Tony Worthington:** That would be very helpful.

#### Mr Colman

122. Two questions about asset depletion and increased vulnerability. What are the knock-on effects of food insecurity in terms of education, health and the asset base of households? What are the consequences of such asset depletion, and what can be done to rebuild people's assets?

(Ms Lambrechts) I think we all have a lot to say but I will start off and probably other people will come in. You will have read in our submission that we have spoken about asset depletion particularly in the context—I am sorry to going to insert this now—of HIV/AIDS in the region. I do not think we can separate those.

123. Indeed.

(Ms Lambrechts) One of the issues that we have seen, and that our partners in both Zimbabwe and Malawi have reported to us, is the fact that in farming households affected by HIV/AIDS, and when we say "affected" we mean adults in that family, productive adults who have been involved in different cycles of the production process of the harvest have died or are very ill and cannot work any more, we have seen that in those households there has been a severe depletion of different types of assets used to farm the land. Stephen Devereux mentioned the whole issue of human capital. Personally I do not like to use the words "human capital" for human labour. Human labour is, of course, the primary one because this is the only thing most people have. It is actually quite important, particularly when we start talking about adults dying in a household and only having—this is the reality—child-headed households, children who have not been taken in by extended families. One of the issues that Christian Aid has tried to come to grips with and understand is how to look at the government extension of services as a response and new types of extension services to provide for really a new type of farming households that are often headed by children who have not received knowledge coming from those who used to farm the land. This is not an issue that is currently appearing in any of the Poverty Reduction Strategy Papers that have been drawn up. In fact, food security as a whole is completely neglected in all of these PRSPs. That is one particular issue that we would like to investigate and look at to see how these extension services should be realigned and redesigned, in fact, to take account of the new reality. This is just in response to this huge loss of human labour which, of course, has a knock-on effect on actual output. The FAO has done quite a useful study, as you probably know, on the actual percentages of loss of labour which is up to a fifth of agricultural labour in some of the countries with the resultant reduction in yields<sup>4</sup>. I will stop there.

(Dr Seaman) This was with specific respect to education?

124. It is the impact of food insecurity on education and health and the asset base of households.

(Dr Seaman) Looked at from the point of view of the disposable income of whatever household, access to food and access to education to some extent interplay. A repeated observation is that there is a large proportion of most African populations that simply cannot afford to send their children to school in simple monetary terms. There has always been a cost associated with education, a direct cost, whether that is uniforms in some countries, school books, minor items. A proportion simply cannot afford to send their children to school because of the loss of the child's labour. I was just in Bangladesh looking at precisely this. There is a problem even in households that appear nominally able to afford to send their children to school with what one might call cash flow. There are periods of the year in which fees, school uniforms and so on, are needed. To step outside Africa to Bangladesh, because it is in my mind, in January the uniforms have to be provided and in January it is the period when even a small landed labourer is at his lowest from the point of view of domestic cash flow. The two play very closely together, to the extent that if one wanted a larger proportion of many African households to send their children to even primary school very considerable thought would have to be given to income transfers to households to make that possible, not just cheapening the direct costs of education. Bangladesh has done this to some extent with their stipend system. We did a large piece of work in Northern Tanzania in 1998–99 where there was never a risk of starvation, it was an argument about the economic impact of the droughts, and it was predicted there would be a wholesale withdrawal from school and, indeed, there was as people balanced the domestic books in favour of access to food. In HIV affected households this redoubles itself because of the youthful nature of many such households.

125. Ms Lambrechts mentioned the need for a new sort of farm extension system because the transfer of knowledge is not taking place. Clearly there are other informal support systems at community level to keep things going and I am assuming they have weakened because of poverty and marketisation. Do you believe that there ways in which the community support systems can be supported and strengthened? We have heard about the need to perhaps back local government which would come alongside NGOs but are there other ways, do you think, that community support systems could be supported and strengthened?

(Mr Dykes) I think there are a variety of ways. First of all we have to recognise that they exist. I think we have to recognise that government exists as well. The aim is to get the best of both, not to replace one by the other. That is the first point. The second point, however, is to recognise that for many people that community level is what they relate to, it is what they understand and it is what they will often believe and accept from within that structure. It also has the ability to hold people to account, for example, in terms of agricultural practice, of asset increase, of

<sup>3</sup> Available at: <http://www.sphereproject.org/>

<sup>4</sup> Committee on World Food Security, 28 May to 1 June 2001: 'The impact of HIV/AIDS on Food Security', Table 2. See: <http://www.fao.org/docrep/meeting/003/Y0310E.htm>

3 December 2002]

DR JOHN SEAMAN OBE, MR RICHARD MAWER,  
MR TONY DYKES AND MS KATO LAMBRECHTS

[Continued

[Mr Colman Cont]

trying to get a passing on of the gift. Unless you do that properly through community mobilisation and work, and it is accepted as a cultural norm within the community and reinforced by the community, it often does not happen. If it is imposed from a centralised state it tends not to work, the gift is not passed on but retained. It has to be worked through with the community, so you have got to work through acceptable community norms and manners, that is one point. Second, engaging the community in the analysis of what are the problems, what are the priorities, what they can do and what they want other actors to do is an important part. The process is an important part of the localised solutions. Part is sometimes in trusting that community and rather than having tightly designed, very controlled programmes with very prescribed inputs, outputs and activities, giving some greater freedom in a holistic way for communities to design and implement programmes which are appropriate to their situation so they have got some say and influence over them, they are not simply externally imposed. That would all be important.

126. Are the churches and the mosques rising to the occasion? Are they part of the community support system, if you like?

(Mr Dykes) Churches and mosques, and I speak as a member of staff at Christian Aid, have great strengths but they are not always right in agricultural practice at least.

127. Within the local community?

(Mr Dykes) The point about these structures is that they are there, they are trusted, and it is an important factor in rural Africa, for example. Churches are not simply a place for a prescribed church service, they are a meeting point for the community, it is where they assemble, it is where they exchange information, it is also a reference point for them. Using those types of structures that do exist that have some confidence from the rural communities seems to me is a proper way forward in trying to increase agricultural productivity but also, say, for other messages, including diversification and reducing vulnerability. They have an important role and should not be overlooked but often are, particularly from our country, which is largely a secular country, where we tend to downplay the importance these have in everyday life in rural Africa.

(Mr Mawer) I think as all of these normal coping strategies become overwhelmed it is being able to identify which are the small, maybe time bound and critical inputs that have to come, for example, if you are a child-headed household. The one bit that they probably need is help with the ploughing in this week or this month and if that does not happen then they cannot achieve and take on the responsibility.

**Hugh Bayley**

128. Can I just push you a little bit further on the impact of HIV/AIDS. We have had a number of generalised statements about the impact both on the productivity of people with HIV infection and also their susceptibility to opportunistic infections which come with malnourishment. I am much less clear

what can be done about it both in terms of responding to the immediate crisis and in terms of creating a sustainable development strategy for Sub-Saharan Africa, for any area which has a very high incidence of HIV/AIDS. Kato raised the concept of the development of an agricultural strategy specifically for smaller, weaker child-headed households that cannot plough. Hitherto, I have been pretty sceptical about the value of anti-retrovirals in Africa given the cost of them compared with the health gain you would get with other treatments. In Malawi I came to see it possibly as akin to a key worker strategy in the UK, a way of getting a few more years of work out of a key worker like a teacher or a nurse. Is that a sensible way to look at targeting what would have to be a targeted strategy on HIV, or should one look at drug therapies as a non-starter because they will simply be colonised by the elite? Could we just run round the table and have one or two suggestions from each of you about the practical things that could be done to build sustainability in an environment where a quarter, possibly even more, of the population are HIV Positive?

(Dr Seaman) I assume we are talking about economic sustainability. On the question of retrovirals I tend to agree with you. The problem is that it is not so much the drugs, it is often the system for delivering them, or the lack of that system. It does require a relatively sophisticated system, fairly close application to the individuals concerned. As we have been talking about food security, health systems do not even begin to come close to the criteria for delivering retrovirals on any large scale regularly. I think it is questionable whether we would even be capable of delivering to key workers outside of some urban areas in most of the countries which we are discussing. On the question of the economic sustainability *per se*, I have come to see it really as in a sense there are two debates going on. There is a debate going on about what we can do with the prevailing resources and perhaps policy limitations. I would suggest, and I think from all the evidence I know of from attempts to look at this problem in rural Africa, the resources are simply insufficient to the task, in my view, outside of small areas, projects run by NGOs, which I am not against in any sense but they are small areas that do not target a mass population. The resources are simply not there to do anything very sensible. I think it is as simple as that, I have reached that conclusion. The other side of the debate is what—

**Tony Worthington**

129. Leave something for someone else.

(Dr Seaman) More resources.

(Mr Dykes) I think if there is some good to come from this crisis—I say “some good”—it is the recognition of the impact HIV/AIDS, not just as an emergency but as everyday life for many millions of people in Southern Africa. That is one point. My point would be not just an emergency strategy but a development and anti-poverty strategy needs to fully take account of HIV/AIDS. One of the points is to break the silence that is affecting it in communities, break the stigma of it. Members of the Committee

3 December 2002]

DR JOHN SEAMAN OBE, MR RICHARD MAWER,  
MR TONY DYKES AND MS KATO LAMBRECHTS

[Continued

**[Tony Worthington Cont]**

have been to Malawi and many people still will not talk about it, they will be going to the funerals, there are communities being mourned and decimated, but it is “somebody died”. We have got to break that silence and stigma. It seems that can be helpful. Secondly, we are calling for strategies, certainly at the agricultural level, which do address it specifically and openly and honestly which actually say “For those who are HIV Positive we may have to target food aid. We may have to target other forms of assistance”. There is a problem here in that many people will not come out and say they are HIV Positive. We are juggling with if one offers certain incentives will people be more prepared to state their status and be open about it, so a community and a national level response is more formulated in terms of those strategies. You then have to target households affected directly by HIV/AIDS, people who are living with HIV. Kato has mentioned about child-headed households. What you also have to factor in is providing a range of opportunities for people who are affected, not necessarily just in agriculture but that can include some income generation and other activities. As regards drug treatment, it clearly has a role to play and it can very much reduce the transmission from mother to child very clearly. The issue certainly in rural Southern Africa is not just of affordability but even if one does target, and leave aside the philosophical objections, certain workers and not others, how will the drug treatment help them if their nutritional status continues to decline? You have got to bring about enabling people if they are to live longer and productive lives, having an adequate food supply and an adequate nutritional status, not simply relying on drug treatment.

**Mr Khabra**

130. In many countries of Southern Africa it was considered that state marketing systems were very expensive, inefficient, poorly run and hindered the growth and efficiency of markets for them to introduce liberalisation of the economy and particularly agriculture and there was a role for the private sector. It appeared that the private sector and liberalisation clearly did not come up to the expectations of the people and there has been some criticism of the new programme and particularly Christian Aid is of the view that “Markets can only respond to purchasing power, not to needs, hence the need to build institutions and strengthen government capacity to design and implement pro-poor policies”. The question is what role has agricultural reform played in shaping vulnerability and food insecurity in the countries of Southern Africa? What lessons can be learnt from the current crisis as regards the pre-conditions for successful liberalisation and the appropriate role of the state in ensuring food security and reducing vulnerability to shocks?

(*Ms Lambrechts*) That is a big question. I will try to draw out perhaps two or three key points. On your first question, what has been the impact of agricultural reform on food security, in our submission we have looked at three countries—Zimbabwe, Malawi and Zambia—in this regard. Of course, the overarching issue for all three of these countries has been their dependence on World Bank/

IMF funds, on donor funds generally, and therefore, to come back to the previous point that was made, these governments have not always been in charge of their policies, have not always been able to respond as in a democracy, as people know it here, to strong demands and voices within their own societies, these have been largely shaped by the World Bank and IMF with other donors. The theories that have underpinned the advice that has been given to take away support, to stop state support of prices, to stop state support of marketing, of assisting small producers to market to buy and sell their products, has been in some cases fairly understandable, partly inefficiencies, a real lack of resources to continue financing these huge subsidies, they were not seen to be sustainable, and issues about governance and corruption that have taken place in these. Christian Aid believes that these very legitimate concerns have led to policies that have actually thrown out—to use the term—the baby with the bath water. What we have found is that in remote communities in Zimbabwe where the Grain Marketing Board had depots before to buy the grain off these communities, they literally are in communal areas which is where most of the resource poor farmers live, but as of 1991 when the Enhanced Structural Adjustment Programme started being implemented they have had no access to markets, to buyers of their produce, and if we look at Zimbabwe today more than 90% of poor households are dependent on money to buy food, they do not produce enough food per hectare to be able to feed the household, as Stephen explained. The loss of the money they used to get for that food to be used in times of food shortage during the year has had a severe impact and has led to cumulative years of malnutrition in families. A UNDP sponsored study has found that, in fact, if you get an accurate picture of the whole agriculture liberalisation programme in Zimbabwe the only ones who have benefited have been some traders. In Malawi we have found that there is no private sector that can fill the gap, the traders, the companies, the small enterprises necessary to fill the gap left by the state leaving particularly remote areas that are not serviced by infrastructure, and I am sure on your visits you have seen it does not exist, rural feeder roads are hardly accessible to anything but maybe the horses or the donkeys, no vehicles. Nobody has come forward to fill that gap and, therefore, one needs to take a step back and look first at what are the preconditions for policy change, for reforms to address what are sometimes legitimate concerns. These preconditions are primarily three things: rural infrastructure, it is incredibly important to invest resources into that; to invest resources, and I think this has been mentioned before, into building up small enterprises, the private sector in the country, to be able to fulfil part of the role that it can in regulating these markets; and then affordable access, which may mean free access, for the poorest to inputs and credit. One has to design policy reforms. One cannot design this incredible reform, and we have seen the outcome from what was done in the 1980s, without in parallel addressing these almost preconditions for some kind of a market to continue to function. As someone said before, my last point is there always has to be a supplementary or a parallel policy of looking at safety nets for the poorest and

3 December 2002]

DR JOHN SEAMAN OBE, MR RICHARD MAWER,  
MR TONY DYKES AND MS KATO LAMBRECHTS

[Continued

**[Mr Khabra Cont]**

most vulnerable households who, if one takes away price support, for example, will need some extra support to be able to purchase food when they cannot grow this for themselves.

131. You said liberalisation, particularly in poor countries, does not always work in the interests of the people and as far as corruption is concerned, it is well known perhaps that anything controlled by the state, the government itself, is more corrupt in these countries, corruption is a way of life. With liberalisation corruption does not disappear. If it does happen the corruption sometimes may increase because it will monopolise and the economy is in the control of the strong and the rich people. I think there has got to be a balance between the two as far as giving any hope to the people in terms of food security and the development of the economy, the diminution of poverty and also providing public services to the people if they need them.

(Ms Lambrechts) I think that is a very important point. Private monopolies do not necessarily mean better management or less corruption than a public monopoly. The recent banking scandals in Mozambique have illustrated that quite clearly. I think the challenge lies now in countries like Malawi particularly where one of the preconditions for the government to access future funds from the HIPC relief fund and future loans is, of course, to privatise ADMARC. You may have come across these debates in Malawi. The challenge is to sit down and think through what is the most appropriate response and not necessarily go down an ideological road, ie liberalisation for the sake of liberalisation, but to look at what would be a response that would be poorer that would actually serve and help to sustainably grow the livelihoods of the most vulnerable. Again, the process here is probably as important as the outcome. By that I mean the involvement of people themselves who will be affected by whatever is decided. How to begin to regulate these functions is as important because that will in part determine what the sort of structure is that will best serve their needs. I am perhaps giving an answer saying this would be the best.

132. The last question is, is the response to the ongoing crisis effective enough to ensure that there is no repetition in 2003 of the food crisis that claimed hundreds or thousands of lives in early 2002? If not, what are the risks and problem areas?

(Mr Mawer) I suppose I would come back to what we were talking about right at the beginning, the ability to understand what the reality is of the situation, what really is the problem. In many ways we have come a long way in the last 12 months. I think governments and WFP and FEWSNET have put in place systems at a national level called the National Vulnerability Assessment Committees that are starting to get a handle on all the different things we are talking about, supply, demand, ways of monitoring this that are more complex or less complex to give a good picture. That is one additional plus. What we are in the process of finalising with DFID is this discussion of a grant of about £5 million to actually assist SADC, the Regional Vulnerability Assessment Committee, which will undertake capacity building in certainly the eight most affected countries and that grant

should be kicking in early next year. The first thing is that, yes, we should know what is going to be the impact of whatever changing crop production is there. We should be able to predict rather than just respond. Hopefully the second thing is that donor organisations, such as DFID and the EU and USAID, are in a much better position so they can have the dynamic expertise in the region that they did not have at the beginning of this problem so that it is clearer to people who are going to have responsibility for intervening, whether it is WFP or whether it is NGOs. They should know how to link, it should be clearer how DFID and CHAD, those people, work together, it should be clearer also how we are able to influence the different types of interventions and prioritisation that has gone on. We have seen, if you like, donors, particularly DFID, prioritising responses in Zimbabwe in the past year, they have looked at that as primarily a humanitarian problem but we have seen in Malawi that the tendency was to focus initially on governance issues and we have seen that Angola has in many ways been nobody's priority early on. Hopefully we will have a much broader debate about how all the various people will be ready to intervene within it. The last point is around how the various donors will actually co-ordinate their responses because I think it is clear that this has not been a success story, that the big players of USAID, EU and DFID have not worked well together. This again comes back to this SADC proposal, how can this be improved, what information do they need to respond more rapidly, what information do they need so that they will have confidence in its conclusions. It is this issue of trust, what kind of analysis will they trust. I hope through the processes and these shared assessments that have been going on in the last six months that is now clearer, so the analysis will be in place and the donors and national governments will be in a much more ready situation to respond to that analysis.

**Tony Worthington**

133. Just a point of clarification. You said that SADC and DFID and the European Union had not worked together. Was that on a regional basis or on a national basis?

(Mr Mawer) I am primarily talking about at a regional level, but it is also at a national level.

**Tony Worthington:** Thank you.

(Mr Mawer) I have just been in Washington discussing this from the USAID perspective and it is clear that there are problems. There are obvious problems to do with the fact that people's regional offices are in different places but it goes quite a lot further than that.

(Mr Dykes) Can I just add to that. One of our concerns, if I have understood correctly, is that whilst many of the mechanisms and lessons learnt are about mitigation and response, they are not really tackling the main causes: the chronic poverty, the increased vulnerability for a variety of factors, relatively poor governance, the failure of policies and practice, and it is not just policies but the practice and implementation of them, for more than ten years now in Southern Africa. Sometimes they have been national government policies, sometimes they have

3 December 2002]

DR JOHN SEAMAN OBE, MR RICHARD MAWER,  
MR TONY DYKES AND MS KATO LAMBRECHTS

[Continued

[Tony Worthington Cont]

been policies and priorities forced on those governments that have led and contributed to this and unless they are tackled there is always the potential that if not next year then in two or three years' time the same thing will come back.

#### Mr Colman

134. I was hoping to ask this of Stephen but I will ask it of you. We have all had letters in the last months about the fact that the freezer cabinets of every supermarket chain in Britain are full of vegetables from Zimbabwe and Zambia, you mention a country and it is there. I deliberately went to East, Central and Southern Africa to look at what was going on and talked to SADC and every country, every local NGO said to me "Please do not stop the sale of these vegetables to British supermarkets. This is very important and it uses a tiny, infinitesimal amount of land. It is providing cash crops, employment and very important work is being done in terms of transferability of knowledge in terms of how this can be done working with subsistence farmers". Very interesting work was being done and certainly in the case of the ones I went to look at the whole thing was being managed through the Ethical Trading Initiative, through local NGOs, making sure that the contracts that ultimately go to Sainsbury's or Safeway's—you choose the supermarket chain—are literally guaranteeing good prices for the subsistence farmers at the other end of the line and the inputs are being supplied and this is working. First of all, would you agree that the British people can continue to eat these vegetables coming from famine stricken countries? Secondly, is this an example really for the future in terms of making sure there is a mitigation of the famine to see this transferability of skills into perhaps producing cash crops on a more commercial basis than has been done before to feed the people of Southern Africa?

(Mr Dykes) I would agree that the British public can eat them. I am pleased you have mentioned the Ethical Trading Initiative because I think what is important here, certainly from Christian Aid's point of view, is Christian Aid is committed to working with our partners for poverty eradication, so what we would look for in any policy and practice is does this contribute to poverty eradication. Clearly we have a

situation where we recognise international trade can benefit poor people, but often it does not, and one of the tasks is to make sure that it does, not to be for or against it. If the production is environmentally sustainable, if the production really benefits the poor, it seems desirable but there are other points. If you are actually going into agricultural production for a cash crop it can take resources and attention and focus and support away from agriculture for subsistence. There is some more anecdotal than academic evidence that this may have applied in parts of Southern Africa. Cash crops can be more capital intensive but they can also be more labour intensive and if they are more labour intensive how do you factor in HIV/AIDS and the impact of that?

135. The companies themselves are actually providing retrovirals.

(Mr Dykes) You come into a strategy recognising that communities and countries probably need to diversify to reduce vulnerability and not rely on either simply international trade or agricultural subsistence. Provided that poor people genuinely do benefit and it is environmentally sustainable—this is not an argument that I have heard—none of our partners in Southern Africa have asked for certain products to be boycotted in any way.

(Dr Seaman) I absolutely agree with that but I just have one small rider which is the very large markets in indigenous produce in some parts of the region provide a certain counterpoint to these highly specialised introduced markets in cash crops and livestock by a margin in Botswana, Namibia and elsewhere, which are really very major industries, major cash spinners. We really should be trying to move to a situation where that is the pattern of production in Africa, where they are exporting the things which are most naturally exported rather than sugar snap peas and things where the environmental costs of production are often very great indeed.

136. But the people of Britain should continue to eat them?

(Dr Seaman) Absolutely, there is no question about that.

**Tony Worthington:** Can I thank Save the Children and Christian Aid very much indeed for your useful evidence. Thank you.

TUESDAY 14 JANUARY 2003

Members present:

Tony Baldry, in the Chair

John Barrett  
Mr John Battle  
Alistair Burt  
Mr Tony Colman

Chris McCafferty  
Mr Piara S. Khabra  
Tony Worthington

**Memorandum submitted by Professor Jonathan Kydd, Dr Andrew Dorward, and Professor Megan Vaughan<sup>1</sup>**

INTRODUCTION

1. We address in this submission three issues:

- Immediate causes of the 2001–02 food crisis in Malawi
- Underlying causes of the 2001–02 food crisis in Malawi
- Long term options for improved food security

In our discussion we use the following terms to describe general categories of players:

- *Donors*: official multilateral and bilateral aid agencies
- *NGOs*: both national and international non-governmental organisations
- *Government*: political leaders (eg Ministers, Members of Parliament), government ministries (civil servants), and direct agents of the state such as parastatal bodies

It is not our intention to discuss the roles of any particular players within these categories.

IMMEDIATE CAUSES OF THE 2001–02 FOOD CRISIS IN MALAWI

2. Devereux (2002) provides a comprehensive description of the events that led up to the food crisis of increasing severity during the course of 2001. We summarise the main elements as follows:

2.1 *A fall in maize production*: There were two elements in this. First yields were below average, due to too much rainfall and lack of sunshine. Second, the two preceding seasons had bumper harvests, with good rainfall supported by widespread distribution of free maize production inputs under the Starter Pack input distribution programme, but this programme was scaled back in the 2000–01 season, and the effects of this were exacerbated by very late distribution of much of the inputs.

2.2 *Delays in recognising the maize shortfall*: Three types of information were available for use in famine prediction: crop production estimates, reports from rural areas, and maize prices. Crop production estimates are the most costly of these, but are now widely recognised to commonly contain large errors, particularly as regards estimates of root crop production (cassava and sweet potatoes). They seem, however, to have been the major type of information used by donors and higher levels of government. By October we were aware, in the UK, of reports from rural areas that were raising alarms about looming and very serious food shortages. These appear to have been largely ignored, at this stage, by donors and by government. Most surprising to us is the lack of examination of price changes. By October it was common knowledge that maize prices had spiralled (from around MK4 to around MK17 per kg). Theory and historical experience of the causes of famines around the world both suggest that rapid rises in staple food prices relative to purchasing ability are the key problem and symptom of famine situations, and therefore need to be taken very seriously. They are also relatively easy to monitor. Malawi has an extensive system of market surveys, and even without formal surveys many people know what is happening to prices. It therefore seems extraordinary that the dramatic rise in maize prices was not recognised as a key indicator of widespread and rapid deterioration in food security over the period June to October 2001.

<sup>1</sup> Jonathan Kydd and Andrew Dorward are respectively Professor and Reader in Agricultural Development Economics, Centre for Development and Poverty Reduction, Imperial College at Wye, Imperial College of Science, Technology and Medicine. Megan Vaughan is Professor of Commonwealth Studies and a Fellow of Nuffield College, University of Oxford. Both Professor Kydd and Dr Dorward have had a long and continuing involvement with agricultural and rural development in Malawi, including periods of resident professional work in Malawi from the mid 1970s, and they are currently involved in agricultural policy research and analysis in Malawi. Professor Vaughan continues to work on Malawi after spending several years in Malawi in the 70s and 80s and has written on the 1949 Nyasaland Famine. The views expressed in this paper should not be attributed to Imperial College or the University of Oxford.

14 January 2003]

[Continued

2.3 *Shortages in national food stocks:* Devereux discusses the complex and controversial issues associated with the sale of the national food reserve. Key problems that we would highlight are (a) delays in recognising the maize shortage (as discussed above); and (b) problems with the National Food Reserve Agency's financial structure and grain management systems (the latter covering both the mechanisms for turning over maize stocks and systems for ensuring transparent and accountable disposals of stock).

2.4 *Difficulties and delays in importing maize:* As a consequence of delays in recognising the extent of the problem (delays which were compounded by donor complaints about economic mismanagement and corruption in government), attempts to import maize did not begin until food shortages had already led to very large maize price increases, with associated hardship and destitution. Simultaneous shortages elsewhere in the region, together with difficulties in managing the demands placed on an already difficult transport system meant that maize imports came into the country very slowly.

2.5 *Absence of appropriate distribution and access systems:* Within the country there seem to have been difficulties in (a) distribution to rural areas and (b) access by poor consumers. The physical and management infrastructure did not exist to manage the processes of identifying areas of need and directing supplies to them. There were widespread reports of hoarding, pilfering, and profiteering, so that maize prices did not fall even to the unsubsidised import price, which was itself far above what the poor could afford. This is in partial contrast to the situation which prevailed in the 1970 and 1980s, when government had greater (but far from perfect) capacity to identify regional shortages, and to ship-in and distribute food.

#### UNDERLYING CAUSES OF THE 2001–02 FOOD CRISIS IN MALAWI

3. One of the questions that Devereux addresses is why a smaller production shock in 2001–02 led to a much larger food crisis as compared with the 1991–92 drought. This can be explained in terms of the other four elements described above. In 1991–92 these were, on the whole, dealt with rapidly and efficiently but in 2001–02 these problems compounded each other. Once the initial maize supply shock began to work through the system its effects were exacerbated by the weakness of the Malawian economy, weak governance, and deteriorating government/ NGO/ donor relations. These may be seen as the underlying causes of the food crisis.

3.1 *The weakness of the Malawian economy:* Over the last few years the Malawian economy has gone into a dramatic decline, although estimates of economic growth (or decline) have been confused by problems with crop production estimates (mentioned earlier). Although liberalisation of agricultural markets, and in particular of burley tobacco production, should have opened up market access for rural areas, this has been patchy. The commercial agricultural sector has suffered from low commodity prices, and diversification out of tobacco has generally been unsuccessful, while tobacco production on large farms has become much less profitable: employment opportunities on tobacco estates have contracted dramatically. Other sources of formal employment in urban centres have also declined, and formal and informal wages have fallen in real terms, with high rates of inflation and devaluation of the Malawi Kwacha. This has been associated with increasing inequality in incomes in Malawi. High incidence of HIV/AIDS has been removing productive people from the working population, increasing dependency ratios, and eroding households' and communities' assets. Despite the growth in burley tobacco production and the higher than average harvests in 1999–2000 and 2000–01, the fall in maize production in 2001–02 therefore hit an increasingly vulnerable rural economy: rural people had very little to fall back on in terms of assets and alternative income sources, and markets and market systems were very weak.

3.2 *Weak governance:* Any examination of conditions in Malawi today must recognise the difficulties posed by government systems that are often ineffective in managing resources and delivering services. Reports of corruption and patronage are widespread. These difficulties are illustrated by our examination of the elements contributing to the 2001–02 food crisis: unaccounted shortages in national food stocks, difficulties and delays in importing maize, and the absence of appropriate distribution and access systems are all associated with ineffective management at best, with common reports or rumours of misappropriation of maize or funds, reports which it seems are rarely subject to official investigation or action. Endemic problems make it very difficult for competent and upright officials to operate effectively. Further problems arise as a result of HIV/AIDS' effects on the administrative and professional cadres in government and in the economy as a whole. Another dimension of weak governance is the widespread increase in crime. Weak governance undermines the functioning of the national economy, and of rural economies within it, as well as inhibiting the effectiveness of government responses to crises.

3.3 *Poor government/NGO/donor relations:* Problems of weak governance lead to difficult relations between government, donors and NGOs. Differences in ethos, objectives, resources and operating procedures, but mutual dependence, lead to sometimes uneasy partnerships and lack of trust. This is particularly true of government/ donor relations: it was a major factor in delayed recognition of and response to emerging evidence of a famine crisis, and undermines donors' ability to work with government to promote development. Given the governance problems discussed above, the weakness of the Malawian economy, and its dependence on donors and NGOs for foreign exchange inflows and for budgetary support (both directly

---

*14 January 2003]**[Continued*

---

and through NGO provision of services normally provided by government), poor relations have a serious impact on economic development and on welfare and other services. A further cross-donor issue is internal changes in conceptual frameworks and resource allocation. There has been a run-down in interest in and expertise for the agricultural sector, consequent on a trend to switch support fostering a non-farm rural economy; while conceptually food access is seen almost exclusively as an “income” issue, rather than one that has important dimensions relating to farm production, stock policy and marketing systems. Thus it very likely that 10 years ago donors would have had the expertise in country to spot, analyse and communicate the problem at an earlier stage.

#### LONG TERM OPTIONS FOR IMPROVED FOOD SECURITY

4. Two broad approaches should be followed in pursuing improved food security in the future. The most fundamental need is to develop a market economy that delivers accessible food to all Malawians, with appropriate welfare support to the weak and vulnerable. This must be a long term task, which we discuss in more detail below. In the meantime lessons must be learnt from the failures in dealing with the recent crisis, to prevent these recurring in the future.

##### 4.1 *Lessons for crisis management:*

Critical lessons emerge from our analysis in section 2.

4.1.1 Early warning systems should place more emphasis on maize price monitoring and on reports from rural areas.

4.1.2 The national food stock system needs to be redesigned to ensure proper stock control, access to finance, and transparent management of stocks.

4.1.3 Contingency plans and systems should be developed and put in place for the financing, purchase and transport of maize when an impending crisis is recognised.

4.1.4 Contingency plans and systems should be developed and put in place for the financing and distribution of affordable food within the country when an impending crisis is recognised. This would involve identification of critically affected geographical areas and social groups within them, as well as development of transport and local distribution systems, and financing of at least targeted grain subsidies. This task would be much easier if an effective market system existed, and the development of this must be a key element in wider economic development, which we discuss below.

Development of these systems would have to address problems of moral hazard associated with any social insurance system, as well the endemic problems of weak governance discussed above. These are not easy issues to address. They should, however, be easier to address, if the rural economy could be strengthened, as this should simultaneously reduce the likelihood of these systems being required, and both reduce the demands made on them and strengthen their capacity when they are required.

##### 4.2 *Developing a market economy:*

4.2.1 Four possible strategies are commonly proposed for rural development in Malawi: rural diversification out of agriculture; cash crop production; more intensive maize production; and diversification away from maize towards other staple crops (such as cassava and sweet potato). These are not mutually exclusive, indeed all of them are important and complementary, with their relative potential varying between different communities, different people within those communities, and over time. We would argue, however, that the strategy that is most likely to benefit the most people in the short term is intensification of maize production. This is the preferred staple of most Malawians (for good dietary and agro-economic reasons as it has very high calorie yields per ha) and accounts for a major proportion of their expenditure; there are tested technologies for increasing production; it is relatively easy to store, market and transport; and it is well suited to those parts of Malawi where the majority of people live. In contrast, rural diversification needs a significant and growing local demand for rural goods and services, financed by increased household income available for spending on non-agricultural goods and services, with falling real costs of food purchases: this is patently not a likely scenario for most Malawians without changes that increase food supplies and household incomes. Cash crop production can help with the latter, but faces difficulties in identifying suitable cash crops: there are possibilities apart from burley tobacco—for example paprika, pigeon peas, birds eye chillies—but all of these face questions about long term demand and the ability of Malawian smallholder farmers to meet exacting specifications in international markets.

4.2.2 What then is the way forward? Historically, dramatic poverty reduction in other parts of the world has most commonly been achieved by technological and institutional changes that have led to increased labour productivity, increased demand for labour, and increased wage incomes in relation to staple food prices. This has generally involved in its earlier stages sustained increases in productivity in staple food production (wheat, rice or maize), outstripping population growth. Increased cash crop production has played a supporting role, and then once growth has been stimulated by increased agricultural productivity stimulating labour markets, diversification into non-farm activities has taken off, and taken over as the engine

---

*14 January 2003]**[Continued*

---

of poverty reducing growth. It should be noted that these processes do not necessarily involve technical and institutional interventions that directly target the poorest: they may be helped most by interventions that stimulate economic growth directly benefiting less poor people, but in doing so stimulate the demand by these people both for productive labour and for local goods and service that the poor can supply.

4.2.3 This perspective of the processes of poverty reduction suggests a development strategy that proceeds on three fronts: stimulating labour intensive agricultural production; support to the weak and vulnerable with safety nets; and investment in social infrastructure and human capital to enable the poor to take advantage of opportunities in growing labour markets. In Malawi this is a complex and challenging agenda, given the extent of poverty, the lack of education, the appalling health problems (for example AIDS, malaria and under—and malnutrition), weak governance, poor infrastructure, external transport costs; etc. What then needs to be done that is not being done? What should be the priority for change in current policies? The current “Cinderella” is in the development of markets and institutions effectively supporting agricultural growth.

4.2.4 We have argued elsewhere (Dorward and Kydd, 2002) that Malawi’s rural communities are caught in poverty trap as low levels of agricultural productivity lead to low levels of market demand and marketed produce; low levels of market activity lead to high marketing costs and risks, preventing market development; and lack of market development prevents the use of more productive agricultural inputs and sales of farm produce (see also Dorward et al, 2002). It is widely recognised that the poverty trap affects individual households, but it is less widely recognised how it also affects the wider rural economy, and in particular agricultural input, finance and produce markets. Key conditions necessary for the rural economy to emerge from this trap are:

- crops, technology development and input and output prices and interest rates that make investments in farming and in marketing profitable;
- systems that provide farmers and traders with reliable and coordinated demand and supply , together with some protection from risks of opportunistic behaviour (for example default on loans, exploitative prices, sale of adulterated seed or fertiliser, or use of biased scales);
- improved roads and other communications (such as mobile telephones); and
- a momentum of growth and increasing trust in rural markets and services.

4.2.5 While it is possible to list these necessary conditions for economic development, it is much more difficult to specify how they should be achieved. Our argument above suggests that a critical area needing attention is growth in maize production and in the markets and services needed to support this. We emphasise two critical issues needing urgent attention.

- First, development of input supply systems, secure financial services for saving and seasonal borrowing, and stable maize markets buying from and supplying rural areas at prices that both provide a reasonable return to producer investments and are affordable by food deficit households. We do not at present understand exactly what prices are necessary to achieve these conditions, nor do we know what systems might be able to deliver these prices and the sort of coordination and protection needed to nurture fragile market development. A return to old ADMARC systems is not viable, but there may be other more effective ways of achieving these goals, for example private companies tendering for franchises to deliver specific services at pre-determined, if necessary supported, prices
- Second, while considerable advances have been made in the development of maize technologies in terms of varietal development and specification of fertiliser rates, more progress is needed in the development of practical organic methods of providing soil nitrogen for maize production, to complement, and reduce, the application of inorganic fertilizers needed to support sustained higher yields.

4.2.6 These are both medium to long term agendas, needing investment and time for workable systems to be developed and introduced, and for their effects to impact on rural livelihoods. In the meantime support systems are needed. Food supplies are needed to begin to recapitalise the rural economy and to allow people to survive from one harvest to the next. It is essential, however, that all short and medium term aid should be working towards longer term goals, as regards improved governance, reduced dependency, development of functioning and equitable markets, infrastructural development, and increased agricultural productivity. One promising approach here may be “agricultural inputs for work” programmes. If designed and administered appropriately these can be used to develop input supply markets and maize markets, improve rural roads, increase national and household maize production and food security, strengthen rural administrative capacity, and reduce dependency. They are also to some extent self targeting, though like all self targeting programmes other measures are needed to support the infirm, women with child care responsibilities, and others unable to participate in the work.

4.2.7 A final comment is needed regarding the sustainability of the proposals put forward here. None of them are sustainable in the sense that they are working towards a situation where the Malawian national economy is self sufficient: with current technologies Malawi needs, and will need for the foreseeable future,

14 January 2003]

[Continued

foreign exchange to import either food or fertiliser to feed itself. The challenge we address is the achievement of national and individual food security at reasonable cost and with wider poverty reducing social benefits. Malawi has never operated without substantial foreign exchange and budgetary support from donors, and its high (and increasing) population density, land locked situation, and lack of skills, institutions or natural resources to produce high value exports mean that there are no prospects or scenarios which we can currently identify and work towards to change this situation. The only realistic hopes for higher national income without continued subventions from donors are large scale movement of people out of Malawi into less densely populated areas in other countries, the development of new (bio-)technology that dramatically raises maize or other food crop production without the need imported inputs, or discovery of high value natural resources that transforms the economy (although even here other African countries' record in utilising oil and mineral wealth is not generally encouraging).

4.2.8 The need for long term support poses particular problems for donors in the context of weak governance and poor relations between government, donors and NGOs. There are no easy answers here, but we have suggested elsewhere (Dorward and Kydd, 2002) the following four principles to work towards in pursuing this agenda:

- The fiscal costs of rural development must be set against the human, economic and financial costs of development failure, either continuing poverty and sporadic relief (with unacceptable human costs that are particularly apparent in the current crisis) or indefinite safety nets.
- Institutional innovation is needed to develop more imaginative solutions that reduce risk and promote coordination, sustainable investment, confidence and market development, addressing the twin problems of state and market failure that have each bedevilled in different ways both the market intervention and the market liberalisation approaches to development.
- Policies and interventions should be designed to be flexible and to address and match the varied and changing opportunities and constraints of different areas, with different balances of emphasis between wealth creation and safety nets and between different opportunities and different institutional mechanisms in different areas. This needs a phased approach that seizes opportunities as they arise and is prepared to move forward fast in areas where the way forward is clearer, while acting more cautiously where problems are more intractable. Varying emphasis is also needed on different types of technical change, and different technologies will need different types of phased institutional development.
- Policies and interventions should also be mutually consistent and long term, so that players have time to learn how to operate in a stable economic and institutional environment and have confidence that investments will yield returns in the short, medium and long term, and so that policies and interventions in different sectors and different areas do not work against each other. It is particularly important that short and medium term relief and poverty alleviation interventions should support rather than undermine longer term policies and processes of market and wealth creation.

These are difficult issues to address, and we discuss elsewhere (Dorward and Kydd, 2002) some ideas as to how these principles might be pursued.

#### REFERENCES:

Devereux, S. (2002) *The Malawi Famine of 2002: Causes, Consequences & Policy Lessons*. Institute of Development Studies. Draft. May 2002. Powerpoint presentation: <http://www.odi.org.uk/speeches/famine—july2002/devereux/index.htm>

Dorward, A. and J. Kydd, (2002) *The Malawi 2000 Food Crisis: The Rural Development Challenge*. Paper presented at “Malawi after Banda: perspectives in a regional African context”, a conference to mark the retirement of John McCracken, 4–5 September, Centre of Commonwealth Studies, University of Stirling (<http://www.wye.ac.uk/AgEcon/ADU/publications/index.html>)

Dorward, A., Kydd, J., Morrison, J. and Urey I (2002) *A Policy Agenda for Pro-Poor Agricultural Growth*. Paper presented at Agricultural Economic Society Conference, April 2002. (<http://www.wye.ac.uk/AgEcon/ADU/publications/index.html>)

*Professor Jonathan Kydd, Dr Andrew Dorward, and Professor Megan Vaughan*

*October 2002*

---

14 January 2003]

[Continued

---

### Memorandum submitted by Oxfam

#### INTRODUCTION

1. Oxfam welcomes the opportunity to feed into this important inquiry into the current humanitarian crisis in Southern Africa. Information contained in the submission on Oxfam's programme and the humanitarian situation on the ground is up to date as of the 26 September 2002.

#### *Urgent humanitarian needs*

2. The number of people in Southern Africa now facing severe food shortages and famine has risen from almost 13 million as of last month to 14.4 million, according to the latest UN figures. In the middle of August WFP described the situation across Southern Africa as "very grim", with funding for the UN Consolidated Appeal standing at only 23 per cent. There has been some improvement in funding since then, the current figure is 36 per cent, but there remains a shortfall of well over half the amount needed.

3. Results of WFP's regional assessments, co-ordinated by the Southern African Development Community (SADC), have just come in and they reveal that the situation is worsening. Results from Malawi show that the winter harvest has been less successful than expected and the country will require 232,000 MT of emergency cereal food assistance through to March 2003. In Zimbabwe, again results show the food situation worsening, forcing some to eat wild foods. The assessment shows that Zimbabwe will require 486,000 MT of emergency cereal food assistance through to March 2003. Across the region there is also an increase in negative social indicators such as early marriages, school drop out rates rising, and increased prostitution.

4. Most of the food currently available for humanitarian distributions is US supplied GM maize. However, governments across Southern Africa have expressed real concerns about the possible effects of this. Worries exist not just about its safety for consumption, but also over farmers planting GM seeds, and the possibility of this spreading and contaminating local maize varieties. The picture for this month in Zambia particularly is bleak. 19,000 MT of maize is needed for September yet WFP has no further supplies of white maize (only 2 per cent GM content and therefore acceptable) in the pipeline. An Oxfam GB food security and nutrition survey in three districts of the Southern Province has already found alarming results, highlighting severe malnutrition. Governments in the region are being placed in a no-win position of having to balance meeting immediate short-term needs—their people suffering from hunger—with possible long-term threats to future food production. Oxfam believes that all governments have the right to determine their policy on GM but, if there really is no alternative, urges them to take a pragmatic approach in order to prevent starvation.

#### *Humanitarian situation in brief* (figures from WFP's recent regional assessments)

5. Malawi—Approximately 3.3 million people (29 per cent of the population) in Malawi are vulnerable. The current maize shortage, the preferred staple of the vast majority of Malawians, in combination with a poor harvest last year which left few carry over stocks, has meant that many people are already reaching a stage of near destitution.

6. Zambia—The main subsistence crop for the majority of the poor rural population of Zambia is maize. A massive shortfall in production has left 2.9 million (26 per cent of the population) in immediate need of food aid.

7. Mozambique—In Mozambique some 590,000 people (3 per cent of the population) are vulnerable to food shortages in the Southern and Central provinces.

8. Zimbabwe—The crisis in Zimbabwe is more acute and on a larger scale than in other countries in the region. As a result of the displacement of farmers and farm workers and a greater reliance on commercial crops, few coping strategies are available to the population. Over 6.7 million people (roughly half the population) are estimated to be without sufficient food.

#### *Not simply a natural disaster*

9. While the food crisis has undoubtedly been triggered by bad weather it is not simply a natural disaster. Its major cause is the fact that many women and men in these countries are poorer and more vulnerable than ever before. Even when times are good, many poor farmers in these countries produce enough food to feed themselves for only half of the year. The causes of this increased vulnerability and therefore the crisis itself vary in magnitude from country to country. Climate and erratic weather, bad governance, HIV/AIDS, unsustainable debt inappropriate agricultural reforms and collapsing public services have all contributed.

10. In Zimbabwe the crisis is more acute than in the other countries. Maize production has plummeted in a country once known as the region's breadbasket and the second largest exporter of maize after South Africa. This is partly because of drought, the worst in 20 years. Smallholders, who normally produce 60 per cent of

14 January 2003]

[Continued

the country's maize, might have produced 790,000 metric tonnes more maize than they did if it had not been for the drought (UN estimates). However, production has also slumped on the country's 6,000 commercial farms, which are the most productive, hectare-by-hectare, because of Fast Track land reform. Now those farmers whose farms have been listed for take-over have been ordered to stop farming. This will have serious implications for next year's harvest. Estimates of the amount of cereal crops lost because of the Fast Track programme vary from 285,000 MT (Save the Children) to about 500,000 MT (UN estimates). The programme has also hit production of foreign exchange earning export crops, notably tobacco and horticultural produce. Many unemployed former commercial farm workers form a particularly vulnerable group with few other sources of income. The number of commercial farm workers and their dependents is about 1.75 to two million, and the number estimated to be at risk of starvation is said to be half a million or even more.

#### *Inappropriate agricultural reforms*

11. Another major cause of the food crisis is the failure of agricultural policies. Even after years of World Bank and IMF designed agricultural sector reforms, Malawi, Zambia, and Mozambique, face chronic food insecurity. The basic problem is that the international financial institutions designed agricultural reforms for these countries without first carrying out a serious assessment of their likely impact on poverty and food security. Far from improving food security, World Bank and IMF inspired policies have left poor farmers more vulnerable than ever.

12. The policies promoted by the World Bank and IMF aimed to rapidly replace inefficient and corrupt state intervention in agriculture with private sector provision. There is no doubt that agricultural reform was needed, or that the private sector and market should play a key role in generating agricultural growth. Some reform was undoubtedly necessary, especially in agriculture. The state marketing systems set up in the 1970s caused a huge drain on government budgets and prevented the development of the market. Moreover, they were inefficient and poorly run, often benefiting richer farmers more than the poorer. However, despite these deficiencies they played an important role in food security and agricultural marketing, and with rapid liberalisation the private sector has in most cases failed to fill this gap. The "one size fits all" liberalisation policies implemented have failed to lead to agricultural growth. Instead, they have exacerbated the exclusion of the poorest from the market whilst further undermining their food security. The UK Government shares in the responsibility for these policies as a member of the organisations that have recommended them. Some of the impacts of liberalisation include:

13. Removal of price controls: Now that price controls in Malawi have been removed, in an average year prices can vary by approximately 150 per cent, and are highest when the poorest can least afford it. In the recent food crisis the price of maize rose 400 per cent between October 2001 and March 2002.

14. Collapse of input and credit supply: The combination of currency devaluation and subsidy removal has led to massive increases in the cost of fertiliser and other inputs. In Malawi, for example, the cost of one bag of fertiliser has risen by 200–250 per cent since 1990 (allowing for inflation). It is now the equivalent of half the monthly salary of a teacher

15. Diminishing food reserves: Zambia, Malawi, and Mozambique all used to have grain reserves to store maize in case of food shortage. However, they were very costly to maintain, inefficiently (sometimes corruptly) managed, and a major drain on government resources. Under liberalisation in Zambia and Malawi, the reserves have been scaled down to focus solely on emergency relief. In Malawi, World Bank and IMF lending conditions and "advice" from them and other donors ensured that the National Food Reserve Agency (NFRA) was given the impossible role of providing disaster relief (ie free or cheap food) while having to borrow money commercially to purchase maize and even to pay staff salaries. This meant that reserves had to be sold to pay off outstanding bank loans in the absence of any government subsidy, as the IMF was adamant that the NFRA should not become a "burden on the budget".

#### *The spectre of HIV/AIDS*

16. Undoubtedly HIV/AIDS has made the people of Southern Africa even more vulnerable to erratic weather, bad agricultural policies and the current food shortages. In Zimbabwe, the UN estimates prevalence to be 33.7 per cent. In Zambia, the life expectancy has dropped from 52 years in 1980 to 37 years today, mainly due to HIV/AIDS. This is creating an enormous strain on communities, which are increasingly dependent on dwindling numbers of able-bodied and healthy workers. The pandemic places a particular burden on women, as caring for sick family-members falls most often to them, depriving them of opportunities to earn an income outside the home. In Malawi, Zambia and Zimbabwe, it is common for grandparents to be caring for 10 or more children, due to AIDS-related deaths. There is also an increase in child-headed households, as there are three million AIDS orphans in these countries. The premature loss of parents means that agricultural skills

---

14 January 2003]

[Continued

---

are often not passed down from one generation to the next; orphans are left to farm on their own with little knowledge of agriculture. The impact of HIV/AIDS on the agricultural sector and on communities more generally has led to an erosion of the ability of people to adapt to the unfolding food crisis in Southern Africa.

#### KEY RECOMMENDATIONS

17. Deliver food aid: Whilst we welcome the UK's donation to WFP of \$28.4 million, the UN Consolidated Appeal remains under-funded by more than half the amount needed. The EU and other donor countries must deliver immediate food aid to avert the threat of starvation for millions of people across southern Africa. Oxfam believes that all governments have the right to determine their policy on GM but, if there really is no alternative, urges them to take a pragmatic approach in order to prevent starvation.

18. Ensure food security: Donors, particularly the World Bank and the IMF, should recognise and support Malawi, Mozambique, and Zambia in developing transparent state-supported systems for ensuring food security and preventing a future food crisis. In Zimbabwe, Oxfam believes in the need for a land reform programme which is fair, transparent, targeted at the poor, and which is non-party political in its implementation.

19. Mandatory impact assessments: Donors, particularly the World Bank and the IMF, should end all lending conditions that promote further liberalisation of agriculture in Malawi, Mozambique, and Zambia, pending thorough Poverty and Social Impact Assessments (PSIA) of agricultural policy reform in these countries which make recommendations on the best policy choices to guarantee long-term food security and sustainable livelihoods.

20. A role for governments: Donors should acknowledge the need for governments to play an active role in developing market reforms that support rural development. Appropriate policies could include land reform, agricultural diversification, targeted farm input and credit supply, the development of marketing infrastructure and price stabilisation.

21. Suspend debt repayments: Malawi, Mozambique and Zambia should be granted an immediate suspension of their HIPC debt repayments.

22. Support the "Development Box": The UK and other industrialised countries should support the inclusion of a "Development Box" in the WTO Agreement on Agriculture, which will allow poor countries to protect, through tariffs and support through targeted subsidies, key staple crops with the objective of ensuring food security and protecting rural livelihoods.

23. The effective integration of HIV/AIDS strategies into national poverty-reduction plans: This will include the full costing of plans, realistic financing schemes, and the development of transparent and accountable public financing systems to ensure that commitments are reflected in national budgets and medium-term expenditure frameworks.

#### OXFAM'S PROGRAMME UPDATE

##### *Malawi*

24. Oxfam GB is planning to work in three districts in the badly-affected Southern Region: Mulanje, Thyolo and Phalombe.

25. Ensuring adequate access to food to meet immediate needs: Last month, Oxfam GB carried out its first round of food distributions in Malawi. World Food Programme (WFP)-supplied maize grains were distributed to 11,400 people from five distribution points in Mulanje district. A second round of distributions in Mulanje district, targeting a larger number of people, will begin on 18 September. As with the previous distribution, committees made up of community members have helped to ensure that food is distributed to those who need it most. Oxfam GB plans to continue distributions of WFP food in Mulanje until April next year.

26. Oxfam GB is currently carrying out a four-week survey to assess nutritional needs in the districts of Mulanje and Phalombe (Medecins Sans Frontieres are looking at needs in Thyolo). The survey began on 12 September and is being funded by UNICEF. Findings will be shared with other agencies and the Malawian authorities involved in the food crisis response.

27. Support to enable communities to increase food production in the short and medium-term: Next month, Oxfam GB will be beginning a main-cropping programme in Mulanje, Thyolo and Phalombe districts. There are plans to distribute seeds, seedlings and fertilisers, along with 450 water pumps and 7,500 watering cans. 90,000 people will benefit from this distribution.

28. Lobbying and advocacy work at national, regional and global levels, to address the causes, and ensure the quality of the humanitarian response to the crisis: Oxfam GB is involved in protection work focusing on abuses against women and children.

---

*14 January 2003]**[Continued*

---

*Zimbabwe*

29. Ensuring adequate access to food to meet immediate needs. Oxfam GB is currently finishing distributions of 220 metric tonnes (MT) of maize to 11,047 people in five wards of the northern part of Zhishavane district (Midlands province). Stocks of 14MT of oil, and 29MT of sugar beans will be distributed this week. The food currently being distributed should last people for the months of September and October.

30. Oxfam GB is also funding partners to carry out small-scale feeding programmes. Two local partners are carrying out supplementary feeding for 6,000 children of displaced farm workers and orphans. Other partners are carrying out feeding programmes for 2,000 orphans, and up to 4,000 children in semi-urban areas of Harare. Oxfam GB is also supporting a network of Zimbabwean NGOs who are monitoring the food-security situation across the country. Novib (the Dutch member of Oxfam International) is supporting a partner to carry out supplementary feeding (porridge fortified with vitamins) to 45,000 children of farm workers—meeting one-third of the children's calorific needs. There are plans to expand this programme to reach 200,000 children in East, West and Central Mashonaland, and in Manicaland. Another Novib partner is providing supplementary feeding in the form of a nutritious drink (mahewu) to nine out of a target of 30 schools. The programme began on 11 September and will be completed by 25 September, and there are plans for it to reach 13,500 children.

31. Support to enable communities to increase food production in the short- and medium-term. Stocks have been identified by Oxfam GB for planned distributions of seeds and fertilisers in Midlands and Masvingo provinces. This work, along with work to support the cultivation of vegetable gardens, should begin before the end of this month. Work will be carried out in areas of Midlands province where food distributions are taking place, and in areas of Masvingo where Oxfam GB is working on development projects.

*Zambia*

32. A response by Oxfam GB will focus on the Southern and Western provinces (the most seriously affected) covering six districts in total: Monze, Mazabuka, Choma and Siavonga in Southern Province and Shang'ombo and Senanga in Western Province.

33. Ensuring adequate access to food to meet immediate needs. Oxfam GB is planning to purchase 10 trucks to transport WFP supplied food from Katima Mulilo, on the Zambian/Namibian border, to WFP partners in Shang'ombo District. 4,000 MT of food will be transported to the Nangweshi refugee camp where it will be distributed by CARE and 3,655 MT will be transported to rural areas in Shang'ombo where it will be distributed by Catholic Relief Services. The trucks will be purchased in South Africa and will be driven to Zambia, where drivers will attend a two-day workshop on HIV/AIDS awareness.

34. Support to enable communities to increase food production in the short- and medium-term. In Siavonga District, in the Southern Province, Oxfam GB is working with Harvest Help to help subsistence farmers to grow a second crop for harvest in three months time. Much of this vegetable crop will be sold by the 11,000 beneficiaries in order to gain an extra income. A distribution of 75,000 seedlings is now more than 50 per cent completed, and 10 pumps and 25 irrigation kits have been installed to prepare the soil for planting. In Senanga, Oxfam GB is supporting Keepers Foundation Zambia, which has just completed a distribution of 11MT of Maize seed, and is now helping 2,200 farmers to drain flooded fields in preparation for planting this seed. A total of 5,500 tools are being distributed in sets, which include machetes, sickles, spades, shovels and hoes. These tools will be shared by farmers who will use them to dig small drainage canals around areas of land where the maize seed will be planted. 13,200 people will benefit from this project.

35. Integration of public health measures to maximise and ensure the impact of food intervention. Only 38 per cent of the population of Zambia has access to a clean water supply. Oxfam GB is taking the lead on creating a database containing information on water sources, and agency plans for borehole drilling and repair, in the districts where we are working. Oxfam GB has plans to drill 25 boreholes across Choma, Monze, Mazabuka, Siavonga and Senanga and will hand over the co-ordination role as soon as a suitable agency has been identified.

*Mozambique*

36. In Mozambique, up to 500,000 people are vulnerable to food shortages in the Southern and Central Provinces. Following a food security assessment carried out by Oxfam GB in June this year, a team made up of a project manager and a health expert has just completed a 12-day food security assessment, covering four provinces in the southern part of the country: Maputo, Gaza, Sofala and Inhambane. Preliminary findings indicate that food security, followed by HIV/AIDS, is the major problem affecting these districts.

37. The first harvest this year in the south of the country was very poor and although the second crop, harvested this month, has been normal, it will contribute only to about 15 per cent of the total estimated food needs. Pockets of real need have been identified in this part of the country, and suitable interventions would

14 January 2003]

[Continued

include the reinforcement of wells used for irrigation, and restocking of small livestock. This work should be strongly linked to HIV/AIDS awareness and prevention. There is also a need to examine the feasibility of transporting food from the north of the country to the south. In the south, UN and government figures state that there is a shortfall of 70,000 MT of maize; but in the north of the country there is a surplus of 100,000 MT, which is also non-GM. However the government has concerns about the cost of transportation of this maize.

38. Oxfam GB is currently considering an intervention in Mozambique depending on the outcome of a detailed examination of the assessment results. The work would focus on food security and support of livelihoods, and would be integrated with public health work. Programme activities could include digging and protecting wells, repairing and constructing water-harvesting systems, distributing seeds and tools, hygiene kits and mosquito nets, and livestock restocking.

*Oxfam*

*September 2002*

### Examination of Witnesses

MR MAX LAWSON, Policy Adviser, and DR GRAHAM MACKAY, Humanitarian Coordinator for Southern and West Africa, Oxfam, PROFESSOR JONATHAN KYDD and DR ANDREW DORWARD, Imperial College at Wye, examined.

#### Chairman

137. Good morning. Thank you very much for coming to give evidence on what I think is our penultimate evidence session on the inquiry we are doing into the humanitarian crisis in Southern Africa. We have a final meeting with the evidence session with the Secretary of State in a few weeks' time. Thank you to Mr Max Lawson who is the Policy Advisor and Dr Graham MacKay who is the Humanitarian Coordinator for Southern and West Africa, Oxfam, and Professor Jonathan Kydd and Dr Andrew Dorward from the Imperial College at Wye. We will ask the questions at this end and then you must work out between you, unless they are specifically directed at someone, who would most like to answer them. Can I begin by asking this question and I appreciate that this relates to the Horn but it could easily relate to Southern Africa because I think the issues are pretty much the same. I notice that the Secretary of State made an announcement on Ethiopia last Thursday, an announcement which received no publicity at all, absolutely no publicity, that the UK Government have just committed a further £15 million for food aid to the Horn. This is in addition to substantial amounts of money which have already been spent on food aid. There is no indication that the situation in Ethiopia is going to get any better next year and I am not sure that there is any real indication that the situation in Southern Africa is going to be necessarily very much better next year. What we are seeing are substantial amounts of money now having to be spent year on year on food aid, which is money which is not going, by definition, into development. One of the things that really struck me both when I was in Malawi and in Ethiopia was that people were saying to me that, irrespective now of whether there are droughts, the number of food insecure people each year is growing because, when there is a drought, there is such substantial asset depletion that, by the time next year comes, it is just impossible for people to recover and we are just getting into an ever downward cycle. How do we start to turn around this kind of ever-descending spiral of dependency on food aid if we are

not just going to have a situation where more and more people in Africa are hungry? Is it giving a lot more oomph and drive to organisations like the FAO? Who actually takes the lead in this? The World Food Programme is fine at distributing food aid as a sort of logistical first-aid type exercise, but if one thinks of years of agricultural extension work in Africa and all that kind of thing, we seem to be going backwards rather than forwards. I just wonder what your thoughts are on what seems to me to be a very crucial issue, bearing in mind also that all that money which, as I say, is going to food aid comes out of the overseas development budget and is not being spent on development aid.

*(Dr Dorward)* The point you raise is a very big one and I do not think that anyone has a simple answer to it. If you like, the challenge you have raised is, can the African economies, particularly the rural economies, get going? Despite a lot of investment in the past and lots of attempts at getting them going, nothing has happened and in fact we seem, as you say, to be further back than we were. I think there are two questions there. First of all, why have things gone backwards? Secondly, what can be done to take them forwards? Why have they gone backwards? I guess we have a fair idea: problems of governance, problems of prices in world trade, problems of macro-economic management, problems of inappropriate policies, wastage and inefficiency. We had a response to some of that with agricultural liberalisation and structural adjustment which was very necessary because what was going on was unsustainable. However, we have to ask if liberalisation has achieved what it set out to achieve and in many ways it has not, and we need to rethink what are appropriate policies to get the rural economies going and, on that side, we would like to stress the need for overcoming the problems of the poverty of rural economies which actually undermine the way markets can work. It is very difficult to invest in very thin markets where very little is going on because you are not at all sure that people will be there to fulfil the other commitments that are necessary for your investment to work: that is a problem that agricultural liberalisation has by

14 January 2003]

MR MAX LAWSON, DR GRAHAM MACKAY,  
PROFESSOR JONATHAN KYDD AND DR ANDREW DORWARD

[Continued

**[Chairman Cont]**

and large not addressed and we need to work out how to address it. That is one thing, to get going on the rural economy side. It is not all. It was a very important part of the green revolution in South Asia, but Africa has many more challenges than were faced by the green revolution area. The other side of the question is to ask, what can be done when we have this tension between putting money into development and putting money into food aid? The simple answer—and with simple answers the difficulty is to know how to implement them—is to make food aid or safety nets (not just food aid but ways of improving food security), to make them contribute more to overcoming the endemic problems of the rural economy. For example, putting food in is often very much “bandaid”. Can we put our budgets for food aid into development in ways that give short-term benefits and improve food security, and recognise that this may not give pay-offs in development terms that are internal rates of return that people look for but, if we look at the combination of its development contribution and its relief contribution, may be very, very good value for money?

(*Professor Kydd*) May I supplement with two observations. The term “poverty trap” is now widely used and I think widely understood, at least at the level of the household. We understand what it means when households suffer a bad year and have to dispose of assets and hence are in a much worse position to go forward to the next year of agricultural production or whatever it is that they hope to make their livelihood. What, however, has I think been lost from the development literature but is now coming back is a realisation that rural economies face poverty traps more systemically. We tend to characterise these poverty traps—and we are not alone in this, there are a number of other scholars who are doing this now—as failure of co-ordination. People in rural areas in the countries with which we are concerned face extremely high risks on any investment that they might make, that is price risk and climatic risk, and the price risk is not just related to fluctuations in production but to the very thin nature of the markets to which Dr Dorward referred. So, it is going to be necessary to find ways of reducing co-ordination risk. In other words, reducing the risk that people suffer due to a failure of other people to make complementary investments. In an advanced economy such as ours, business people often do not think about complementary investments that are being made by other business people to underpin the viability of their own business. If you are running a small business, you assume that there will be telecoms and sewage and other kinds of services. This is not the case in rural Africa. So, we would say that we need to rather rethink the problems that have been posed by liberalisation as problems of how do you build properly co-ordinated rural economies?

**Mr Battle**

138. Some of the Members of the Committee visited Malawi in October. It was the first time that I had been there and what struck me as a result of spending 7 days there was the complexity. We went to look at food shortage and I thought that maybe it

was a drought area in just a desert. That was not in fact true. The implications of HIV/AIDS is another massive factor for which I had not allowed in the analysis. It is a complexion of factors of coming together. We were looking at whether it was simply the fact that the government had been told to empty the food stores and there was no storage to distribute in terms of shortage. That was not quite the case. There were a number of complex factors compounding on each other. There was a piece in the newspapers this weekend saying that Malawi is there and is very, very poor—no improvement, no one notices. On the last day that we left in October, it actually rained when I was visiting the villages and I was watching the distribution of some seed packs in order that they could get ahead of the rain to plant to grow the following year. There were not sufficient, they were late and unevenly distributed. I would like to ask you two questions in the light of your comments just now. With this whole notion of complex risk management, risk reduction, are these new tools really going to be helpful to make us break through? To what extent is Malawi a template that can be applied to other countries in Southern Africa or is it a one-off?

(*Professor Kydd*) I think you have put your finger on the button, that risk reduction is critical and that was, I think, the point of the earlier comments which have been made about co-ordination. The difficulty we face in Malawi is that the private sector has not been able to import and distribute fertiliser and other inputs in sufficient quantities to meet the needs of poor people. It is in my view largely a demand deficiency: the poor simply do not have the capacity to borrow to finance their inputs or they do not —

139. They cannot afford to buy fertiliser.

(*Professor Kydd*) Yes, they cannot afford to buy and there is a further problem which is that, in some years even if they were to use fertiliser, the prices of the output might be such as to give them an inadequate return on that fertiliser. So, there is a problem of price fluctuations at the moment. There is a lot of debate amongst development experts as to the best way to approach this problem of risk and I think that the perspective we would like to offer is that it should not be seen simply in the way we would view this in an advanced liberalised market such as we have here where, if you have a specific risk, you look for companies to come in and insure that risk. The problem we face in these economies is that the risk is partly specific but it is partly systemic and it is very difficult to, through private market arrangements, insure against these systemic risks. It has to be what I would characterise as a form of social insurance which requires a degree of government activism and NGO and donor activism on this front which is not currently present.

(*Dr Dorward*) Can I just add to that that the challenge you raise is really enormous because, in a developed economy, that co-ordination function is spread out through all the players in the market. Where we have these very thin markets and we ask what can be done about co-ordination, we have a very small number of players who can actually begin to address it. Are we talking about government? Are we talking about NGOs? Are we talking about private sector companies? What capacity do they

14 January 2003]

MR MAX LAWSON, DR GRAHAM MACKAY,  
PROFESSOR JONATHAN KYDD AND DR ANDREW DORWARD

[Continued

**[Mr Battle Cont]**

have? How much is that capacity undermined? First of all, do we really know what the problems are? Secondly, we have problems of poor governance in many of these countries. Thirdly, we have the impact of HIV/AIDS which is taking out many of the most capable people. It may also affect the incentives for people to think ahead and think long term. So, we have these tremendous challenges which make it very much more difficult to address a problem that is to a large extent addressed in more developed countries. You also asked the question, "Is Malawi a template?" and I would say that, in terms of its generic coordination problem, it probably is in many ways a template and we can see the way that, for example, in South East Asia low level economies have begun to emerge from those problems. However, if we look at Southern Africa, we do see different nuances on this in each country and even in different parts of the country and, if we compare Zambia, Zimbabwe, different parts of Zimbabwe and Mozambique and Malawi, for example, we find different opportunities and different constraints, for example in terms of agricultural potential, which is reasonably high in Malawi actually but very much constrained by the very high land pressure. Contrast that with Zimbabwe, southern parts of Zimbabwe, where you have less land pressure but very low agricultural potential and there are a different set of problems to be addressed.

(*Mr Lawson*) If I could just add and agree. I recently was living in Malawi until October 2001 and I can really agree that it is fiendishly complex or can appear very complex and they are very difficult situations, but I would highlight two major things that have changed. What came up very clearly when we started to look at this food crisis was a comparison with a lot of work that Oxfam did in 1992 around a similar kind of drought in the region and the massive difference between now and then in terms of people's vulnerability and people's poverty and the two major things that have changed since then I firstly feel are HIV/AIDS and secondly I think a lot of mistakes and poor policies in terms of liberalisation. I think we have seen that not just in Malawi but we have seen it very dramatically in Zambia and also in Mozambique. There are problems of governance and problems of issues particularly with ADMARC in Malawi and these are all areas that need to be addressed, but I think addressed in a pro-active way that sees a role for the State and in that way I would agree with Professor Kydd in that people are still wedded, in the donor community in Malawi, to the private sector as a panacea and I think what has been proven in the last ten years is that you need a lot more than the private sector. They have a vital role to play but they are not going to do it on their own and I think that, from the point of view of us, as the British Government, in terms of DFID and in terms of the World Bank and the IMF, even in the context of this food crisis, we are not seeing the change of mind-set to open minds to broader ideas such as what we are hearing today and I think that is quite an important point.

**Chairman**

140. If the private sector is not going to do it, then the suggestion is that either the State does it or some other organisation and let us just look at the State in Malawi. I went on a separate visit than other

colleagues to Malawi slightly earlier in the year and one of the things that struck me was that most of the villages are off dirt tracks, so you have Lilongwe to Blantyre which is the only really kind of tarmacked road and everywhere else there are dirt tracks. Many of those roads had Bailey bridges over riverbeds. It is fine in the dry season; when they are dry, you can take a 4x4 down. However, the Bailey bridges needed repairing and, when the rainy season came, they would be almost impassable. It did not seem to me that anyone was getting a grip on that situation, either through work programmes, local government or whatever. When I went to Lilongwe, the impression I was given was that the State, in a sense the politicians, were pre-occupied largely by whether the President could have a third term election. Those kinds of issues. I did not get the feeling of anyone in Lilongwe having a grip. So, if it is not the private sector and it is not the State, then I think what you are suggesting, particularly with the impact of HIV/AIDS in parts of Africa, is that there is a need for some other entity to assist. What is that other entity? Is it the FAO? Is it UN agencies? If it is not the private sector and I have to say that, if I were relying on the State in Malawi, I would not be particularly optimistic.

(*Mr Lawson*) It is interesting to make a comparison between investment and agriculture in the last ten years and investment in education and health. You are dealing with the same state and the same set of donors but education and health, in terms of human capital, is seen as very much the place to invest and that is a process of engagement with a very corrupt state with many governance issues, but in agriculture we have seen the opposite; it is a kind of complete withdrawal; it is a kind of "the State, we cannot work with them", which is a relic from the 1980s in some ways. I think there are enormous problems with working with the Malawian State. I have personal experience of doing that in terms of education and they are incredibly frustrating, but they are the future. You have to have states combined with the private sector that run an agricultural market or an education system or whatever. I think there is a major role for UN agencies and for NGOs in that, but that disengaging from the state or writing them off, as has happened in agriculture, can only lead to negative consequences in the long run.

**Mr Colman**

141. I am pleased that Oxfam has not taken the neo-colonialist stance that perhaps some NGOs take in terms of saying that the State is not responsible and should be ignored. I applaud that. James Morris, who gave us evidence in the World Food Programme, and his assistant dealing with Southern Africa made clear that the international institutions should get involved to back up the State but that the prime responsibility lies with the State. Bearing that in mind, your two papers from Wye and from Oxfam are very critical of, if you like, the World Bank and of the IMF proposals for agricultural liberalisation as the Chair has said. Can I push you further. Why do you think that the policies have not enhanced food security? You talked about some issues around

14 January 2003]

MR MAX LAWSON, DR GRAHAM MACKAY,  
PROFESSOR JONATHAN KYDD AND DR ANDREW DORWARD

[Continued

[Mr Colman Cont]

that. I read the article about Ethiopia in the *Daily Telegraph* two Saturdays ago talking about the harvest which was very good in certain areas of Ethiopia but clearly there is a terrible famine in other areas of Ethiopia, and I saw areas of good crop growing in Zambia which I visited. Are there in fact other problems around dealing with food security which is not simply the food production but in fact the distribution? We have heard about the Bailey bridges failing to be repaired in Malawi, but is it in fact a lack of attention to roads? Is it a lack of attention in other areas which would mean that the liberalising views of the IMF and World Bank could actually work?

(Professor Kydd) Can I preface an answer by saying that we are not at all hostile to some of the premises on which the liberalisation policies were based. The State had become over-extended; many of its institutions are massively over-staffed; the fiscal cost was insupportable; and some kind of reform was needed. In agriculture, our complaint is that reform has been, if you like, too rapid, too broad brush, too ideological and not sufficiently well thought through. A marker for this might be, in the case of Malawi, to look at fertiliser use and access to fertiliser through credit, which has fallen from slightly more than one-third of households at the time of liberalisation down to now about one-tenth and those are largely people who are able to access it on the basis of their tobacco production. Private markets to supply finance to farmers and therefore to support private input suppliers have not come into being. We think we understand why this is the case and it is a question of co-ordination issues that we have talked about and the very high transactions costs that traders face and the very high risks that traders face.

142. Of not getting paid?

(Professor Kydd) Particularly credit suppliers face a very high risk of not getting paid and the previous system that applied in Malawi, despite all its faults, did actually get people paid. I think an irony here is that the liberalisers, though in a sense pro-market in their approach, were not hardheaded business people. They tended to be people a little like ourselves, economists, who thought that you get the State out and then businesses will know what to do once that space has been created. A little more thought was necessary to ask whether there was in this space the basis of a viable business for the private business people. I think the main answer to you is that, yes, of course, these other points you have talked about—poor infrastructure, poor education and HIV—are extremely serious aggravating factors. Nevertheless, the system that was developed from the late colonial period through to about 1980–85 has been pulled apart very rapidly in Malawi and the results are not favourable. That of course leads one to the thought: are there elements of that old system that could be combined with new thinking? If I could say a little about that, Chairman, because it addresses a point that you and another colleague raised earlier, which is, what would be the elements of that, given the point widely taken about poor quality of governance in Malawi and the pessimism about doing anything about that in the short term? Our own thinking is that, first of all, the issue may be best dealt with on a regional level. There is a huge

amount of informal as well as formal intra-regional trade. Secondly, this would need co-ordinated agricultural policies for the region, co-ordinated intervention policies and storage policies, and this might be a mechanism for dealing with some of the governance problems, in that one might have shared responsibility, dare one say sovereignty, in this intervention agency as between those that would inevitably have to finance this agency or agencies and the governments which would have to participate in managing it. You might find that, by creating a supra-national bureaucracy to manage it, you actually have old-fashioned, good quality bureaucratic values embedded in the system, particularly if it were staffed by a balance of nationals of the country and external people.

143. Do you think that the international financial institutions should do more to ensure that liberalisation works? In paragraph 4.2 of the Wye submission you talk about developing the market economy and you say that the ability of the Malawian smallholder farmers to meet exacting specifications in international markets is questionable. I noticed in the *Financial Times* today that the United States is starting talks with the Southern African Customs Union and you are outlining, if you like, a possible deal across the SADC area or maybe with COMESA. Are these areas which you think the IFIs should be pushing much harder on to get access into the United States and into Europe for agricultural exports and therefore developing a cash economy whereby you could actually move forward in buying these inputs, the private sector could then provide the fertiliser and know they will get paid because there is a strong cash economy? Is this an area where you think the IFIs should press much more harder internationally to help the agricultural liberalisation?

(Professor Kydd) Yes, although one has to admit that quite a number of the products that are currently exported from that region do not face serious policy related trade barriers. Some do. The obvious one in the case of Malawi is sugar. Malawi is a very low cost, very efficient, highly labour intensive sugar producer. With a more equitable set of arrangements in world sugar markets, those patches of Malawi where people produce sugar intensively would be much better off and would see rising levels of wealth. One has to recognise that Malawi's principal export crop is tobacco produced by smallholders now and it is difficult to point to international arrangements which discriminate against those.

144. But in a wider issue in terms of Southern Africa? Access to international markets. For instance, Zambia finds it extremely difficult to sell it to the North American market; it is very much excluded from that market.

(Mr Lawson) I would agree on a wider issue. You have cashew nuts in Mozambique, you have sugar in Mozambique as well and you have products in Zambia. It is about market access; it is about massive subsidies in the US and in the EU and I think that one thing the IFIs can do to push very hard on getting northern economies to open their markets more. I think that is very true and, to their credit, they are saying at least the right things at the World Bank in that context. I would like to draw your attention to

14 January 2003]

MR MAX LAWSON, DR GRAHAM MACKAY,  
PROFESSOR JONATHAN KYDD AND DR ANDREW DORWARD

[Continued

[Mr Colman Cont]

the other side of the coin which is that, at the same time as pushing the north to open its market, they need to stop pushing the south to continually unilaterally liberalise and not be allowed to protect native industries in any way in a way that is still very ideological and still very much the reality in Malawi, Mozambique and Zambia. I think that there needs to be much more creative thinking around how poorer countries can protect native industries and important crops for food security reasons to try and even up the balance on that side as well.

145. We intend to have a major inquiry as a committee on this in this calendar year and I am sure you will be coming to give evidence, but you would support, if you like, the cash crop exports from these countries believing that it is in the longterm interest, despite famine in other areas within these countries? I saw a nod from Professor Kydd but Dr Dorward?

(Dr Dorward) I think this is very important and encouraging cash crop exports and promoting access to those markets is extremely important. However, without simultaneous change in the food crop markets, there are limits to the benefit that you are going to get. For example, if the price of maize goes from two kwacha a kilo to 30 kwacha a kilo, you cannot rely on tobacco income to buy maize, so you have to carry on producing your own maize to insure yourself against that eventuality. That means that, if you are going to get cash crops actually having a more generic effect throughout the poorer parts of the rural economy where the majority of people live and operate, then you have to get food crop markets going and food crop production going as well, so that there is a lot more stability and people can rely on those markets. The problem is that they cannot rely on the food markets just now and the government is not offering any reliable alternative.

(Dr MacKay) From the humanitarian perspective, I have to agree with that as well. We had the question of food aid. It is really imperfect: the distribution of it is really difficult and what we would want to see would be a lot of work being done in furthering maize production and equivalents in Malawi and surrounding countries, just to reduce the price down to enable people to branch out perhaps and try other forms of work and diversify their incomes and make the whole household income situation a lot more stable and that is what we would like to see.

#### Alistair Burt

146. In Imperial's memo to the Committee, you suggested four possible ways out of rural poverty or the rural poverty trap: one was straightforward diversification away from agriculture and the three others were variants of agriculture production. Using your experience from other parts of the world, what evidence is there of the success of agricultural development achieving these sorts of transformations in other places and are there straightforward transferences available to Southern Africa or are there unique factors there that would not make similar successes, if there had been successes elsewhere, just that much more difficult to achieve?

(Dr Dorward) If we look at economic development globally, I am aware of two cases where agriculture was not the initial stimulus to economic growth: Hongkong and Singapore. Almost everywhere else in the world, agriculture has been an initial driver of growth. It then faded away as other things have taken over. So, the historical record is that agriculture is very significant. If we look at the major processes of poverty reduction in the last 50 years, these have been built on the back of the green revolution in parts of South Asia and in South East Asia and China. So, the record for agriculture globally is extremely strong. The record in Africa is not. So, this poses lots of questions and one is, why is Africa so much more difficult? There is a whole raft of reasons for that, which caused it not to participate in the green revolution at the same time as other countries did. Here you have issues about governance, you have climates, access to irrigation, population density, health problems, access to markets and to the sea, a whole raft of things which make things more difficult, and those have posed difficulties for the policies that were successful in green revolutions. Now we are faced with the question, what route should we go down? Should we go down the agriculture route which we know is very difficult or the non-agriculture route for which we have no evidence historically? If we look at the non-agricultural opportunities in rural areas, there are very few ways in which we can really see non-agricultural opportunities getting rural economies going. Agriculture has particular characteristics regarding the production of food with high income shares and production of exportable products, neither of which non-agricultural opportunities offer on a wide basis. There are particular things such as minerals in some areas and in some areas tourism but, on a more general view across Africa, it is very limited. If we look at agriculture, it has real problems. Climates are more problematic. We have a more difficult world now. The green revolution itself has lowered food prices and we have a general decline in cash crop prices. All this means it is more difficult in agriculture. Irrigation is a problem in much of Africa. We also have a policy change, so the policies that promoted agricultural growth in green revolution areas are now largely discredited, and here we have a confusion between what we would call pre-green revolution policies and post-green revolution policies, and the post-green revolution policies are really liberalisation policies. We need to liberalise markets, we need to get the State out, but, in the early stages before you have a green revolution, the global experience is that the State, or those doing similar sorts of functions, have been in there. The difficulties now in Africa are, what about the capacity of the State? What about the accumulated experience that we have? It does not work. We need something else that performs those functions, but does not do it in the same way, and that is the big challenge.

147. The further factor to which Oxfam drew attention is of course the decline in investment by outside donors and investors in agriculture, which is the point you made just a few moments ago. Can you see any particular changes that might be made there to make the mechanisms both more effective and more attractive to investors? If that is to be the way

14 January 2003]

MR MAX LAWSON, DR GRAHAM MACKAY,  
PROFESSOR JONATHAN KYDD AND DR ANDREW DORWARD

[Continued

**[Alistair Burt Cont]**

out or a better way out at the moment than anything else that can be devised, what changes might be made to encourage greater investment and also, bearing that in mind, what is your general view in terms of the FAO in relation to this and does it have a role and could it be made more effective than it has been? What has been its level of activity whilst its level of investment has been going down?

(*Professor Kydd*) Can I just pick on the FAO one which is perhaps the less important of the points but to get it out of the way. I think we have to be realistic about what FAO is. It is an inter-governmental organisation which, in its own terms, undertakes what it calls “normative work” and “operational work”. Its budget, once you have divided it by the numbers of member countries or even by the numbers of poor member countries, leaves it with quite small sums of money and indeed most of that money is spent in Rome at the headquarters of the organisation. A general observation on the FAO is that because it is an inter-governmental organisation, its sovereignty lies equally distributed, unlike in the World Bank and IMF where power is proportional to shareholding. It has been extremely difficult to reform and I think it is not unfair to say that the UK Government, which has been a leader in trying to reform it, have found this quite an uphill task. My own view is that the FAO is at its best and is performing a role which would cause us to want to create it, if you like, if it did not exist, when it is backing up the negotiation of international norms and standards. For example, it plays an important role by hosting the Codex Alimentarius Commission and that has an important role in facilitating trade and WTO matters and so on. When it comes to playing a major role in providing advice on agricultural policy to any particular member country, if you look at it on a dollar available basis to each organisation, then organisations such as the World Bank and such as our own DFID, in the countries on which it concentrates, have resources of a different magnitude to resources available to the FAO. So I think that unless the international community decide to do something different with the FAO and give it a lot more resources than it currently has, it is really unrealistic to beat it over the head for not doing something because it really has, as I said, such limited funds.

**Mr Battle**

148. Would it be better if it was not there?

(*Professor Kydd*) I posed the question a few seconds ago, would one wish to invent it if it did not exist? I think in relation to its work on international norms and standards, what it describes as its normative work, the answer is a resounding “yes”. One of the great things about it is that it is one of the few depositories of serious analytical capability on behalf of developing countries and so, if you have a negotiation about international norms and standards to do with fishing, forestry or whatever it might be, in the context of FAO, the FAO Secretariat are evenhanded in the advice that they provide but, in practice, knowing that the representatives of the wealthier countries have their own civil servants, academics and so on, they tend to give priority to

advising poor country players in the negotiations. I think that is an extremely positive feature of the FAO. In its operational work, it is spread exceptionally thin and I think, to repeat myself, it is unrealistic to place too much of a burden on the organisation. As with so many other development organisations, it probably is not happy to proactively abandon that burden because it would worry that this would reduce its funding.

(*Dr Dorward*) May I answer the investment question? I think we have to distinguish between private investment and donor investment in agriculture. Given the way prices have gone and the general difficulties in operating in Africa, it is not surprising that private investors’ external investment has gone down, but I think your question was more about donor investment. Again, the reasons are not difficult to see. In the past, donors have invested huge amounts in agriculture and, in Africa at any rate, it does not appear to have been very successful. So, it is a very rational response to look for other ways of spending that money, but perhaps things have gone a bit too far the other way. I will come back to that in a minute. Another problem in investing in agriculture for donors is actually, what do you invest in? Once you have liberalised markets, once you have begun to think that maybe extension and research is not as effective as it ought to be, what do you invest in? Often it comes down to things like roads. It is very important to get the infrastructure going. These things are not categorically agriculture, so again you see agriculture investment going down. What should the response be? I think it comes back to what we have been saying earlier, that we need a better understanding of actually what the problems are facing agriculture and therefore where the investment is needed. Is it needed in technology development or extension, or is it needed in trying to get these markets going, and how should that be done? That is, as far as we are concerned, one of the big questions that has not really been addressed, and there may well be opportunities for spending money wisely in doing that. The other point to make there—and this comes back to the point you made, Chairman, earlier regarding food aid—is do we actually think about development and relief a little more holistically, and think of the benefits of investment in agriculture not just in development terms but also how they can actually save us on relief spending and, if you were to look at it that way, I think you might find that the rates of return to agricultural investment went up a lot. We need that sort of holistic analysis in our decision making.

(*Professor Kydd*) Could I be allowed to stress and bring out a point that my colleague made, which is about this unhelpful conflation that is around at the moment about problems of agricultural development in pre- and post-green revolution eras. In India and China now, the urgent priorities having achieved huge increases in productivity are to deal with the environmental problems that have been associated with the green revolution to do with water and to do with excessive use of pesticides; to do with the fact that, with productivity increasing elsewhere in the economy, there needs to be land consolidation; to deal with ingrained subsidies which earlier had a high developmental pay-off. In India particularly subsidies to fertiliser and to electricity. All of these

14 January 2003]

MR MAX LAWSON, DR GRAHAM MACKAY,  
PROFESSOR JONATHAN KYDD AND DR ANDREW DORWARD

[Continued

**[Mr Battle Cont]**

are best seen as problems of success but people who are rubbing their noses in dealing with, if you like, the clean-up from the successful poverty reduction effort in India, China and elsewhere are tending to come to Africa with some of the same set of ideas, which is that you should get the State out of agriculture and that you should worry very heavily about the excessive use of water and inputs and so on. So there is a kind of agricultural pessimism overlayed on an intellectual pessimism overlayed on the reality of objective reality which makes one fairly pessimistic anyway. The academic conventional wisdom of about 15–20 years ago was that one should be pushing hard for agricultural intensification in those parts of Africa where it is ecologically achievable because this would be a major route to poverty reduction. But the numbers of people who share that as an objective seems to have declined quite substantially, in a kind of rather post-modern phase, with people running off in all sorts of different directions. It would, in our view, be very helpful to get us focused on agricultural intensification again and the policies and institutions that would be needed to allow that to happen.

(*Mr Lawson*) If I may just add to that. I think this investment dilemma for donors particularly for DFID, is, if they decide, right, we are going to put more money into agriculture in Malawi, how do we do that? I think there are a number of ways in which they could spend their money in agriculture and I just want to draw your attention to one. In Lilongwe where we work as Oxfam in Malawi—I do not know if you had time to visit the south—you have two major issues. There is one major issue in terms of extension and we work very closely with the extension agents and there is no doubt that the way that extension was used in the past, particularly from a gender perspective, was very much the wrong way of doing things, but that does not mean that properly trained participatory extension agents can not have a massive role in helping people tackle problems of food security and agricultural growth and, as you have seen from your trip to Malawi, the impact of HIV/AIDS is enormous and the role of extension in that could be huge in terms of tackling that problem. So, there is an area where you could see massive investment if you really wanted to. The extension college in Lilongwe was closed for the last ten years—it only opened last year—because there was no investment in training extension agents. That is a simple way that donors could spend money. Another major area is in land redistribution in Malawi, for instance. We have seen successive drafts of a land policy; we have been heavily involved as Oxfam; there have been massive land constraints and plans in place for redistributing land, but again we cannot spend any money on it; it has to be market driven; it has to be on a willing buyer/ seller basis and I think I am correct in saying that also one of the historical precedents is considerable redistribution of land and its successful agricultural growth, which is a massive issue in the whole of the region. These are two examples of where DFID, for instance, could spend money.

**Chris McCafferty**

149. Professor Kydd, you mentioned the need for properly co-ordinated rural communities and in fact the lack of them in Africa. Is there a role for innovative institutions such as the National Smallholder Farmers' Association of Malawi in helping families in poor countries to get out of the rural poverty trap and get established food security for themselves and the country as a whole?

(*Professor Kydd*) Very much so. NASFAM, which you have referred to, is one of the very interesting and hopeful features of the landscape in Malawi. It was created with substantial and I have to say high quality American technical assistance as one of the institutions to help farmers in liberalisation and it has been very well managed. It seems to have evolved a quite balanced form of governance which has meant that there is enough robustness in the system for local politicians not to plunder the thing whilst at the same time being responsive to what is coming up from its membership. So, it is playing a very constructive role in helping people solve co-ordination problems, but it still operates within a broader framework for agricultural policy in Malawi where you have huge fluctuations in prices. It itself cannot deal with the agricultural finance question; it is not a bank and it would be highly undesirable if it became a bank. It co-ordinates closely with the one rural bank in Malawi, Malawi Rural Finance Company, but the reality is at present that the great majority of NASFAM members who are also borrowers through the connections that NASFAM was able to make with that bank are growing smallholder tobacco. I am not making a health related point here about tobacco, I am merely making the point that there is a limit to the numbers of people who can grow tobacco and the big challenge, as my colleague has said, has been one of getting people to be able to access inputs to produce maize much more intensively than they are at the moment to get much higher yields of maize. If I could answer your question on a more general level, we think—and we are very hazy on this because it is the beginning of a research and advocacy agenda—that the way forward is likely to involve a hybrid of NGOs, various levels of private sector and government and indeed, as we have indicated earlier, what may be elements of supra-national regional government institutions. It may be that any intervention or agricultural policy agency that is set up in the region may for certain areas subcontract its activities to farmer associations, in some cases to what are effectively branches of NGOs and in some cases to what are purely businesses profit motivated and have an ecology of variety competing to provide the best services.

150. Do you think that would help stimulate and develop the whole sector? What you are describing is something that does not exist at the moment, but do you think that these two things can work together because often the private sector and NGOs have a difficulty in working in partnership?

(*Professor Kydd*) Yes, they do. I think here they would probably be to some extent spatially segmented, so it might be that, in a certain area, an NGO had prime responsibility for helping people with finance input access output marketing and, in

14 January 2003]

MR MAX LAWSON, DR GRAHAM MACKAY,  
PROFESSOR JONATHAN KYDD AND DR ANDREW DORWARD

[Continued

**[Chris McCafferty Cont]**

another area, you might well have a private firm contracting to perform the same responsibilities. Hopefully there would be some form of regulatory agency, even if you did not call it that, reviewing the performance of the different players and re-contracting them or re-franchising them on the basis of their development performance.

(*Dr Dorward*) Can I just comment that we do see farmers' organisations as potentially extremely important and we are very interested in, for example, why NASFAM is working when very little else in Malawi often seems to work. But if we go back 30 years we find a huge emphasis on co-operatives and implicitly co-operatives and parastatals were trying to address these co-ordination problems and, in Africa, they tended to fail. As soon as we see one magic bullet and we pump investment into it, then we are imposing all sorts of pressures on it that will basically cause it to implode. It becomes not a vehicle of development but a vehicle of rent seeking. This is a huge danger that we have to guard against and is a very big problem. Again, we are looking for ways of spending money that create long-term benefits as well as short-term benefits. There is this problem of absorption capacity and farmers' organisations do face particular challenges in that and, therefore need to be handled very, very carefully.

151. How do you see the very poorest and smallest of smallholders participating in the kind of partnerships that you are talking about? How can you ensure that they can, and do, participate?

(*Professor Kydd*) My sense is that they will be proportionally more excluded. It will be much more difficult for them to access finance and put sufficient labour into their land. One has to start off with a recognition of that. However, I think two points can be made. Over the years, going back 20 or 30 years, there have been very successful examples in patches of Malawi of people who have worked with very poor farmers—this would be almost exclusively female farmers—achieving very substantial success. If we go back to the ODA projects in the Phalombe Plain, a poor area of the southern region, in the early 1980s, there was remarkable success, which I was involved in documenting, in extending credit to groups of poor women farmers whose repayments were frequently in excess of 95 per cent year on year. For them, getting access to this credit was such a breakthrough that they made every possible effort so that they could to make sure that they could repay. One should not be too pessimistic about the possibility of working with the poor but I think one has to recognise that given the unequal distribution of land, not just as between the estates and smallholders but within the smallholder sector, many of the healthy poor, and of course that is a subset of the poor because there are many who suffer morbidity from HIV and malaria and so on, are presently engaged in the labour market in what is known in Malawi as ganyu labour, day wage labour. If the labour market were to tighten because many more of their better off neighbours needed to hire them then the real wages that they would get for their ganyu work and also the amount of time that they have to spend looking for ganyu work would fall.

This would be a significant mechanism for the transmission of improved living standards to a group of poor people.

(*Dr Mackay*) I think we would be a little more pessimistic about how small scale subsistence farmers would be helped because in rural Zimbabwe, Zambia and Malawi you are going to have an awful lot who are substantially affected by HIV/AIDS and that means your productive generation of, say, 15-40 does not exist, so you are relying on the productive capacity of children below the age of 15 and older people, 50, 60, grandparents. To be honest, we are pretty stumped as to how you actually help people in that kind of situation bar food aid.

**Chairman:** Can we move on otherwise I think we will run out of time.

### Tony Worthington

152. I want to stick with land for a moment. Can I ask about Malawi but not get stuck on Malawi because Malawi seemed to me to be a very extreme case of high population, intensive farming, almost total dependence in the economy on agriculture. If I was a politician in Malawi, which thankfully I am not, this would be an issue that would be absolutely impossible to tackle because land is always an incredibly conservative force if you are challenging what people have, little as it is, and challenging traditional authority. How do you escape from this? You were hinting at one point that these people are going to be asking "What is in it for me?" and if suddenly there was access to credit that might help, but how do you tackle this?

(*Professor Kydd*) Our Oxfam colleagues have referred to the debates that have been going on in Malawi about land policy and, in fact, the outcome in terms of action has been inconclusive. The point I would make about land access in Malawi is that it is certainly true that there is unutilised land, ineffectively utilised land, in the estates and that land that was alienated from smallholder use, actually in many cases after Independence, in the tobacco boom of the 1970s and 1980s is now much less intensively used because of the collapse in the economics of estate tobacco. One also has to be careful about thinking about redistribution policies because really the most you could do is absorb three or four years worth of population increase. I was very struck when I looked, for example, across at West Africa how in Ghana—where land on the whole is quite equally distributed, there are rather few large tracts of land controlled by corporations—how the inability of companies to access significant tracts of land is a major impediment to investment in agriculture. It is actually quite hard to put together 30 or 40 hectares in the most productive parts of Ghana if you want to create an export business that might have dramatic impacts in terms of local employment and export earnings. I think one has to be realistic about what can be achieved by land redistribution in Malawi, it gives you three or four years' population growth relief before you are really cutting into the core of some of the state land which is highly productive in the way it utilises labour. One thinks particularly of tea and sugar, whereby if you were to redistribute that land I think you would get a substantial fall off

14 January 2003]

MR MAX LAWSON, DR GRAHAM MACKAY,  
PROFESSOR JONATHAN KYDD AND DR ANDREW DORWARD

[Continued

**[Tony Worthington Cont]**

in employment. I would not argue the same case in Zimbabwe by any means. What is probably a more important set of issues, which is implicit in Malawi, and Malawian academics pointed this out to us when we visited recently, is that elements within the Malawian elite have themselves lost faith in the efficiency in smallholder agriculture, particularly the agriculture of the people who have been referred to by the previous questioner. It is an issue that will have to be thought about and watched as to whether we are going to see quite rapid consolidation of land within the smallholder sector with exits from the smallholder sector by the poorest people. Obviously HIV/AIDS is an important factor in this, where you are getting young orphans who do not have the power to be able to defend their own access to land and they get close or distant relatives taking land over from them. In summary, we have an impasse at the moment and it is not at all clear where things could go. My suspicion is that we may find that the real story is somewhere other than where we expect it is, it is about land consolidation and increased inequality in land holding within the smallholder sector itself.

153. I said that I did not want to get stuck on Malawi but I think this is very important, if you just cross the border to Zimbabwe, and in many other parts of Africa, you seem to have another issue, you have a large amount of land, a relatively small number of people and not much agricultural work going on. Is tenure still a factor?

(Dr Dorward) Were you referring to Zimbabwe or Zambia?

154. Zambia.

(Dr Dorward) I think there you have very high transport and infrastructure costs and the coordination issue becomes extremely important because the cost of communication, both physical communication and communication of trust between partners, becomes critical. I personally would not think that tenure is hugely important in Zambia. The studies on land tenure change where it has happened in other parts of Africa have not been very conclusive. The sort of benefits that have been suggested in the literature in terms of it being used for collateral for lending, for example, have not generally happened because in practice getting your hands on a piece of land is often quite difficult, it is costly and even if you legally have a right to it you may find difficulties enforcing that right. I think the literature is not clear on this but the benefits of improving land tenure in those sort of situations I think are often overstated.

### Mr Khabra

155. There is still a lot of controversy over the issue of liberalisation and the role of the state in particular in respect of food and agriculture in developing countries and poor countries. What role should a state play in ensuring food security for their people? Is there a role for a state in subsidising the production, marketing and consumption of food?

(Mr Lawson) It comes back to what we were discussing earlier. We can draw a distinction between food security and the kind of rural development

market investment we have been talking about. There is a role for the state in both. I think the role of the state is not performing in Southern Africa for two reasons, the first reason being that we do have really serious governance issues and the states do not perform particularly well. The second reason is that we have seen a real decline in investment and a decline in the interest in both food security and rural development by donors. In Malawi you have seen so much money pouring into education, and you can see that that is the fashionable area and all of the donor staff are now education specialists. One of the interesting things in the submission from the Imperial College is that just simply not having the donor staff there who know about agriculture maybe helped to lead to this crisis but there was not an awareness of the agricultural market going on. I think there is a lot that the state can do with the support of donors and NGOs to facilitate food security, and that may well involve subsidies of some sort and price controls of some sort. That does not mean we return to the bad old days of the 70s and no involvement of the private sector at all, that is not what is being advocated at all, but we have definitely gone too far in the other direction. To draw the comparison between the lack of subsidies allowed or the fear of the word subsidy in Southern Africa or in donor community compared to the level of subsidy here in the EU and in the US the double standards involved are quite breathtaking. We cannot mention subsidies at all.

156. Are you aware that in a country like India when the crops are reaped the small farmers do not have the marketing facilities, they cannot wait to send their food grains, so the government buys it from them at a cheaper rate and then sells it at a higher rate and that causes problems for poor people as well?

(Mr Lawson) I do not know enough about South Asia or India but I think there is a situation in Zimbabwe where you have too much state control, too much state control of marketing and the prices of food. I think on the other extreme in places like Malawi, Zambia and Mozambique you have no state involvement and huge price increases and no rural marketing infrastructure. If you are a poor farmer in a distant part of Malawi your ability to get involved in the market is virtually nil, you cannot purchase imports, you cannot sell your produce, even if you had any to sell, at a price that would make it worthwhile getting involved.

(Professor Kydd) On the point of subsidy, we currently do have a lot of subsidy going in, we have the targeted inputs programme. We have the food aid, that the Chairman referred to at the beginning, we have the safety net programmes, which in part are due to the failure of agricultural policy, so fewer people are needed to participate in this. For me the question is how can we be more clever in the use of the existing subsidy bill and perhaps build up the subsidy bill, at least for a while, as part of the effort towards agricultural development. I think that the general principles are that you want to develop subsidies in such a way as to minimise the inevitable distortions that come with subsidies. As soon as you put in a subsidy you find that people are working out how to manipulate it. If you subsidise fertiliser you

14 January 2003]

MR MAX LAWSON, DR GRAHAM MACKAY,  
PROFESSOR JONATHAN KYDD AND DR ANDREW DORWARD

[Continued

**[Mr Khabra Cont]**

get large quantities going across into other countries. Zambia always used to refer to Zaire, as it was then, as its eighth province because all of its subsidised fertiliser used to go across the border. Our own thoughts on this are that subsidies are best focused at present on organisations, whether they be private companies or NGOs, that are able to increase lending to the middle and poorer sections of the farming population in Malawi. Second, to refer to the rather hazy ideas that we have about possible supranational agricultural intervention agencies in the Southern Central African region, building those up, and giving them the resources to operate will require subsidies. Inevitably when you model this you will find there will be some good years when this agency is required to buy product at above what would otherwise be the market clearing price and possibly at some point in the future dispose of that product at a loss.

**Chairman:** There are some specific instances where the state intervenes, I think you are going to ask about those, perhaps we can put those, about strategic grain reserves, and so on, to our colleagues.

**Mr Khabra**

157. Can I ask a small set of questions which are relevant to the issue. Is there a place for strategic grain reserves? What should their role be? How big should they be and how should they be funded?

*(Professor Kydd)* I think I would like to make a point first, it is a bit of a nonsense that the strategic grain reserve should be required to cover its costs. It should obviously be required to make as small a deficit as possible but the objective set by the Government, the Treasury and IMF that the SGR should cover its costs is unrealistic. I think the current dominant theory of SGRs is that they are a buffer whilst you are waiting for physical imports to arrive and that you want to make them as small as you believe is safe, given the time that will be required to import from the world market. I think it is the idea of some people that SGRs have almost to become virtual, holding little or no physical grain and dealing largely by purchasing options on the commodity market. One can see why people hold these views. I think the implication of the views that myself and Andrew Dorward, and our Oxfam colleague have been putting forward is that we are going have to think a bit more broadly about SGRs and accept that if we are going to have a policy framework in the region which seeks to take out some of the price volatility and reduce some of the risk to farmers then there will be years in which the physical product is stored at a volume much greater than would be indicated by the earlier theory of SGRs. It may be that we are back with what are, perhaps, slightly more old-fashioned ideas about what is appropriate for an intervention agency to do.

158. Is there a place for price-smoothing for staples such as maize?

*(Dr Dorward)* There is certainly a place for that. You can look at it in two ways, one is general price smoothing between seasons, and trying to avoid the sort of price hikes that we have had in the last few months in Southern Africa, for example. Even on a regular basis there may be something to be said for smoothing prices within seasons. You raised the

point just now that small farmers, the poor in particular, may sell at a time when prices are low and have to buy back when prices are higher. Some sort of price smoothing mechanism can attempt to deal with that, although there are risks that it may cause perverse incentives. As Jonathan Kydd said earlier, whenever you have any intervention people will try to work out how to manipulate it. I would like to make two background points in all of this discussion, which is that we are presupposing we are dealing with a situation where there is a potential for increasing agricultural productivity. Coming back to your earlier point, what about the Horn of Africa? Thinking of Southern Africa, what about Southern Zimbabwe? We do not have technology there that can raise productivity substantially along the lines we do have in Malawi, although in Malawi we need to have technology that reduces reliance on purchased fertilisers. There is work on organic systems using legumes, I am sure you came across this when you visited Malawi, these are important in that they can reduce reliance on inorganics, they are not going to replace them. In other parts of Southern Zimbabwe or parts of the Horn of Africa we do not have agricultural systems that are going to raise productivity. I do not think anybody has answers for those areas. DFID did commission a study by the Centre for African Economies in Oxford which came up with the suggestion that really the thing to do was to focus on industrial development but recognised that there would be only perhaps four countries in Africa where this might work, and there is the question of what happens elsewhere. These questions that we are raising about the role of donors and the state in getting agricultural moving they are very important in a large number of areas where a large number of poor live, but there are significant numbers of poor that will not benefit from those. That leads on to the second thing, all of this emphasis on agriculture has to be associated in parallel with safety nets that deal with those that are going to be excluded, particularly those affected by HIV/AIDS. This is the point that Dr MacKay was making: we have to walk on two legs.

159. Small farmers need fertiliser, seed, credit and other inputs, do you think that the state should intervene to support them at an affordable price?

*(Dr Dorward)* I think Jonathan did address this to some extent, the starter pack in particular is a form of subsidy, it was universal before it went down to being targeted. There is a general question here. Subsidies, I think most people will agree, are necessary but the question is, what is the best form of those subsidies? My view would be that the starter pack or the targeted input programme did provide some help, it may have provided an extra month's food for households and that may have lowered its price a little bit. Lowering prices is a two-edged sword because it makes fertiliser use less profitable for those who are going to buy it, either with cash or credit, but it does make food cheaper for the poor who are buying it as well. There is a big dilemma in Malawi about maize prices, higher maize prices are necessary to promote investment but damage those large numbers of people who need to consume it. The starter pack has this double-edged impact. By and large I think we would agree it was beneficial. The big

14 January 2003]

MR MAX LAWSON, DR GRAHAM MACKAY,  
PROFESSOR JONATHAN KYDD AND DR ANDREW DORWARD

[Continued

**[Mr Khabra Cont]**

question is what happens next? How long does it go on for? What does it contribute in terms of long term development? That, I think, is the problem that I have with it, it does not move on to an exit strategy.

(*Mr Lawson*) Quickly to concur on the starter pack, even when it was given to everybody—it was given to all smallholder farmers, which is different to a blanket subsidy on fertiliser, which was accessed by the estate in the past—it is still, to a certain extent, a targeted subsidy. As Oxfam have said it had a very positive impact. You are looking a situation where 60 per cent of poor in Malawi are net purchasers of food for a large period of the year and I think it is going to stay that way for a long time. I appreciate the dilemmas of pricing but certainly from the point of view of vulnerable women, orphans and the poorest of the poorest what the starter pack led to was cheap maize and I think that was a good thing.

**Tony Worthington**

160. Just taking your point, which sounds profoundly pessimistic, Dr Dorward, we have a situation where there is no internal source of fertiliser in any adequate way at all and it is unaffordable and provided externally, land is severely depleted and population is rising, and there is no answer.

(*Dr Dorward*) I am afraid I would entirely concur with that. What we are proposing is a way to reduce dependency and the vulnerability of individuals but we have to ask if we get the fertiliser use up, how is the economy itself going to pay for that fertiliser in order to feed itself in 20 years' time, if you were to get a process going? I am afraid I do not have an answer to that. We have a country which, as you say, has all of these problems and has very little in the way of resources. It should be able to have some comparative advantage, according to neoclassical theory, but in fact it is surrounded by neighbours who have better access to the sea and it has, as far as we can see, very little other advantages. The only other comparative advantage it could have would be lower labour costs, which means low income and poverty. I agree it is very pessimistic<sup>1</sup>.

**Mr Khabra**

161. The public works programme, which includes food-for-work, cash-for-work and agricultural-inputs-for-work these are the programmes in some of the countries, how can public programmes contribute to both short-term food security and long-term development?

(*Professor Kydd*) As you probably know these are an important feature of the landscape in India and one of the very admirable features of India is the fact that these are capable of being scaled up very quickly when needed. The most general answer is that they are needed in Malawi and elsewhere in the region and the ability, the administrative capacity of whoever is doing the work—which I hope on the whole would be NGOs rather than government—to scale-up and scale-down rapidly is important because it is critical to exit from this activity when it is not needed on that scale. That would be the first point. The second

point, of course, is that HIV and other forms of ill health pose a huge dilemma for labour intensive public works because it is an entirely inappropriate response to the problems of an HIV infected household to require the remaining household members and perhaps the HIV/AIDS affected individual themselves to work on the roads or in some other public infrastructure. There is obviously a need to provide direct food assistance to those people and so sorting out who is eligible and who is not is a huge dilemma. The third point on public works is, as I think you have indicated, we need to move to be more clever in the way in which people are rewarded for this, for participating in these programmes. Work for inputs schemes hopefully will be work for input vouchers so that the development of an input market would be sustained. We think that is a good idea, we think an even better idea might be, as I mentioned earlier, work for partial repayment of credit. If you put yourself in the position of a poor household in Malawi you may thereby access finance, apply more fertiliser and better seeds than you would otherwise do. Perhaps you will consume more but have work less on other people's land, and therefore give your own land better cultivation: you do not have to weed someone else's land, you weed your own land and thereby produce three or four more bags of maize a year more than you would otherwise do—but not necessarily thereby produce a cash income but simply remove the requirement to go into the market to buy maize yourself. There are lots of Malawians in that position, how do you make it possible for those people to access finance? Ideas include the possibility of them engaging in dry season trading activities, and so on. There is a limit to what can be done. It may well be that another positive way forward is for people to be able to, as least in part, pay off micro finance loans through participation in this kind of work.

162. Do they put limitations on the liberty of the individual to make a charge?

(*Dr Dorward*) I guess they provide an opportunity that they would otherwise not have, in that sense they brought an opportunity. If you provide them with cash then you are saying that cash could be spent in any way they like, that is assuming that the market operates for them to use that cash to buy, for example, input vouchers. Is it paternalistic? Yes, it may be in some ways, but in other ways it may be recognising the failures of the market in the environment that they live. Also the difficulties that poor people often have in saving. Poor people often pay to save, to remove money from the temptation to spend it, and that is widely observed. Giving them cash is often problematic because it does not help them to save it up for later, unless you provide some sort of saving mechanism at the same time. In a way this micro finance is providing them with some sort of cash recompense but in the context of a financial market.

**John Barrett**

163. If I can move on the impact of HIV/AIDS on the region. Specifically I would like to ask how thought can be given in the longer term when at a local village level there are so many child-headed

<sup>1</sup> Ev 95

14 January 2003]

MR MAX LAWSON, DR GRAHAM MACKAY,  
PROFESSOR JONATHAN KYDD AND DR ANDREW DORWARD

[Continued

**[John Barrett Cont]**

households or grandparent-headed households and the problems are the short-term and at a national level decision-makers may individually not survive in the long-term because they too may be infected, how do we get a long-term strategy to deal with the HIV/AIDS problem at a village level and at a national level?

(*Dr Mackay*) Starting from a very long time horizon, Uganda is a good example where they had quite aggressive policies around sex education and practice and that has constantly brought down the HIV infection rates in Uganda. That is a good model to work from and that can be applied long-term in Southern Africa, but it is not going to solve the medium-term problems. Issues over access to anti-retroviral drugs is important but we are talking about the poorest of poor here who cannot afford to buy maize so that is probably not relevant. Policies that will help people that obviously have no physical ability to farm land is important, we have spoken about orphans who are 15 and below, much older people who are trying to run families but simply cannot plough land. As I said earlier we are having difficulty thinking that through, we are trying to think of a small-scale kitchen garden but there are really quite weak strategies and we are really struggling with that. HIV for us is an important component of this whole crisis, you have a short-term shock arrives in a population, like a bad harvest, that really cannot recover itself and there will be a very long, slow curve out of this difficult situation. Food aid is not really a solution. We have to think in terms of how we can allow children to be productive and support themselves, how can you allow 50 year old people, who are much weaker than 50 year olds in this county, to be productive as well. That is a medium-term solution we have to try and work on. It is not a large answer to your question. We are struggling on that one I think.

164. It is a big question to end on. If we accept that people have the right to food, are there any alternatives to year-on-year increases in those sorts of resources into these countries? Do we see an alternative to that?

(*Dr Mackay*) Again, going back to an earlier conversation, food aid is imperfect, the logistics of it are difficult and the distribution of it is difficult—you are going to miss people out. It is obviously a lot better to have a healthy, indigenous production of basic foodstuffs, and that is why we would like to go on that diversified route with investing in agriculture, because we need to make sure there is enough maize accessible to people either just outside the border so that they can purchase, or within the country that they can grow themselves. How to make that more sustainable? Again, we have had lots of conversations about that, but something brings to mind a visit to Zambia which I made, where the rains had failed and therefore they were unable to plant a sufficient amount of maize, but there was this huge river flowing through Southern Zambia. The water is there, it is just in the wrong place; it is not irrigating the fields. So people were planting within 50 yards of the riverbank and beyond that it was just scrubland. There has to be a better solution round that, promoting small-scale irrigation, water harvesting and allowing smallholders that can produce locally to produce their own food.

**Chairman:** Thank you very much for your help. These are, as I think we all agree, fairly massive issues; some fairly complex and intertwined issues which you are grappling with and we are grappling with and, I suspect, quite a lot of us will go on grappling with for some time. Thank you for bringing that academic rigour into our inquiry, for which we are extremely grateful. Thank you very much.

---

**Supplementary memorandum submitted by Dr Andrew Dorward, Imperial College at Wye**

I would like to offer a point of clarification regarding my answer to the question raised by Tony Worthington<sup>1</sup>. Mr Worthington suggested that “there is no answer” for Malawi, and I concurred, in that even if a process of development as discussed earlier in the session were to lead to increased food production and security (through escape from the coordination trap in poor rural areas, higher maize production due to use of inorganic and organic technologies, and broad based growth in the rural economy), it is still not clear how the national economy would be able to earn the foreign exchange needed to finance the import of fertiliser: long term budgetary subventions may continue to be necessary. This answer presents the situation as we see it now, and is an honest recognition of the very real challenges we face. On its own, however, it presents an overly pessimistic view, which might be seen as an excuse for inaction. This was not my intention, and three further points need to be made. First, even if under this scenario budgetary subventions continue to be needed into the foreseeable future, this will still be a considerable and worthwhile improvement on the current situation if household food security is assured for the majority of the Malawian population. Second, the development of a more dynamic rural economy will both “buy time” (and there may be technological, institutional or political developments in the next 30 years that will offer new opportunities to break out of this situation) and will itself generate a new set of growth dynamics with potential to stimulate new

---

<sup>1</sup> Ev 94

*14 January 2003]**[Continued*

---

opportunities that we cannot at present predict. Third, we should not underestimate the potential and resilience of the Malawian people to combat these difficulties if they begin to have a broader and more stable resource base from which to work.

*Dr Andrew Dorward*

*January 2003*

THURSDAY 23 JANUARY 2003

Members present:

Tony Baldry, in the Chair

John Barrett  
Mr John Battle  
Hugh Bayley  
Alistair Burt

Mr Tony Colman  
Chris McCafferty  
Mr Robert Walter  
Tony Worthington

### Examination of Witnesses

RT HON CLARE SHORT, a Member of the House, Secretary of State for International Development, MR ANTHONY SMITH, Head of Central and Southern Africa Department, and MR ROB HOLDEN, Manager, Crisis Management Group, Conflict and Humanitarian Affairs Department Operations Team, Department for International Development, examined.

#### Chairman

165. Secretary of State, thank you very much. As you know, this is an inquiry into the humanitarian crisis in Southern Africa so we are going to be covering topics such as HIV/AIDS, food security and the right to food. We thought we would start with HIV/AIDS.

(*Clare Short*) Could I say one thing first. I am really worried that we are getting to a point where the capacity of the international system to deal with the crises we have got in the world is being stretched to the level where I do not know whether it will carry on functioning. Southern Africa is complex and big as you know. Angola is difficult for different reasons but there are still considerable numbers of hungry people in a complex situation. The Horn, Ethiopia and Eritrea are all very difficult. Afghanistan has five million people who have to be fed daily. The West Bank and Gaza are getting very difficult and there is Iraq out there. I just wanted to draw that to your attention as a Committee. I saw the Head of the World Food Programme in Addis the other day where they are just projecting on money, they are looking for sums they have never raised before. I just want to alert you to that.

**Chairman:** Secretary of State, we share those concerns. Most of us picked up on your statement on Ethiopia which, because you were giving £15 million extra to Ethiopia and therefore that classifies as good news, did not get any press coverage at all. Jim Morris and others have been saying to us it is not simply the amounts of money donors are having to give but it is the ability of the food pipeline to cope, and I think we are all conscious of that, and conscious of such issues as HIV/AIDS and the impact of HIV/AIDS. I think visiting somewhere like the Lilongwe Central Hospital is a pretty scary experience. You see patients shackled to beds who are prisoners suffering from TB, four patients to a bed, there are 1,000,000 orphans, it is very grim. John?

#### Mr Battle

166. In a way, following on from your comments about the overstretch of capacity, what I learned from the Committee's visit to Malawi is—and we went in the wake of the commentary on hunger,

failed harvest plus inadequate rain—I went expecting to see maybe the effects of famine and I came away after the field visits there immensely aware of the problem of HIV/AIDS in Southern Africa, which is affecting 16 million people, in Malawi in particular, and stripping out the capacity of that country to cope. Just two brief examples. We were in a meeting with ministry of agriculture officials and there were 28 people in the room—these would be agronomists, technicians, scientists, economists, experts trying to build in the capacity to tackle the problems they faced of an agricultural economy—and eight out of the 28 were seriously HIV positive, which meant that they were going to die within a few short years, in other words the administrative capacity has been stripped out. Then one day in the fields I was talking with a group of people, and one family had lost the men in the family and even though they had been given a seed pack they were not able to plant their seeds before the coming rain in order to catch up and get food for the coming season. I was struck that the major obstacle was the HIV/AIDS crisis now rather than it being simply treated as famine and hunger. Is it the view of DFID that this is an HIV/AIDS crisis rather than a famine? Of course, they are mixed together but would you address that as the primary objective?

(*Clare Short*) Botswana is one of the big, successful development stories of Africa, and it has a 38% infection rate. Its life expectancy was on its way up to 70 and the projection is it is coming down to 28. It has had a massive effect, but it is different to Malawi because it is not as poor thus it has got more institutional capacity. HIV/AIDS is deepening and enlarging this crisis very considerably but it is not the only factor. There are special factors in Zimbabwe, Zambia and Malawi. Malawi is a fantastically poor country anyway. Shortly after our election in early 1998 I went in and 64% of people were short of food in a normal Malawi. Institutions are fantastically weak in the country. There was a general election and change from President Hastings Banda, and there was very great population growth but there was very little growth in the economy. A lot of people said you cannot work here, it is so weak and difficult. I made the choice for the Department between continuous humanitarian support or trying to get a development programme. We went for trying to get a development

23 January 2003]

RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN

[Continued

**[Mr Battle Cont]**

programme, which I am sure you would all agree with, but it is very difficult and we had a lot of trouble with corruption problems and other problems. There is very serious poverty and food shortages in a normal Malawi, a very weak state with weak institutional capacity, with HIV/AIDS on top of that, and then drought.

167. In the comments of the UN Special Envoy on HIV/AIDS in Africa, he said that the Global Fund for AIDS, TB and malaria has suffered from a lack of funding. I am rather assuming that we help to fund that in some way because I know our officials take HIV/AIDS very, very seriously. Do our partners in other donor countries take it as seriously as we do and could you enlighten me about that point?

(Clare Short) I have read his comments and I am really quite shocked by them. I think he is very emotional and I quite like some of his language and urgency but he is not well informed, I have to say. There is a lot of muddle around the Global Fund. If you remember, in the lead-up to the special UN General Assembly on HIV/AIDS, Kofi Annan made a speech saying we need \$10 billion a year to deal with HIV/AIDS and he talked about a special fund. I think the \$10 billion came up because you can add up things and multiply by 20 and make it an impossible figure and the only answer is “a lump of money”. You need some money but it is never as simple as that. That figure seems to have emerged from everything that should be done, including the countries themselves mobilising more commitment on HIV/AIDS. Therefore, whatever the Global Fund says everyone says it is useless and it is not working. What we think the Global Fund is for—and it is in its terms of reference—is provision of drugs and commodities and you also need health care systems. If all the drugs were free most people would not get them and we, for example, committed \$200 million for four, maybe five years to the Global Fund and we have spent £1 billion on health system strengthening and we will spend more. Talking as though the only problem is donors not giving money and there is not a problem of lack of leadership in some countries is false, and talking as though the Global Fund is the whole answer on its own is false. That implies that health care alone is the answer, which you know not to be true. I am sure the guy means well but a lot of these comments are foolish and not very well-informed, I am afraid. I am sure he is a nice person, I have not met him, but I think he needs to do a bit of work.

168. Do you think it is exaggerating then to ask for assistance? This may sound strange but some in the Malawi government said they could imagine a situation where they were asking experts (by that I mean technicians, economists and agronomists) from Britain to go and help in departments if they lose personnel at the rate they are doing at the present time. Would your Department envisage sending out experts to assist as well as medical care?

(Clare Short) In the post-Colonial era there was a lot of that. There are some people just retiring from our department like Barrie Ireton, I do not know if you know him, who did that in Zambia as a young graduate. Nothing is ruled out given the scale of damage and loss that the HIV/AIDS pandemic will mean for some countries, but generally the

development of local talent and capacity is always the best. Frequently, expertise from outside is brought in and then goes home again and if that has not been used to create new expertise in the country, it is not a good way of doing things. Malawi could do better in driving forward the reforms to which it is committed. You know how the government got distracted on the whole issue of changing the constitution to give a third term to the President when this catastrophe happened and most of the political energy of the leading party went into that. Of course, there are weak political traditions and weak systems and a mind-set that keeps saying abroad is the answer when the major part of the answer, we know from Uganda, is energising the whole country to understand the cause of the pandemic and get the kind of behaviour change that we are seeing in Uganda where there is a massive drop of infection rates amongst young people. A 30 odd per cent infection rate in young people is down to 5% there and a lot of that is behaviour change. You have got to care for people and all the rest of it, they need support of all kinds, but the biggest thing of all that is needed is an absolute determination right through society to inform people of how the infection is spread, to get behaviour change, to organise, to care for people. We have got more and more child-headed households across Africa. In having to try and recover from drought it will be the children who will plant or not plant. That is the reality and they have got these grannies, as you know, in their 60s and 70s looking after 25 children. You cannot say it is a few officials in the ministry, the whole thing is an enormous challenge.

**Chris McCafferty**

169. Secretary of State, moving on from your responses to John, what form, specifically, should the international response to the wider humanitarian crisis in Southern Africa take and how much should that take account of the HIV/AIDS pandemic?

(Clare Short) Rob, by the way, has just come back. We have put six people into the regional office and he was there. He was there yesterday and he is here today, so he has got very recent experience. We sent him out—and he is from the conflict and humanitarian emergency part of the Department and has been involved in various other emergencies and has that expertise—because we thought the food pipeline would break and there would be lots of people starting to die of hunger a few months ago. We have put enormous energy into this by sending people to the region, by myself writing to development ministers just to mobilise enough food. It is a bit better now and it ought to move on to refining and improving the performance because lots and lots of food aid will lead to a problem next year because it can create dependency and limit recovery. So you need to refine the operation for succeeding years and it needs to take account of HIV in practice. Rob was saying yesterday that everybody is talking about it but there is very little change in the way that things are done. There is a Red Cross-led programme in Zimbabwe that tried to supplement the quality of the food and go through places where people with HIV are treated, because getting decent nourishment

23 January 2003]

RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN

[Continued

**[Chris McCafferty Cont]**

means you are less likely to get infections and the rest, but if you have not got enough food, you cannot do it, and the quality of the food that is being distributed in Zimbabwe has been poor for people who are healthy. It must take account especially of the recovery and the second year and, of course, people with HIV will be triggered into full-blown AIDS because of hunger, so there will be more sickness, poverty consequences and loss of life. You need to move on. If anybody says we should have done it in months gone by, I would say we have been struggling to get enough money to get food of any kind through to people. We are a little bit ahead on that but a few months ago we were desperately worried that the food pipelines would break and people would starve in front of our eyes. We can only begin to do that because we have done a little bit better in getting to where we are.

170. You mentioned particularly the problem of child-headed households and grandparent-headed households. What do you think the strategies for longer-term development should be that can take account of those problems of lack of productivity and the general impact of HIV/AIDS?

(Clare Short) We were saying again yesterday that we tend to decentralise the department, as you know, to get more money and more focus on building institutional capacity in the countries themselves, but we tend to say here is long-term development and here is the humanitarian emergency, bringing different kinds of money faster. The World Food Programme handled by a separate part of the Department. We were saying yesterday, and Anthony will lead this, that we have got to merge the continuing humanitarian catastrophe with the development programme because we are not going to come out of this quickly. Partly because it is so deep, but certainly because of the HIV dimension, recovery is going to take a lot longer. We have to merge the consequences of crisis to many countries with our commitment to long-term development, and it is going to be more difficult and we will be at a lower base than where we thought we were before.

171. In your view, is there a strong argument for keeping funding for reproductive health projects in Southern Africa, or indeed worldwide, separate from budgets from HIV/AIDS? Surely HIV/AIDS is part of reproductive health?

(Clare Short) We do not believe in having separate budgets and separate projects and "let's have a conference" because it is a hopeless, old-fashioned way of looking at development. What we really need to do is look at basic health care systems that reach everybody, that provide access to reproductive health care, plus immunisation of children, plus we know for example if populations with sexually transmitted diseases (which are endemic in poor countries, as they used to be in this country at the time of the First World War) are treated, the spread of HIV is less. We need to get out of all these departments in the international system and in the international mind-set and think about basic services that reach everyone consistently and sustainably. Reproductive health care and all of that is part of HIV/AIDS but so are things in employment practice.

We must not only think about HIV/AIDS in a health context. The change in care needs different behaviour in lots of different parts of government.

### Chairman

172. In Malawi, I came across a situation where there was a feeding station and there was a tussle and argument where a 13-year-old girl had come forward to get food but she was not a mother, she was looking after younger brothers and sisters. It made me think are orphans being registered? What is happening to ensure that orphans do not fall through the cracks? Who is keeping an audit on what is happening to orphans? Does DFID have some views on what should be the best practice in relation to orphans? Malawi has one million orphans and in every village one goes to there are large numbers of very young children brought up by grandparents. Some of these grandparents are going to pass on while those children are still orphans. Does DFID have thoughts when talking to Malawi and other countries as to what should be the best practice in managing that position?

(Clare Short) It is also an issue in Rwanda. Heads of household and all the adults in the family were killed in the genocide. I do not think we claim to have expertise but we are very clear that institutionalised responses are not good ones. It is better if children can be kept in their communities, especially in societies that have a strong sense of community and are supported there, and therefore you need to keep them in their communities where there will be care and love and adults who will care for them, but then you need to improve the education, the schools they go to, the nourishment they get there. There should, of course, be special provision for orphans but in lots of these countries we are going backwards. In Zimbabwe we do not know where the hungry are. The normal studies that we would do to know exactly do not exist, and you would know then exactly where the child-headed households are, and we do not have that kind of information. We are dealing with a catastrophe where there is not full co-operation with the government about dealing with the catastrophe. We are running to catch up. We would love to be in a position where we knew where all the orphans were and we were capable of making special support and provision for them, but we are not there yet.

(Mr Holden) You are absolutely right, more needs to be done with the key agencies to make sure that we are targeting and that we have got a clear review of the caseload, not just orphans but more generally, and we still do not have that, particularly in Zimbabwe.

### Hugh Bayley

173. I would like the Secretary of State's comments on the use of drugs, particularly antiretrovirals, in Africa within the big cities. We went to one clinic where there was a lot of nursing support and counselling support provided with the drugs. Of course, if you are going to use such drugs in Africa, you would be providing an extension of life for people with HIV/AIDS for a fairly small proportion of people, but if I can take you back to John Battle's

23 January 2003]

RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN

[Continued

**[Hugh Bayley Cont]**

example of eight out of the 28 senior officials at the Department of Agriculture being HIV positive, do you believe there are arguments for using targeted drug therapies for key workers, if I can put it like that, in Africa, or does that raise such difficult questions of equity that you should not do that?

(Clare Short) We have had discussions in the department about that because when you look at teachers and so on—

174. Similar groups of people.

(Clare Short) I even thought about it being an incentive to be a teacher or health worker if the care was provided, but it is not realistic because we have not got the delivery systems. The whole Western, European obsession with antiretroviral drugs is not where Africa is, except in the cities. I am not saying there should not be efforts to provide the drugs but the campaign or attack on pharmaceutical companies for not providing drugs led them to provide the drugs and make free donations, but take-up is quite limited because the systems of delivery are pretty limited. Although antiretrovirals are improving and getting cheaper they are still quite toxic, you have to eat well, you have to stop smoking and not drink very much at all and eat a healthy diet. That is true of people in our own country who are infected. If you have got deeply malnourished people you need to come with a package. In Uganda they had a country-wide system of people who could be tested and who could join networks of people who were either infected or not infected, to support each other and lessons on how eating well and not getting infections of other kinds can prolong and improve life. If you have got a system like that you can start injecting antiretrovirals into it. If you have not got a system, you cannot. They also have to be taken consistently and if they are not resistance will develop. Following the HIV/AIDS conference in Barcelona, the Department came back saying we must do more on antiretrovirals and I said, “Okay, think this through from the point of view of the poor because that is our job.” There are lots of senior politicians or members of the military in Africa who come out of the Continent every few months, have a complete blood transfusion, they will prolong their life, and they are on antiretrovirals and so on. We need to think through what kind of care and support we need for the poor, and what is the first priority for the orphans. I am sure we should be willing to try and put antiretrovirals into that, but I do not think we should start with the question of antiretrovirals, we should start with people and their health and how to protect them and if they are going to be sick, give them some care and treatment, and then look at where antiretrovirals fit into that.

**Tony Worthington**

175. When we went to Malawi the whole situation in response to the famine was very much affected by the grain store, where you had a situation where the contents of the grain store had literally disappeared and that had been under the control of ADMARC, and the general manager of ADMARC then became the finance minister. What impact did that have on the response of donors like DFID?

(Clare Short) We have got an office, as you know, in the country and we have to take that seriously but we must never let the people be punished because some of their leaders have behaved corruptly. What was extraordinary about that one was how this myth and lie got around the place saying the IMF had told them to do it, which was completely untrue. There was an inquiry into it, as I understand it. Has something happened to the finance minister or not? I think I invented that in my head.

176. He has been questioned by the anti-corruption board.

(Clare Short) I thought I saw a telegram but no-one can find it. It has to be dealt with, there has to be an inquiry, you cannot leave a thing like that, but you must never say, “It is so disgraceful it has happened we are not going to work with this country” because that means the poor old people who have already been abused by that happening would be doubly abused if in response to that corrupt behaviour we said we would be not be willing to step forward and work with the government to provide the food people need. We think that the government has become organised and that Malawi is pretty well organised and it was a case of just get the food through to people who are hungry, but that thing has got to be stored out, and that is what we did.

177. Sure. I think everyone would totally agree with you that people must not suffer in a situation like that but, nevertheless, there was a slowness of the international response and Judith Lewis, whom we met, said the food is coming through too slowly. Were the doubts about the capacity of Malawi to distribute food linked with the grain store thing? Was that handicapping the response?

(Clare Short) The first duty of response is for governments. Let’s be clear, this famous international community that is responsible for everything—governments are supposed to know what is going on in their country and notice if a crisis is developing. The whole region was slow in response. I think personally that was partly the shadow of Mugabe because the biggest factor is Zimbabwe. There has been a slowness in the international community’s response to the UN, which is the reason we sent Rob down there and started doing so much ourselves to try and mobilise support. Do we think that there was an extraordinarily slow response in Malawi?

(Mr Holden) I do not think it was extraordinarily slow, no.

(Clare Short) It is not true. I know it has been said. There was a general lack of urgent response to the crisis in Southern Africa, but not specifically in Malawi.

178. Officials out there used the term the “response had been clouded by . . .” but we were not really sure what that meant. One of the things that impressed me out there was that the NGOs had very much organised the distribution of food and seemed to have a good system going. One of the things that we then got quite agitated about—

(Clare Short) Could I say one thing about this because there seems to be a general lack of understanding of the international system. Wherever it is—Afghanistan or Malawi—the

23 January 2003]

RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN

[Continued

**[Tony Worthington Cont]**

system is such that the World Food Programme provides the logistics and food, then there is the international community and then you need partners at the end of the chain, NGOs, who do the final distribution. That is how the system works. I think some people think the NGOs do it all. Just so people understand.

179. But it was working and then what we came across was this funding by the World Bank of food which was going to be done in an untargeted way not using the system. That did seem to be behaviour by both the Malawi government and by the World Bank that was damaging to the quality and integrity of the food distribution system. We wrote to you about that because of our disturbance by it.

(Clare Short) We ourselves know, and I am sure you are aware of this, that this is a very hungry country. 69% of people are not adequately nourished and there is only land and few other resources, and people do not have enough land. We were involved in the starter packs of seeds and fertiliser scheme but then government wanted us to broaden and broaden it, and we did, and there was a big growth in production and then, of course, prices dropped and we think we overdid it, but it is easy to be wise after the event. When you are in a hungry country and you have got something that works and makes the country more productive—That is the kind of problem. It is recovery and food aid and the effects on markets and the incentives for people to grow for themselves. As you know, we did not think there had been enough consultation by the World Bank in Malawi with people working in Malawi. We thought that that programme was badly designed and too blanket and we took that issue through to the Board and did not succeed in getting that modified. There you are. I have had an argument with the World Bank official responsible for that area and he thought we were very irritating and there were all these hungry people and they were getting on and doing the right thing. One can understand that. People like Rob, who have devoted their lives to this kind of work, have a deep understanding of the need to protect recovery whereas most people's emotion is to come blasting in to give people food. It is a perfectly decent notion but it is that lack of understanding and knowledge of the second and third year, and that is what the Bank did. It was not malign. And then of course governments like people to be happy. And if everybody wants some cheaper food and governments have got elections coming up, they tend to be in favour of these things.

**Tony Worthington:** You mentioned a very significant event.

**John Barrett**

180. Can I take you back to something you mentioned earlier and that was the plummeting life expectancy in Botswana. Uganda turned the corner and life expectancy is increasing. We have Zimbabwe, Malawi and Zambia where life expectancy is still continuing to decrease. Clearly, again, it goes back to the AIDS epidemic. A lot of people are working to change behaviour and we saw the sexual health programmes, antiretroviral drugs

have been mentioned, and also promoting the use of condoms to reduce infection rates. Is there an issue over people who appear to be not 100% on board in the war against AIDS. I am thinking particularly of the States where there are organisations which are reluctant to fund projects if they are not heading in the same direction, possibly even the Catholic Church where there is an issue over promoting condom use for reproductive purposes when everybody else is promoting condom use to minimise HIV and infection. Is there a battle that has to be fought there to help change behaviour and help increase the resources in the fight against AIDS?

(Clare Short) There has been an enormous battle to get governments to be willing to talk about it openly. It has changed in Africa in the last couple of years. Uganda was a trail blazer and President Museveni and leaders in every village were talking openly right across the country about how the infection was spread, but other governments would not. It is understandable. One by one, as things have escalated, it started coming out as an issue so there has been a real attitude problem right across the piece and you cannot make proper preparations until society faces up to it and talks about what is causing it and what can be done. The US is very active in HIV/AIDS. It is big part of what USAID does in Africa. They have declared AIDS a national emergency, they see it as a security threat to the United States, so somehow HIV is in a different part of the head in the United States than most other development and they are very much for taking urgent action and they are quite active and public opinion is quite mobilised about it. It is odd. At the same time the United States is being very difficult with UNFPA and the provision of sex education to young people. The biggest new infections occur in young people and they need sex education. All the evidence is that good sex education makes young people more careful and the age of first sexual experience rises. Those are the tools. There you are, that is that muddle. The Catholic Church on condoms? It goes wider, some Muslim teachers and some non-Catholic leaders in traditional societies do not like advocating condoms or contraception. On the ground, most Catholic workers do not bother with the teachings from on high and they have been getting on with it for ages. It is there as a problem, it is not the biggest problem, and it links into conservatism and traditionalism and not wanting to talk about it. As the pandemic has spread, that is dropping away and you cannot stop a society talking about it. I am told in Mozambique, for example, that people still do not say somebody died of HIV, everyone pretends it is not. A black African woman, a friend of my sister in Southern Africa whose relationship ended (she is training to be a doctor) decided to get into good shape, she went to the gym and lost weight. Her mother said stop it. The way in which this thing goes through their society, anyone who is losing weight has AIDS. Here she was just getting herself fit and her mother said, "For goodness sake, all the neighbours are commenting." It is still a hidden thing and there is all this fear in talking about it, and that is the problem rather than just, say, US opinion or the opinion of the Vatican.

23 January 2003]

RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN

[Continued

**Mr Walter**

181. Secretary of State, to go back to the situation with regard to hunger, your strategy paper *Eliminating Hunger* says that a special effort is needed to supply early warning systems and disaster preparedness measures. We have heard something of the situation in Malawi. Can you tell us how effective and accurate those famine early warning systems were elsewhere in Africa in 2001–02 and what DFID has learned from that crisis with regard to those early warning systems?

(*Mr Holden*) I think more needs to be done. There is a recognition, not just in Africa but globally, that there does not seem to be a consensus on what makes a good early warning system. It is one thing assessing prices and watching rainfall but tracking that into household economies and so on needs to be done. More work needs to be done in terms of building institutions, particularly in Africa, so we need good level baseline data and regular data coming in so that when we get blips in the system we can respond rapidly to check that and to obtain some more detailed information coming through. More important is to have an institution and mechanism that will give us the level of analysis and give us credible data on which we can base a response in a more timely manner. The information that is available, certainly in Southern Africa, and the systems that are in place are giving us some of that, but there is certainly more work that needs to be done, and that is much wider than Southern Africa itself. Certainly with the likes of the vulnerability assessment, with FEWSNet, which is a US-funded early warning system, that is going some way to address that and there is work going on with DFID and other donors to look at how we can further strengthen those to stay on top of the crises so we do not miss the indicators that are out there.

(*Clare Short*) There has been a strengthening in recent years and we have worked on it because you need a system all over the world, but you have to build local capacity to respond. In many very poor countries we are experiencing a collapse in state capacity so you cannot put in a good early warning system on hunger if everything else is weakening. We have to put it in a context that works. The other thing I would say is that it does seem that global warming is creating more turbulence and more frequent problems so the whole system is stretched on top of that.

182. Can I refer to the memorandum that you submitted to the Committee when you say: “Zimbabwe alone accounts for half the people in need and over half the food aid requirement”, and you go on to say: “The fact that Zimbabwe, normally a food supplier and a key transit country, has suffered such a collapse in agricultural production has made the situation in neighbouring countries worse and weakened the prospect for recovery; for the longer term it throws into question one of the bases of food security planning in Southern Africa for the last 20 years, namely that surpluses would normally be available in Zimbabwe.” Secretary of State, could I just broaden that out slightly in the sense that Zimbabwe does seem to be a major part of the problem here and if

there was a country in which we might wish regime change in order to turn the clock back that might be it. In answering that general point about Zimbabwe, do you have anything further to say on what you said yesterday with regard to how we are treating sanctions on Zimbabwe, because there did seem to be some confusion in what you had said to the House and what Downing Street was saying in terms of whether or not we were consistently going to apply sanctions in order to try and bring about a change in that situation?

(*Clare Short*) I have not got anything to add because it is not my lead. I am sure there has been a lot of flurry since yesterday and I do not know who is saying what or what people are thinking. I am talking about sanctions on the elite—the last thing Zimbabwe needs is sanctions on the people—so it is only meant to hit the governing elite with things like freedom to travel. I am afraid I am not in a position to update you. There is no doubt that the core of this crisis is the situation in Zimbabwe otherwise we would have a drought which the traditional kind of responses in the international system would have coped with quite well, and there is the regional capacity to deliver food without the political parts of the crisis. Thus it deepens the collapsing economy because it is not just the land thing in Zimbabwe, the whole economy is collapsing because of the way the economy has been managed, and a country that would normally be part of the answer to the region’s problems is a central part of the problem, and then there are transport links and the rest. The Zimbabwe crisis and tragedy is the explanation of this being such a monumental, serious catastrophe. If Zimbabwe was not in trouble it would be a fairly easily handleable crisis which we could cope with well.

183. Do you have a view as to how we solve the situation where we have a country which has, as your own submission said, for the last 20 years been providing food surpluses for that area in Southern Africa and now requires half the food aid required for the region? Looking slightly longer term what should be the British Government’s policy towards solving the problem with regard to Zimbabwe, which is really at the core of this whole situation?

(*Clare Short*) Frustrating as it is, other governments cannot stop a government wrecking its country if it is on that path. You can do everything in your power to try and stop it. Burma is in a very, very bad condition. The international community has tried to take boycotting action and it has got worse and worse. We could go all around the world. North Korea is very badly governed and there are lots of very hungry people there, etcetera, etcetera. My view is that the UK government has tried to do everything in its power to try to get a change or make an inroad on the destruction of that economy, and we have failed, but I do not think there was anything else that could be done, although you can never say you have done enough. It is a tragedy. I have been working on it since 1997. It has been coming and coming because the economy has been shrinking and the failure of the government to respond to the HIV crisis has grown and grown. How will it be resolved? I have said more than once my own intuition is that this crisis is now so severe

23 January 2003]

RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN

[Continued

[Mr Walter Cont]

it will go on affecting more and more people and the economy is declining and declining. I am told that hungry people with money are turning up at UN places offering money for food because there is no food in the shops and people are not being paid. The whole thing is falling apart. You never know how one of these terrible crises in the world is going to end. We had the same sort of situation in Serbia after the Kosovo war with Milosevic still being there. We all expected him to fall and it came in the end but it took longer than we expected. My own intuition is that this is so big and so destructive of the whole Zimbabwean economy that there will be an eruption of the people that will throw the regime off quite soon. It will come. It is one of those situations that is completely unsustainable and an ending will come. As you will know from the press, some of the regional powers have talked about whether there could be an agreement that the President would step down. Lots of people talk as though it is just a matter of the UK helping the Zanu-PF government but that is not a true diagnosis. The economy is destroyed, it is not just the land. There should be land reform in Zimbabwe, there should have been more land reform in the past 20 years, but it should be done in a transparent and proper way that enables people to go on using the land of their country. It is a change that either is a change of regime, a collapse of regime, or there has been talk of President Mugabe stepping down and the transitional government of National Unity that then could engage with the international community and change absolutely everything that they are doing about the economy and then we would all engage. We would have to keep up our efforts on the disaster but they could start to rebuild the economy. That will come at some point, the sooner the better, and then we will all engage. It has got all these tragedies but it has got very educated, good people and basically it has got good systems compared with other poor countries in Africa. I just pray and hope that that is coming very soon. In terms of my poor department it is growing but it is a delightful task to look forward to. That will be another set of resources that we are going to have to find.

184. Just one final point. You would agree that it would not send the right message in order to bring about that change of regime if Mr Mugabe turned up at the conference in Paris next month?

(Clare Short) As I say about cricket, and people make comparisons, it is just the thought of seven, eight million people starving and a government not co-operating, bringing this about, not even co-operating properly with the international system to keep its people fed and engaging in all sorts of brutality. It just seems to me unimaginable both to play cricket or to invite the person who is doing that to a conference. I can only think that in Paris they are just not following what is going on. I think a lot of people have got in their head that it is Britain and him in conflict over white farmers and they are not attending to the reality of the suffering of the people and the brutality of the destruction. That is the only kind of excuse I can think of.

**Alistair Burt**

185. Bringing you back to the wider crisis, if I may. Every time there is a major crisis like this we get constituents and others who are particularly interested, looking at the response and wondering whether there is sufficient co-ordination between the various international agencies in order to make things happen on the ground. You referred earlier to the slowness of response, particularly in Malawi because of particular factors there.

(Clare Short) No, we are not saying it was particularly slow. That is an allegation being made but we do not think it is true, just for the record.

186. But quite often there is a suspicion that perhaps the co-ordination could be better, the international response could always learn from previous instances and what actually happened in relation to a particular crisis. What is your analysis in this particular instance of how the international effort worked, how co-ordinated it was between governments, donors and various agencies? Do you have a sense of that at this stage?

(Clare Short) As a department we have been working for the past five years or so very hard at improving the co-ordination of the international system. We need a system that can move anywhere, that has got the capacity to pick up when crises are coming, that has got stocks pre-positioned, has got the professional capacity in it. The building up of OCHA as the core centre part of the UN system that is capable of moving has strengthened enormously. My department and the people in CHAD have been leading workers on that. Overall we think things are strengthening and improving. It used to be you would get a catastrophe and everyone would send what they felt like and you got too many tents and not enough food. That was not very long ago. There used to be lots of politicians who wanted to be on the television to boot, there was a chaos response and then lots of stocks of things that were not useful to people. We have improved on that but, as you say, you can never say it is good enough. Early warning cannot work unless there are good systems in countries and that takes some building.

187. Is there anything specific that you have learned from this particular crisis that you could pass on to them and say "Look, we have spotted something else to change to improve it"?

(Clare Short) I think the biggest new thing is the interaction with HIV, we have never seen that before, and it makes it much deeper and harder and recovery is going to be much harder. Do you want to add?

(Mr Holden) If we just look at the UN co-ordination mechanism here, it is always an easy target to say it was too slow, it was not good enough, it was not strong enough, it did not show enough leadership, but if we put it in the context of the scale, the severity and the complexity of this operation, yes, it could be better next time and we should always take a lesson learning approach, but on the whole they have done a lot and there is a lot of credit that needs to be given. I think that the particular pattern that they have used here, which I have not really seen anywhere else, is because they

23 January 2003]

RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN

[Continued

**[Alistair Burt Cont]**

have got a regional programme they have actually set up a regional hub to act as the overarching body which is headed up in—

(Clare Short) This “they” is the UN.

(Mr Holden) Sorry, the UN. In Johannesburg, which is an inter-agency mechanism which has also got the Red Cross in there. It pulls all the UN agencies and the Red Cross together in one building so that they can take a collective view and a collective approach to dealing with the problems on the ground and providing direction and support to the country teams at the coal face. It is quite an interesting test case in some respects and I think on the whole it has added a lot of value to the operation and has helped enormously.

188. On a specific, does the Government have a particular view about any changes to the World Food Programme, particularly how it is funded and whether or not it should change its funding so that it does not have to appeal for funds for each new crisis that comes along?

(Clare Short) I think we would say that the World Food Programme has improved its effectiveness in recent years and has done some very impressive work in Afghanistan which is phenomenal. I still think it is astonishing that all that kept going right through the crisis and the World Food Programme really deserves respect for it. In the Kosovo crisis they were slow at the beginning and we kind of made a fuss and they rose to it. The level of crisis we have got in the world now and the way they are performing as an organisation, we should all give them a lot of credit and praise. We do not think that the World Food Programme should go on doing food-for-development, we think that is a distraction and not the best way of doing development. I think it is part of its mandate. Is it in the mandate or just the tradition? As you know, we think that countries should give money, not food. It is much more flexible and you can source regionally and have less effects on local markets. If you give food there are the costs of getting it there and the delay of getting ships and so on. Back here in the real world the two biggest donors to this crisis are the US and the EC and it is food in kind and it is all tied up with subsidised food and surpluses which is damaging to the developing world. We need to improve it all but we have got to build from where we are. We are going to have a big crisis next year because apparently there is a drought in the US and their maize production is going to go right down and they are the biggest contributor. There are lots of changes that need to be made but we have got to manage them from where we are. The other thing that was in your question was appeals one by one and then responses one by one, would it not be better to have WFP funding and say “what is the appropriate share of each OECD country” and have a block of funding so it could move? I am sure that could be improved. You would have to have some flexibility in the system. We moved money over to the crisis in Malawi from our long-term development programme. A lot of development organisations of the world have very rigid budgets and cannot do that. The EC has a separate bit that does humanitarian emergency and it does not touch the other money they seem to be

incapable of spending. I think on that funding of an international humanitarian response mechanism the world systems could be improved. I do not know if Rob wants to come in because this is his professional area. We have to build from where we are and we have to cope in the meantime and we have got all of these extra strains on us in the meantime which is not always the best time to get fundamental institutional change.

(Mr Holden) I think the only thing I would add, Secretary of State, is for us to continue to work with other donors when donors make pledges to make sure that they come through with the cash quickly. There is a tendency with some of the traditional donors that they make great announcements, pledges, and then it is some weeks, in many cases it is some months, before those funds actually come through and the World Food Programme can start to use them to procure the food and move the food as required, so it makes their life difficult in terms of planning and making sure that the pipeline remains healthy.

189. I am sure what you say about the timing and pressure of change is right but there will always be pressures on the system and getting institutional change at any time is never easy. You spoke earlier about the need for flexibility between budgets and it is going to have to be pushed because sooner or later the time will be right for it.

(Clare Short) There is renegotiation of the Food Aid Convention every few years, because we had one a few years ago, really pressing on getting cash, not in kind, and that is part of trade reform anyway. I think an opportunity might arise out of what could be very serious with the US not having any surpluses. That would mean WFP will not have the massive amounts that they get from the US. I was talking to Jim Morris about it in Addis Ababa a few days ago and he said he had talked to the US President about this. If the US move to some cash, because the US always lead that agency and they put a lot of food through it so they have got responsibilities and a position there, that could bring something good out of bad because if they got more of a cash system they might be able to make a lot of improvements in the way they work.

**Mr Colman**

190. If I may ask the first of a series of questions on agriculture, food security and sustainable livelihoods. When your officials, including Mr Holden, gave evidence at the beginning of this inquiry back in October they said “Certainly agricultural liberalisation has had a role in food insecurity . . . the private sector has clearly not come in to meet the need in the way that the people who designed these programmes, and governments themselves when they signed up to these programmes, envisaged.” Do you think there is a need to reconsider the withdrawal of governments and donors in recent years from providing direct support to agriculture and rural livelihoods? If we go back in how do you think we should go back in: subsidised fertiliser, credit or food prices,

23 January 2003]

RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN

[Continued

**[Mr Colman Cont]**

guaranteed markets through parastatals, or invest further in agricultural research and extension services?

(Clare Short) I think the old system of total government control, government parastatals, government control on food prices, was a disaster. There have been problems about the transition but let us not romanticise what was there before. It was often subsidised food for populations living in urban areas working in very inefficient manufacturing government owned parastatals and poor rural people getting paid tiny prices, or not getting paid, and even the food that they grew not being picked up and rotting by the side of the road. There was a very inefficient bureaucratic system that was biased against the rural poor. Probably in hindsight you have got to manage change in a way that ensures that you do not do away with something that is maybe inefficient and over-subsidised without making sure that something else is coming in to take it over. I think it was probably done a bit too absolutely and there were lots of views that the private sector would come forward supplying seeds and fertiliser and purchasing but those institutions did not appear as quickly as was predicted and there should have been more preparation. We do not think in any way the answer is to go back to the bad old ways, it is to look at it afresh. There are still loads of agricultural extension workers, big bureaucracies of them, and they often know less about agricultural conditions and what is good seed than the peasants themselves. The evidence is clear that if you spend that money that goes on them on rural roads you would increase production more. There are loads of them still out there in the world. Doing livelihoods and better development for rural people needs to go down the road that we have shifted the whole department's work to, sustainable livelihoods, and not looking at it only through an agricultural telescope but rural populations: where is their production; where is their land; how can they get fertiliser and grow food; do they do some fishing; do the women do some handicrafts that they take to the market; how can you enhance the income levels, the access to markets, the little roads that enable people living in poor communities and rural communities to improve their income levels? I remember when I was in Malawi saying "What about animals" because there just is not enough land, "You can have these processes giving out two goats and then people give back the young and you give it to someone else, restocking" and people said it is no good, the criminality is so high people steal their animals. We are working on justice in Malawi. You have got to make a well ordered society. In Tanzania since the withdrawal of parastatals there are markets breaking out and growing. I know in Mozambique, which has got loads of land, we supported rural roads built by local contractors who would maintain them and we thought it would lead to increased production, and it did because these were subsistence farmers and they never grew a surplus because they had nowhere to take it. A rural road meant that they could get it to market and get some cash savings, so it was not just when their food ran out. We found that attendance at school and health care also went up. We need to look at it in that

slightly bigger picture, how do you improve the lives and the livelihoods in every conceivable way of rural populations?

**Chairman**

191. Last year the Department published a paper called *Better Livelihoods* and held, or found, "The proportion of ODA directed towards agriculture and rural development has fallen by almost two thirds between 1988 and 1998". Was that a sort of nomenclature issue in that it has now been re-branded *Sustainable Livelihoods*? This is a serious question because it is sometimes about terms. Is it simply that less money is being given to agriculture and, if so, it is difficult to understand that—I appreciate it is probably not from the UK but from other donors—given the importance of agriculture in so many poor countries?

(Clare Short) The people who are the real experts on this, Mike Scott and so on, we have not got here today. They have lived right through these changes. There used to be this big commitment to integrated rural development and masses of investment and it was seen to be a failure and there was a withdrawal from the failed model of development in which the international system invested a lot of work and money. Then, of course, people moved to opening up markets, more movement to the social sector, getting functioning modern states, that sort of shift. Well, it was not even that, was it? They moved to projects then and moved away from failure. You get some of the old agronomist types, people from the CDC, agricultural people, just saying "Agriculture, agriculture, put more money into agriculture". We do not think that is the right approach. You have got to look at rural populations and, indeed, they interact with urban populations because humanity is urbanising and there are interlinkages. Improving their lives is not just agriculture. Getting agriculture working well is not spending lots of ODA on subsidising it. I think the swing away went too far and we need to look again at how you can pay more attention to improving the livelihoods of poor rural communities. We need to do more. I think the work that Mike Scott and his team in DFID have done on sustainable livelihoods has influenced the whole international debate on these matters. It is a big subject in its own right. The move away from agriculture has been too big. To go back to simply looking at agriculture would be an error.

192. Secretary of State, you have just come back from the Horn and one of the most alarming things that strikes me about Ethiopia is that even in non-drought areas the number of food dependent people is increasing. Would you like to share with the Committee your assessment of the present situation in Ethiopia and what sort of scale, because I think in a lot of what you are saying this afternoon you are putting the Committee on notice about the sheer scale of what you will have to deal with next year? What sort of scale is it going to require, setting aside the food aid for a country like Ethiopia, getting a situation whereby we are not getting more and more food-dependent each year because they are actually getting into sustainable livelihoods apropos the 1997 White Paper definitions?

23 January 2003]

RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN

[Continued

**[Chairman Cont]**

(Clare Short) Ethiopia is very, very poor, \$100 a head GDP. It is massively poorer than Uganda and so on. This is a very, very poor country and it is very populous, 60 million, a big African country. Lots of people are living on what nature gives, pastoralists or subsistence farmers, and if you live like that, if nature just does not rain this year, you have nothing and that is the situation which is linked to the levels of poverty. I think the government has had a real shock about that this year. It is five million people every year who are food aid dependent and there are real problems in Ethiopia of creating dependency. If you keep chucking in food then people are never going to be able to get back to production and no-one will buy anything that they produce in certain parts of the country. You cannot stop feeding people but it is this refining what you do, food-for-work, and keeping up people's capacity to not be dependent. I think real errors have been made in that kind of way in Ethiopia. The other thing that the government fears because of the growing turbulence in weather, global warming that seems to be happening all over, is the crises are more frequent and they now see the danger of more frequent crises and bigger numbers each time until it reaches catastrophic numbers. We are getting to 14 million this year. The only way to look at that is you have got to keep going and refining the food aid and humanitarian effort but you have got to promote long-term development so people have got more resources. When I was there I signed a memorandum of understanding for a 10 year commitment to a partnership with the Ethiopian Government. I am very optimistic that they are very committed in a new way to a development effort and fully understand in a way that they have not in all previous governments that the private sector has got to be unleashed to grow the economy, both the domestic private sector and then the prospects of inward investment. Prime Minister Meles did ask me some time ago to get our private sector to tell him what it would take to source in Ethiopia and I approached Tesco and some others and some of their sourcing companies and we did a study led by the private sector, not us—

**Chairman:** You shared that with us<sup>1</sup>.

(Clare Short)—saying if this and this were going on, and he is working to implement it. Then we are back to that crucial thing on agriculture, processing agricultural goods to get the value added. That is one of the crucial things for Africa. I feel optimistic about all of that. They are looking very much at the best models of development, long-term PRSP, getting the donors to harmonise, they know where their institutions are weak, they know they have got to decentralise but they have got very limited capacity. Everything has got to be fixed. I think they have got the right analysis and a real determination this time to get long-term development to work. The perspective is stick with that and grow the economy, refine the food aid so it is not so destructive and

creating dependency, and then over the years hopefully dependency on food aid will reduce and will reduce as the economy grows. We are going to have to think 10 or 15 years to get Ethiopia out of food aid dependency but if we do not think like that there will be just repeated crises with more and more people affected.

**John Barrett**

193. If the pendulum has swung too far away from concentration on direct investment in agriculture and it is swinging back slightly, where does the Food and Agriculture Organisation fit into this system now and what should the FAO's role in the future be?

(Clare Short) I did not say that we should be investing in agriculture. The other thing is that good development work is not always spending money, different parts of the system need different interventions. You cannot always measure what you are doing by how big the spend is because in agriculture it is getting markets to work and so on, getting more processing of agricultural goods, more value added and more jobs, and that will not be ODA. ODA might involve itself in creating the institutional capacity to be able to do that or improve the transport links or whatever it is that is required, more attention to rural developments, the agriculture sector, how it can go forward, but not just lots of ODA into agriculture. There is a lot of technical capacity in FAO that serves the whole international community, not just developing countries, about agriculture and crises and they have a monitoring system of where there are different diseases in agriculture and so on. In its approach to agricultural development, sustainable livelihoods, hunger, it is a very, very old-fashioned institution that is much less effective than it might be and its idea of food security is countries being self-sufficient in food, which is hopeless because you can have a country self-sufficient in food with lots of hungry people or you can have a country not self-sufficient in food and everybody fed. We have been working on that and I have been quite sharp in some of my criticisms deliberately. We need the agency and the international system but it needs to move its thinking forward. I think it is feeling more and more challenged. The documents we have produced on eliminating hunger and so on are meant to be part of that challenge. There are people working in the FAO who really want to rise to it and change but the institution needs a good shake and I am trying to give it that.

**Hugh Bayley**

194. We all seem agreed that the nature of famine is changing. In the past you looked at a famine as something that would take a year or two to get through and now we are looking at the need for more food to be provided than a country can produce in quite a number of parts of Africa over an extended period which means that you need to change the nature of food aid in order to prevent, as you were saying yourself, the destruction of local productive capacity. One way which we saw in

<sup>1</sup> *Horticulture Exports from Ethiopia and EU Supermarket Sourcing*, Report of a Scoping Study by Peter Dearden, DFID, Peter Greenhalgh, Natural Resources Institute, and Ed Havis, Consultant, Fisher Foods. Copy placed in the Library.

23 January 2003]

RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN

[Continued

**[Hugh Bayley Cont]**

Malawi which may help to do that is through public works programmes. We saw roads, and it is interesting that you talked about the value of building roads, roads and bridges being built in return for cash. What do you see as the relative benefits of cash-for-work as opposed to food-for-work and also agricultural-inputs-for-work?

(Clare Short) I think you cannot be absolute because if there is no food in the region it is no good giving people cash, the price will just go up. Sometimes you have to bring food in when there just is not enough food. You should then get on to food-for-work as soon as possible and then cash, if you can. It is happening in Afghanistan, the north is recovering but the drought is still in the south. I think the system has not been targeted enough and focused enough on recovery as rapidly as possible for people. The Southern Africa crisis needs to move there and I think the whole international food aid system needs to sharpen itself up on this. I would like to bring in Rob who, as I say, has given his life to expertise in this area.

(Mr Holden) That is absolutely right, Secretary of State, it is a question of having a range of tools and interventions at your disposal and using them as and when appropriate. This is something that we brought up with the Secretary-General's Special Envoy, James Morris, who is actually travelling throughout Southern Africa at the moment to do a review of the—

(Clare Short) And he is the Chief Executive, or whatever the title is, of the World Food Programme.

(Mr Holden) This is something that is a very strong message that we have given him, that there has been good work done up to now and food has got in but it is time to take stock, it is time to make sure that where the need for food is required that should continue but we need to take a more analytical, more strategic approach making sure that the continuing operation is clearly targeted, it is based on assessed need and, more important, it does very minimal damage to people's recovery systems and people's coping systems. That is a strong message that we have given James Morris and that is something he is taking round and looking at and we are hoping to get some feedback from that at the end of next week.

(Clare Short) Ethiopia needs that badly because it has got this continuing dependency eroding people's ability to provide for themselves.

195. If there is going to be an increased emphasis on food-for-work or cash-to-buy-food-for-work or the inputs-to-grow-food-for-work, how does that leave the growing number of people in Sub-Saharan Africa who, because of AIDS, are too weak to work?

(Clare Short) That is why you need the flexible systems. It is not just food, health is in this emergency much more and the crumbling systems in Zimbabwe. We have really worked to get health as part of the emergency and then we need the emergency to be dealt with in the long-term. Orphans have got to be provided for but you must not end up with hand-outs and dependency. That is often done and it just destroys local production. It destroys good people. You cannot grow food and

try to sell it if everyone around you is getting hand-outs because no-one will buy it from you. Do you want to come in on this?

(Mr Smith) Only to follow up really. The range of tools you need is wide. When there is lots of HIV you cannot use tools which rely on people being able to work if they are orphaned children or young people who are unable to work. There are other tools, such as voucher systems, which can be tried as well where, instead of providing food, you provide vouchers to allow people to buy locally produced food and that would strengthen local production as well. It is a range, there is no blueprint that is applicable across the region.

(Clare Short) But you have got to keep people fed and then be looking for a recovery as rapidly as possible and then refining what you provide to help people to recover. It includes health. In Zimbabwe children are dropping out of school and getting food to children in school gets food to children but it also keeps children in school, which in terms of their future lives is important for them. That is an aspect of recovery too.

196. While we were in Malawi the DFID office there and most of the other bilateral donors were developing with the government a programme to provide subsidised food for middle income families, by which I mean those who were absolutely destitute were getting free food from the World Food Programme, they were about a third of the population, about another third of the population had income to buy food at market prices and the other third had some income but not enough to buy sufficient food at market prices. So DFID and others were proposing a targeted food subsidy. By contrast, the government went to the World Bank and received a £50 million part grant, part loan package to buy enough food to sell subsidised food to the whole population at, I think, roughly half the market price. Apart from adding to the country's debt at the very time the donors were trying to reduce Malawi's indebtedness, does that not also destroy the incentives for local farmers to grow food if the government is selling food at half the local market price that farmers who produce food can sell off to other people?

(Clare Short) Tony Worthington raised this and I have already said that we think it was an error and too blanket, but it was well-intentioned and not malign. It was the government saying "We are in desperate trouble". Of course, one of the things that happens in food shortages is prices do go shooting up, so some intervention to bring them down while organising a recovery is not necessarily ruled out. We agree with the criticism, as you know, and I think the World Bank made an error in being willing to look at going for a blanket system. They do not agree that it is an error, there were arguments in the board when we discussed it. It was well-intentioned but an error.

197. What they are doing is contradicting directly what you have just been telling the Committee.

(Clare Short) I know. We think it was a mistake, too blanket, but it was not badly intended, it was failing to consult and properly consult with enough

23 January 2003]

RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN

[Continued

**[Hugh Bayley Cont]**

people who have worked on helping countries recover and have more understanding of the need to target.

198. Has the Bank given you any assurance that it will not repeat those errors, that is to say it will consult those donor agencies on the ground better in future crises?

(Clare Short) Not on this one. Calisto Modavo, who is the Vice-President dealing with Africa, who I love and admire, is a very fine man and I have a deep regard and friendship for him but he does not agree with us on this. In the meantime we are working more and more closely with the Bank, so they will not concede on this in the argument but in practice the kind of way in which we are changing and enhancing our working so is the Bank and we are working more and more closely together. We have just had a conference in Addis Ababa of all our Africa people and all their people. Do you want to say a word about that?

(Mr Smith) I think they are ready to consult more, not admitting that their policy was wrong. They do want to consult more with us and that is part of what we talked about with the Bank in Addis on Monday. We do intend to follow up, particularly in Malawi.

199. It was said to us by a number of people on the ground at the time, before the World Bank's decision, that the government's wish to go for a food subsidy for everyone had obvious political benefits in a pre-election year. Is it right to buy votes and then expect the world community to relieve the country of a debt that they have incurred to do so?

(Clare Short) Of course not. Again, Tony Worthington raised this point and I responded by pointing out that the election was coming. I think the World Bank thought it was mobilising support for a country in trouble to help it recover from the trouble and did not consult enough and did not hear or understand the criticisms that you have made, that we made, that are our view. They still do not conceive that they did the wrong thing but they do agree that they should talk more often, and I think we can probably avoid such a thing happening again. As I say, even we, DFID, after we did the starter packs and they worked so well, made the same error in widening it too much. It was fully-well-intentioned. I remember then the government came back and asked us for starter packs again and I was saying "No, we are not doing it so widely" but you have got a starving country. Now, I have been around for long enough to begin to learn but you can see how people make the error. If someone comes to you and says "Please, help, my country is starving" you are inclined to say yes, although it is a mistake.

**Mr Colman**

200. I think the next set of questions follow on neatly because they are about the right to food, accountability and the role of donors. What do you think is the role of donors and international organisations in ensuring that the right to food is respected, protected and fulfilled? Who is responsible for ensuring food supplies to Southern

Africa and who do you think should be accountable when—because NGOs have related to us—the right to food is being violated, as they believe it was in 2002?

(Clare Short) Well, lots of the rights in the Universal Declaration are violated daily by at least a fifth of humanity, if not the whole of humanity. According to the Universal Declaration everyone has the right to "a standard of living adequate for the health and the well-being of himself and his family, including food, clothing, housing and medical care, necessary social services, the right to security in the event of unemployment, sickness, disability, widowhood." How much of humanity has these rights? This is a right in the Universal Declaration and the framework of the Universal Declaration is that these rights must be provided to people and if they are not available then the best possible effort must be made to bring them to people as rapidly as can be done. The framework of the Universal Declaration is that the duty is firstly upon the state but then it has got a wider call for the international community to do everything it can to put in place the conditions where these rights will be delivered as rapidly as possible to all people. That is the kind of framework. We might just be getting there in the international community. There has been no effort to think about human rights like this. What happened after the drafting of the Universal Declaration, which is a beautiful piece of work both conceptually and in its language as to how it puts the obligation, was the world was divided in two over the Cold War, divided into blue and red rights, the Communist world said "we will provide for people" and the West put much less emphasis on social and economic rights and there were battles about it. The state has the first duty under the Universal Declaration but then the international community has a duty to create the conditions and if you look at agricultural trade we have not been living up to that duty. I suppose the duty of the international humanitarian system to respond in crises is part of that duty, but the first duty is on the state and clearly in Zimbabwe at the core of this crisis the state has completely and absolutely failed in its duty.

**Mr Walter**

201. Secretary of State, last year hundreds of people in my constituency got very hot under the collar on the question of GM crop trials. Fortunately none of them are starving and when they go to the supermarket they have a choice about what they can buy. The Government of Zambia wanted to put down conditions in terms of US food aid about crops that were GM crops. What is DFID's position on this? Do you support the Government of Zambia or do you think that they were wrong to do that?

(Clare Short) We take the view under the Cartagena Protocol of the bio-diversity convention, that every country has the right to decide for itself whether to import GM food or seeds and needs the capacity to be able to think about it and make the decision in an intelligent way. We have been trying to work in countries to build up that kind of

23 January 2003]

RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN

[Continued

**[Mr Walter Cont]**

capacity so that countries can make an informed decision for themselves, and that must be right. We fund research that includes GM possibilities that would be beneficial to developing countries. Green groups here from time to time attack DFID for doing that and I robustly defend it. To deny the science that might produce maize that is not vulnerable to drought, pests or whatever, I will not give in to any of that pressure. From time to time journalists expose things that we have got on the website and say "Here is a big revelation, Clare Short is supporting GM" because it speaks to those fears in our own country. On the question of Zambia, I met with the President quite a long time ago when it was rumoured that this might be done and suggested to him that it would be very difficult. In the case of the US we have talked about the way they put food into the international system and are very, very big providers. They are providing food that they eat themselves, this is not dumping food on Africa that they do not eat. They do not have the same movement on GM, so that is just the nature of their maize. In the UK we have labelling, we have soya that is GM, that is the EU system. I said to him "Could you not consider, please, giving your people the same rights as the people of Europe, that you will use the US maize, label it, and we will move heaven and earth to make sure that we provide some other and people can choose" and he said he would consider that. I think the whole decision was driven by the agricultural minister thinking that if the food got in it would get into seed, it would get into their exports and they would be barred from the European markets, so the atmosphere in Europe is part of what has happened. I think in the early days when this was being argued representatives of the European Commission were not exactly active in putting down the notion but later on when everyone realised what a serious matter it was the Commission issued a statement and the World Health Organisation issued a statement. Different myths were being generated that it was harmful to human health so the World Health Organisation said that was absolutely untrue and the Commission said there was no question that if this was allowed into the country it would damage the prospects of Zambia exporting into the EU, and we said that we would pay for it to be ground so it would not come in as seed and there was no danger of it going into agriculture. We said that their experts should come to the UK and meet our experts, and they also went to the US. They then produced an extremely biased report that was not an accurate reflection of the experts in the UK and there was a cabinet battle and the majority in favour of not using the GM came out just ahead. It was obviously a decision of the elite, the hungry people were not consulted. It was informed by this fear that it would stop agricultural production and exports. It meant that the humanitarian response was damaged, there was food in the country, there were hungry people and they were not allowed to eat it and, indeed, logistics had to be used to take it out of the country when we had to find other food and get it into the country. It was another of those ones when you feel so irritated but you must not respond by not getting non-GM food into the country because the people who were going to go hungry were not the people who made

the decision. We tried very hard. I feel now that if I had only tried harder, maybe gone to Zambia and talked, maybe we could have done more but, there we are, the decision was made. It cost money. I think our estimate was £35 million.

(Mr Smith) Between £25 million and £35 million.

(Clare Short) In the middle of a crisis in a country that is really short of money that is worrying. I think we are back on track and enough food has been found that is not GM, the pipeline is not broken and those hungry people in Zambia are getting non-GM maize. That is the story. It is a very sad story that annoys me. I do think some of the hysterical anti-GM campaigning that we have in Europe is part of the explanation.

#### Alistair Burt

202. I am after your opinion on an example I have, the committee was sent an analysis by Greenpeace in October on USAID and GM food aid and I have just two quotes. Greenpeace said, "The cynical manipulators of the famine in Africa are the US Government, USAID and the GM industry". It also says, "USAID is using the current situation to force the introduction of GM crops on countries desperate for food aid". Do you have any sympathy for that sort of view?

(Clare Short) That is a complete lie. Whoever wrote that did not bother to do any work to find out anything about the things we have just been discussing today. It is disgraceful. It is attempting to lie and exploit the hunger of Africa for their campaign against GM. Whoever wrote that should go away and examine their conscience.

#### Mr Colman

203. Just to place it on the record, we had two long meetings with the Zambian agriculture minister in September and again in October and he accepts that milled GM maize would not harm the exports of agricultural products to Europe. The decision as far as he was concerned was a collective decision, a decision that particularly came from the President of Zambia.

(Clare Short) I talked to the President before and after the decision and I think everyone is agreed that the agriculture minister is very influential and has very strong influence on ministers. There you are. Who do you believe?

#### Chairman

204. It seems with international development ministers are damned either way, you are either damned for being allegedly complacent or you are damned for being allegedly sensationalist. It does seem from everything that we have seen, and what you have said you have seen, we are beginning to deal with a quantum which is unlike that which the world has seen before, the combination of HIV/AIDS, the impact of HIV/AIDS and food and security. There is no guarantee that the harvests in Sub-Sahara and Africa are going to be any better next year than this year, indeed your PQ on Ethiopia would tend to suggest that if anything it

23 January 2003]

RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN

[Continued

**[Chairman Cont]**

is going to be as bad as last year and harvest shortages in the United States will exacerbate that. Perhaps we are coming to something of a different scale and a different type of response. Over the next few weeks this Committee is going to meet parliamentary colleagues in the European Parliament and we are spending a week in the United States and we are also meeting colleagues in Congress. Not now, but it seems to me that perhaps your special advisers could give some thought to the sort of language, statistics and the collective lines to take that we might be thinking about together in trying to engage other parliamentarians round the world in thinking about what is really a different quantum, particularly at a time when the world's attention may well be distracted by other events, because all that momentum builds up.

(Clare Short) Africa is very frightened.

205. You have managed and the Prime Minister and the Chancellor have managed to build up some momentum on things like NEPAD, and so on. There was some momentum on the fight against poverty, we would welcome some thought as to how we develop approaches which are neither giving the impression of being complacent nor being sensationalist but collectively trying to respond or look at what is clearly a seriously deteriorating situation, particularly in Africa.

(Clare Short) I welcome the chance to reflect and get back to you. The problem is that politicians, and we are all politicians, like crises and headline. Although we have to deal with crises it is the underlying poverty that must be dealt with. Ethiopia's case demonstrates it so clearly. The trick is to get them to take the level of mounting crises seriously but not just to throw food at it in a way that means we will have ever-growing larger numbers of crises in future years and finding ways of engaging people's attention to strengthen the international response to the immediate need but be more committed to what it takes to get in the long-term. That is where the trick lies. That is not easy.

**Chairman:** That is why we need to think about language, statistics and a line to take which is proportionate but which actually responds to the scale of the thing.

**Hugh Bayley**

206. I have two other unrelated points, the scale of the United Kingdom's response and the international community's response. I have heard you say, Secretary of State, at meetings in the last few weeks you are very worried indeed about the impact of the famine throughout Africa, notwithstanding the aid efforts. Can you explain to the Committee what you have done in your Department to find resources? How much unbudgeted additional money has gone to meet these famines and where did you find that money? Have similar responses been made by other main aid donors?

(Clare Short) Can I just say we mobilised a lot of money and effort for the Southern Africa crisis. I think it is very important that the international community is responding and things are well organised. In Southern Africa there is a danger the

whole pipeline will break, however because we worked very hard it is more under control than it was when I was saying we need to give it more attention. We talked about the continuing situation.

207. Perhaps you can send us a note<sup>2</sup>.

(Clare Short) I have done exercises across the Department of finding extra resources and I am just about to do an allocation of staff and money. We have a growing budget and we are very short of money. The Department is evermore effective at spending money well but because of all these crises we are very tight.

(Mr Smith) In September 2001 we committed what is now coming up to about £130 million. All of that has been spent yet but it probably will be by the end of the financial year. Most of the money has been found through resources that were within the Africa division as a whole, which every year spends a certain amount on humanitarian relief anyway. We have in some cases had to switch money from programmes which were meant to be longer term to respond to the crises, that has been relatively limited but in some cases it has been the only thing that was really sensible in the circumstances. In some cases there have been monies that we found where we could slightly delay other activity in order to use something immediately. We have had money from the contingency that was in the division and we have had money from the contingency from the Department as a whole. There have been a variety of places where we found things but most of it has been from within the African division.

208. Finally to follow up Tony Colman's question about the Universal Declaration of Human Rights, if you look back at the last century many more people died from famine in the course of that century than from other violations of human rights. There have been a number of international efforts to hold those people responsible for the deaths of millions of people, hundreds of thousands of people—or even smaller numbers of people, if you think of the Balkans and of the Second World War Holocaust or the Great Lakes region—to account. Is it meaningful to have a universal human right to food and indeed to other inputs, like health care, and so on, unless there is a means of indicting people when they clearly fail to ensure that those human rights are available? Should your Department look at meaningful ways, not just to pick a scapegoat, of making presidents of countries and heads of donor agencies accountable for failure when mass starvation kills large numbers of people?

(Clare Short) The first thing I would say is that although there is massively more people in the world the people dying from famine has gone right down and it is very rare. You will know Professor Sen's work on repression and shortage. Obviously the international system has improved. I do not know how many died in the Bengali famine in the 30s but it was millions.

209. That was the peak, was it not, between the First World War and the Second World War.

<sup>2</sup> Ev

23 January 2003]

RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN

[Continued

**[Hugh Bayley Cont]**

(Clare Short) It led to India's run for independence. It is important to remember all that, all those lessons, that even famine conditions rarely lead to death now. The second thing is, the Universal Declaration has this machinery in Geneva for reporting on countries and on progress, and the framework of the language of it is that everyone is working hard and doing everything possible that they can do to secure all of these rights for all these people, it is very normative, and then sort of exposing failure rather than locking people up in prison. I personally think that the division into blue and red rights as part of the Cold War has led the discourse on human rights in our kind of countries to be focused only on the political and civil rights of the elite, that matters where there is political persecution and torture, of course it matters, but I really think the reports on countries that Amnesty and the Human Rights Watch talk about is every endeavour is being made as rapidly as possible to secure all these rights for all people. It should give much more attention to the rights of the poor, who tend to be written out of the human rights discourse altogether. If we could get a human rights movement that really meant all of the human rights of the poor I think it would be perfectly proper to comment and criticise on the failure of the international community or part of its elements. The real power is normative. We have the International Convention on Torture, it was under that which Pinochet was acted against. Any other individual who people might suggest is responsible for most of this I am sure it would be actionable under that. This is off the top of my head. I am not sure that failure to make the best possible effort in your country to secure these rights is for all people. I would not want the first remedy to be prosecuting, it is raising the values of the world and its scrutiny of each other and it is inspiration of each other to really drive forward securing these rights for all these people. I think you can say with the commitment of the Millennium Development Goals and these different ways of working to get the whole international system working with governments to secure them, we have moved towards a world that is organised to try and deliver the rights in those social and economic rights for all people and we need to drive it and popularise it and enthuse the world and embarrass anyone who is failing in their country to take measures or make their contribution. That is how it needs to go. It would help if the human rights lobby would take this perspective on board, they do not.

**Chairman:** Secretary of State, four of us yesterday met some Parliamentary colleagues from Uganda who have come here and they spent some time with us. I wonder if John could summarise their concerns to you. We promised as a process of good governance we would raise them with you when we had the opportunity of doing so.

**Mr Battle**

210. We met with some Ugandan members of Parliament and a bishop from Northern Uganda—interestingly we spoke earlier of Uganda's fantastic efforts tackling HIV/AIDS—they were anxious to

impress upon us their concerns about the civil war that is still raging in Northern Uganda where 1.5 million people live. Many people are ushered into protected camps—

(Clare Short) I know, I visited.

211.—and if they leave they could be shot because they are assumed to be on the side of the Lord's Resistance Army led by Joseph Kony. They were slightly more positive in this sense, they felt there was a moment in time for there to be negotiations between Kony, of the Lord's Resistance Army and the President but did not think those two individuals would get together since they both wished the death of the other and it would not be the easiest conversation to start with. Is there any way the international community could be responding to help or are they already? Could you comment on that given that there is such a good story of success with HIV/AIDS within Uganda? How can we help?

(Clare Short) That delegation asked to see me, and I was coming back from Ethiopia via Uganda and Kenya, some of them are supporters of the Lord's Resistance Army, which is one of the bestial-type movements, it abducts children, makes children kill members of their family and turns the girls into the wives of the fighters. The Lord's Resistance is a bit like the RUF, one of these crazy, very ugly, very cruel movements. The Acholi-land in the North of Uganda has felt quite separate and there is quite a Diaspora and is hostile to Museveni so it has not had any of the benefits of the considerable development achievements of Uganda because this civil war goes on. The Lord's Resistance Army used to headquarter themselves in Southern Sudan and be given support by the Sudanese Government and of course President Museveni used to give support to the SPLA so the fighting continued and indeed the Sudanese Government used to give support to the fighters who tried to invade Uganda from the west and that, tied up with the Congo and the Sudanese Civil War, trickled across the continent. The big achievement of the peace talks in Sudan is that the Sudanese Government is no longer supporting the Lord's Resistance Army and Sudan has said to President Museveni that his army can go into Southern Sudan to try and finish off the Lord's Resistance Army. There has been a big movement of the elders of the Northern community because some of these fighters are their children who were abducted and now they are fighters and they are saying, "We need an amnesty provision as well". There has been arguments about that and it has been put in place. My own sense is that you need enough military force that the Lord's Resistance Army is clear that it cannot win and then you need to get as many people as possible to come into a process and liberate the North and then you can get development in the North. We had this discussion with President Museveni a few days ago and he has deployed the Ugandan Army to try and finish off the fighting of the Lord's Resistance Army but it is taking a lot longer because they move round very fast and then they just break up and kill people. They do it by terror, it is a very nasty movement. That is my answer. Our view is that you need

---

*23 January 2003]*RT HON CLARE SHORT MP, MR ANTHONY SMITH  
AND MR ROB HOLDEN*[Continued*

---

**[Mr Battle Cont]**

military force. It is desirable that they get a sense, like happened with the RUF, they could not win militarily, then their leaders should be held accountable in whatever way thought appropriate. The Amnesty provisions for some of the followers should be taken forward. They are there, that is the structure. It is a tragedy for Uganda, particularly for the North. If this thing could be brought to an end the development in the rest of country could extend to the North. There are people in the diaspora from that region who are sympathetic to

the Lord's Resistance Army because of the history, there is some history of being on different sides. It is a tragedy and it needs bringing to an end. We are very engaged.

212. I did not get the impression the people we met yesterday were sympathetic at all.

*(Clare Short)* I share the advice to me with you, that is all.

**Chairman:** Secretary of State, thank you very much for sharing your time with us.

---

#### **Supplementary memorandum submitted by the Department for International Development**

During the Secretary of State's evidence session on 23 January, Hugh Bayley MP asked:

"How much unbudgeted additional money has gone to meet those famines and where did you find that money?"

DFID's contribution to the humanitarian crisis response was funded from a combination of the DFID Contingency Reserve and reallocation of funds from country and sectoral programmes. The Secretary of State authorised two allocations of £10 million each from the Contingency Reserve in June and September 2002. The balance of the funds were found at other times during the year, largely from country programmes in Africa Division but also from some sectoral programmes and from country programmes in other Divisions.

*Anthony Smith  
Deputy Director, Central and Southern Africa  
Department for International Development*

*February 2003*

## APPENDICES TO THE MINUTES OF EVIDENCE

### APPENDIX 1

#### Memorandum submitted by ActionAid Malawi

1. ActionAid Malawi works with poor communities and other stakeholders to eradicate poverty through sustainable processes, which empower the poor and enable them to live better lives in equity and justice. Set up in 1990, we now work with more than 318,000 poor people across the country.

2. ActionAid Malawi welcomes this opportunity to submit evidence to the International Development Committee's inquiry into the current humanitarian crisis of Southern Africa. The crisis in Southern Africa and especially Malawi has affected many thousands of people who are already suffering due to the HIV/AIDS pandemic as well as conditions of extreme poverty. Between January and April 2002, at least 500-1,000 people died of hunger and hunger-related diseases in Malawi alone.

3. The crisis is ongoing. Alarmingly, an FAO/WFP Crop Assessment Mission concluded in May 2002 that the food deficit for the present agricultural year is even larger than last year's food gap, and with an El Nino event predicted for next year, it is difficult to imagine how rural Malawians can survive three consecutive bad harvests, let alone preserve or rebuild viable livelihoods.

4. As a contribution to the debate in Malawi about the ongoing food crisis, and towards learning lessons that will assist in identifying more appropriate and timely interventions in future, as well as reducing vulnerability to future food crises, ActionAid Malawi commissioned a detailed study on the famine. The report was written by Stephen Devereux (Fellow, IDS, University of Sussex) who led a research team in Malawi in May 2002. The paper, "State of Disaster"<sup>1</sup>, attempts to explain why the famine occurred, and draws lessons for policy interventions to prevent future famines. This submission is largely based on the final report.

5. "State of Disaster", sets the current food crisis in Malawi against a backdrop of increased livelihood vulnerability, which has reduced the capacity of rural people to cope when harvests are poor, leading to hunger and starvation. Society in rural Malawi, already highly vulnerable, is breaking down. Incomes have plummeted and life expectancy rates have dropped by 15 years. Mounting evidence that farming communities are reeling after ten years of increasing poverty and record levels of HIV infection has been ignored.

6. The report's key findings include:

- While the immediate trigger for the food crisis was localized flooding in February and March 2002, the underlying causes were mainly political and economic.
- Rigid and prescriptive IMF and donor-led economic policies and practices compounded government planning, policy and implementation failures.
- A background of existing, serious rural livelihood vulnerability meant that food shortages turned into famine.
- There was limited investment in the rural economy, home to 70 per cent of Malawians.
- Little thought was given by major donors to the impact of economic liberalisation on the lives of poor rural families.
- The Malawian government pushed through the commercialisation of the agricultural sector with inadequate support being given to the most vulnerable.

7. A series of damaging miscalculations by the Malawian government and donors aggravated long-term policy failures. These were:

- The strategic grain reserve, Malawi's buffer against famine, was sold off in its entirety, despite advice from the IMF to reduce the level of buffer stocks held from 165,000 MT to 60,000 MT.
- Much of the reserve was sold on local markets, against IMF advice to export it in order to minimise disincentives to maize producers. Private traders were effectively allowed to profiteer from the sale of the grain reserve, buying maize cheaply and hoarding it until prices rose before reselling it for exorbitant profits.
- Rationing was imposed without any form of identification system being put in place and was therefore open to abuse.

8. The other key component of the famine was the strain on relations between donors and the Malawian government because of allegations of economic mismanagement and governance failures. This fatally delayed donors' response to the food crisis just as food shortages were beginning to bite.

9. Despite the policy failures and mistakes, disaster might have been averted if there had not been an over-calculation of the root crop harvest in Malawi. It was assumed that potatoes and other tubers such as cassava

---

<sup>1</sup> <http://www.actionaid.org/resources/pdfs/malawifamine.pdf>

would act as a substitute for maize, the staple crop. Donors and the government were lulled into a false sense of security and predicted that food availability would be more than adequate. This proved to be wrong.

#### 10. Recommendations:

In view of the above, ActionAid Malawi would like to recommend that the committee consider the following issues:

- The role of the IMF office in Malawi, should be seriously considered, especially when it comes to advices and conditionalities. It would appear that the Fund, despite having a field office in Malawi, does not really understand the reality in Malawi. The Fund's field office needs to have a proper role to play that should feed into the advises rather than fully depending on the discussions visiting missions have with the government officials when they come into the country.
- The deaths recorded in Malawi between January and March 2002 are regarded as a major failure, by both the state and non-state parties, to realise the rights to Malawians to food, *inter alia* under article 25 (1) of the Universal Declaration of Human Rights. ActionAid Malawi believes that the parties involved should be accountable, and where necessary there should be some commitment for compensation for those directly affected.
- There are both long term and immediate causes of the crisis, but policy failure plays a large role. ActionAid Malawi urges the committee to look at the area of food security and how all parties involved failed to note that Malawi, despite the food problems recurring almost every four years, did not have a proper food security policy in place. This applies to all donors working in the country including DFID.
- On future measures, a proper social impact assessment must take place prior to any recommendations for fiscal and institutional measures, and in case of those already in place, there is a need to revisit. These include the whole notion of liberalisation, especially the notion of price control mechanisms on some essential products; scaling back of inputs to small-scale agricultural producers (and indeed the whole question of subsidies); and privatisation of certain institutions like the agriculture marketing parastatal ADMARC, water, electricity that seem to be in the pipeline.

*ActionAid Malawi*

*October 2002*

Also enclosed as supporting evidence: "State of Disaster"—available at:

<http://www.actionaid.org/resources/pdfs/malawifamine.pdf>

## APPENDIX 2

### Memorandum submitted by CARE International UK

With over 14 million people in six countries currently facing starvation, the Southern Africa Crisis threatens to become one of the worst humanitarian crises of recent times. The problem is not only the lack of rainfall, but the consequence of the impact of HIV/AIDS, political instability, lack of investment, inadequate aid, prejudicial trading policies and weak governance. The result is that those worst affected by this crisis are the poorest, whose already precarious existences are set to worsen, resulting in further vulnerability and chronic suffering.

The current food aid responses are also causing problems: GMO foods have been rejected initially by several countries, while the amount of aid pledged by governments is inadequate to meet the need. The risk is that any serious response will not take place until early next year, when the crisis will have worsened substantially.

#### POSITION

The current crisis is solely not the result of drought. The drought has served to expose the underlying vulnerability of the region. This vulnerability is increased by:

- HIV/AIDS, which is destroying lives and productive livelihoods. Approximately 25 per cent of the region's population is thought to be HIV positive
- Political instability, and poor governance
- External economic pressures including structural adjustment
- Spiralling food prices

To start to address these, CARE International UK calls for

1. A long term commitment that goes beyond food relief and addresses the underlying causes of vulnerability. This will take serious and sustained commitment by the international community

2. Immediate action. To avoid mass starvation in the January–March period the international community must act quickly to make necessary resources available promptly

3. The concerns of countries concerning GMOs to be taken seriously. Actions taken now may have implications for future markets and trade.

#### THE CURRENT CRISIS

This paper limits its focus to Zimbabwe, Malawi and Zambia. These are the worst affected countries in Southern Africa and CARE has had a long-standing presence in all three.

The region has a population of about 60 million people. It is now in the early stages of the worst food security crisis in the region in the last decade. However, in all the countries in the region with the exception of Mozambique, the effect of the crisis is qualitatively deeper and more serious than that of 1992–94. Although the present crisis has been described as a drought it is more accurately defined as a complex emergency. Inadequate and intermittent rains, exacerbated by poor political policies and decisions have precipitated the crisis, with HIV/AIDS, and socio-economic breakdown conspiring to produce an unprecedented humanitarian disaster.

Even in years of normal harvest, the region needs food aid—a consequence of deep-rooted structural poverty, particularly in rural areas. Household “assets” and safety net mechanisms are far more eroded than they were a decade ago. Structural adjustment in the early 1990s saw the demise of state marketing institutions that had, however inefficiently, supported rural communities with agricultural inputs and output marketing services. These have not been replaced by adequate private sector mechanisms. Farmers cannot obtain appropriate seed varieties, and if they do want to sell produce it is hard for them to do so at any real profit. Livestock has fallen prey to disease and, in Malawi, theft. Soils needing intensive conservation techniques, grow steadily less fertile. Zimbabwe’s political situation has added further burdens on its neighbours, especially Zambia and Malawi, who in the last drought had been able to rely on Zimbabwe’s food reserves and its rail and road infrastructure. 10 years ago, Zimbabwe was a net exporter of food.

The table below summarises numbers and cereal food requirements:

<i>Country</i> <sup>2</sup>	<i>Numbers in need of emergency cereal food assistance</i>	<i>Percentage of population affected</i>	<i>Cereal requirement to March 2003 /MT</i>
Zimbabwe	6,700,000	49	486,000
Malawi	3,300,000	29	237,000
Zambia	2,900,000	26	224,000
Lesotho	650,000	30	36,000
Mozambique	590,000	3	48,000
Swaziland	270,000	24	20,000
	14,410,000		1,051,000

The Southern Africa crisis has both a regional dimension as well as country specific features. The political crisis in Zimbabwe and the ban on GMO by the government of Zambia are two examples of complicating factors that present special challenges to the international humanitarian community.

Into this deteriorating situation, HIV/AIDS has added a nightmare. The epidemic affects the most productive segment of the population—those who generate the resources to make people less vulnerable in times of crisis. In Zimbabwe, many of the dying were formerly remitting part of their income from urban areas to their families in the villages. In addition rural households are being required to care for orphans they cannot afford to feed or educate. Orphans of families affected by HIV/AIDS have become an especially vulnerable group and this phenomenon has stretched the traditional crisis management role of the extended family.

The most recent figures<sup>3</sup> on HIV/AIDS infection amongst the 15-49 age group are: Zimbabwe 34 per cent; Swaziland 34 per cent; Lesotho 31 per cent; Zambia 22 per cent; Malawi 15 per cent; Mozambique 13 per cent.

The last good harvest in the region was in 2000. Cereal production in 2000–01 was lower than usual, and throughout 2001 large numbers relied on traditional emergency coping strategies. Affected populations have thus reached the 2002 harvest already weakened, and with very limited coping capacities. They have for some time been forced to reduce both the quality and quantity of their food intake, rendering them more susceptible to infectious disease. An EU nutritional assessment in February 2002 indicated that cases of severe malnutrition in Malawi had increased by 80 per cent when compared to the previous February.

People had begun to sell their assets (seeds, tools, ploughs), compromising their future productive capacity. They had also started eating wild food, sometimes poisonous roots which caused disease and in some cases death. Parents could no longer afford to pay their children’s school fees. The practice of eating green maize,

<sup>2</sup> Southern Africa Development Community Food, Agriculture and Natural Resources Vulnerability Assessment Committee *Regional Emergency Food Security Assessment Report* 16 September 2002.

<sup>3</sup> UNAIDS figures.

always seen in small measure during the annual “hungry period”, became a widespread behaviour in the build up to the 2002 harvest, further eroding the crop.

The 2001 rainy season had started early, prompting farmers to plant. In Zambia and Zimbabwe, rains were favourable until December, followed by a dry spell, which destroyed the crop. In Malawi, the early start also turned to be a false start, and the newly planted and germinating crops were destroyed. Farmers were then forced to plant again, often using lower quality and quantity of seed and fertiliser. A second and prolonged dry spell in February/March, and a third one in April further compromised the harvest.

The result of this poor season is a dramatically low cereal production. In Zimbabwe it was 65 per cent less than the national average over the past five years (including the already poor harvest of the 2000–01 season) 33 per cent less in Zambia, and 15 per cent less in Malawi.<sup>4</sup>

The multiple causes of the present emergency mean that feeding people alone, though absolutely necessary, will not address the underlying factors that have made the current crisis inevitable. Poor and intermittent rains, exacerbated by the politics of the situation have precipitated the crisis. More fundamental causes lie in the fact that rural livelihoods have continued to deteriorate since the last major crisis a decade ago, coupled with the huge and widespread impact of the HIV/AIDS epidemic.

The scale and extent of the crisis is worst in Zimbabwe where over six million people require assistance. There are an additional three million people in need of food aid in Malawi, 2.3 million in Zambia and several hundred thousand in each of Lesotho, Swaziland and Southern Mozambique.<sup>5</sup>

## ZIMBABWE

The World Food Programme has indicated that, due to ruinous climactic, political and economic factors, Zimbabwe is the worst drought affected country in Southern Africa.<sup>6</sup> The WFP/FAO/UNICEF estimate of 6.074 million drought-affected people, about half the country’s total population, compares with the Government of Zimbabwe’s (GoZ) end-April 2002 estimate that 7.8 million people are in need of emergency food aid and livelihood recovery assistance. Both estimates indicate a larger absolute number and proportion of the population than other drought-affected countries in the region that were assessed. Moreover, WFP estimates that only 10 per cent of the food deficit gap in Zimbabwe will be met by multilateral humanitarian food aid commitments under a planned UN Regional Humanitarian Appeal for Southern Africa for 2002–03.

Cereal production for consumption in the current marketing year (April 2002 to March 2003) is estimated at about 0.67 million tons, 57 per cent down from last year’s poor harvest and 69 per cent down from production in 1999–2000. The production of maize, the main staple, is estimated at 0.48 million tons, down by 67 per cent on last year and 77 per cent on 1999–2000. Millions of people who have the resources to purchase their staple cereal foods are unable to do so because grain is increasingly unavailable in the markets, or is selling at prohibitively high prices. Emergency provision of agricultural inputs is recommended to enable drought-affected farming families to boost agricultural production during the next main planting season starting in October 2002.

Zimbabwe is characterized by the juxtaposition of large, highly productive commercial farms and smallholder agriculture. The country’s commercial farms have been the leading producers of both basic foodstuffs and export crops. Many rural households farm tiny, isolated plots of marginal land in backcountry communal areas. The productivity of these farms is generally very low. Many farm households are unable to meet their basic needs through family farming alone. Approximately 20 per cent of the rural labour force—350,000 full-time farm workers and an additional 200–300,000 casual labourers—are normally employed on commercial farms or related businesses. Remittances from these workers are a major and essential income source for a vast number of rural households.

The Government’s recent campaign has thrown this rural economy into disarray. For the rural poor, the immediate consequences of this situation have been catastrophic. The commercial farms have largely ceased normal operations. Unemployment is high. Food reserves have been depleted and prices have skyrocketed. In the face of diminished purchasing power and high prices, the rural poor no longer have the wherewithal to make food purchases.

Thus far, only two per cent of farm workers have been allocated land under the land reform programme and a great deal of prime farmland is standing idle. Of those workers who have received parcels, most lack the means to productively farm these plots. Given this state of affairs, it is unlikely that agricultural production will recover anytime soon.

The current recession is not confined to the agricultural sector. Arbitrary regulations, taxation and seizures have also triggered a recession in banking, commerce and manufacturing. Although the food security crisis is most severe in rural areas, basic foodstuffs including meal, sugar, oil and salt have also become scarce in the cities

---

<sup>4</sup> SADC-VAC Regional Food Security Assessment Report.

<sup>5</sup> WFP figures.

<sup>6</sup> Information sources monitoring the current drought and food deficit situation in Zimbabwe and Southern Africa are available at the following internet websites: WFP-FAO, FEWS NET, FAO GIEWS, FAOSTAT, SADC and ReliefWeb.

Humanitarian organizations have moved quickly to avert famine. However, under challenging circumstances and with regular discussion with the government they are attempting to ensure the equitable distribution of relief supplies in an occasionally tense and highly politicised setting.

In Zimbabwe, the food security crisis may well present singular challenges. In a society in which basic economic structures, processes and flows are in disarray and being reorganized, “rehabilitation” is not just a matter of putting formerly viable livelihood systems back together. Rather, in the face of great uncertainty and adversity, the rural poor may well have to fashion new livelihood strategies.

## MALAWI

Malawi is in an emergency situation whereby at least 3.3 million people, 29 per cent of the population, will need emergency food assistance by December 2002, and until March 2003. At least another third of households have been severely affected by the current combination of circumstances, even if in less immediately life threatening ways. Factors like the widespread HIV/AIDS epidemic, the lack of effective and affordable market services, poor soil fertility, a shortage of livestock, have contributed to this decline over time. Poor rains and the loss of the country’s strategic grain reserve have been short term exacerbating factors, precipitating the emergency this year. However, the question has only been when, not if one would occur.

Poverty in Malawi was already deeply rooted prior to this year’s emergency. The economy of the country is mostly based on agriculture and its population is predominantly rural. Its economic system is a largely subsistence economy with a majority of small-holder farmers—relying on the products of small plots of land and with extremely limited access to seeds and fertiliser—and a minority of larger estates for tobacco, coffee and tea (with world coffee prices now the lowest in 30 years). The agricultural production is highly unbalanced and over-reliant on maize, which leads to higher vulnerability to natural shocks and market fluctuations. The country is land-locked and has limited access to commercial routes, which further increases its isolation and prevents economic development.

In the last 10 years Malawi has been affected by macroeconomic problems, which have hampered the country’s development. The country, which with regards to the production of maize used to be self-sufficient, is now highly dependant on economic assistance from international donors.

In order to reduce the national debt and arrest inflation, which has led to a growing uncertainty about the purchasing power of the kwacha, the Government has put in place a number of structural reforms, aiming to progressively liberalise the economy and privatise government-controlled companies. So far, the system has not proved effective, and the progressive removal of the subsidies, which helped stabilise the maize price, led to a major instability in the maize markets. The productive system has been severely affected, leading to a lower production, thus laying the foundation for subsequent food shortage, and making the poorest sections of the society even more vulnerable.

Floods in southern Malawi left a national shortfall of approximately 600,000 MT following the 2000–01 season. For 2001–02, rainfall was sporadic, with a long, dry spell shortly after much of the maize crop had germinated. Furthermore, the actual harvest was further reduced by pre-harvest consumption of green maize (a consequence of the shortages caused by the previous year’s poor harvest) as well as by rampant theft. The weather was by no means the only cause of the poor maize harvest. An acute lack of agricultural credit due to failed repayments, together with the spiralling cost of inputs, meant that the purchase of fertilizer and seeds were beyond the reach of most farmers.

Despite this, the sale of the Malawi Strategic Grain Reserve took place. IMF advice had been to reduce the level of buffer stocks from 165,000 to 60,000 MT, through export sales. Somehow almost all the reserve was sold, and on local markets.

Reports<sup>7</sup> indicate that malnutrition rates have risen 14 times that of what would normally be expected in August, suggesting that families have exhausted their food supplies by the end of July. Such an increase in the malnutrition rate suggests a growing number of children under five are suffering from moderate to severe malnutrition. Based on the results of several assessments of the food security situation in Malawi it is widely expected that at the peak of the “hungry season”<sup>8</sup> the rate of severe acute malnutrition will increase from 1.2 to three per cent.

The government of Malawi has decided to mill the GMO maize only during the planting season to avoid it being planted. This is a change to the earlier indication that all GMO maize will be milled before distribution, a decision that would have caused a lot delays in the distribution process. Malawi’s milling capacity is reported to be 6,500 MT a month against the 20,000 MT monthly maize distributions.

<sup>7</sup> Chris Roesel. Bilira Health Centre visit report. Africare, July 31, 2002.

<sup>8</sup> The “hungry season” is normally associated with the December to April time period, although in recent years this period has been significantly extended.

**ZAMBIA**

Zambia is suffering from the combined effect of a food security crisis and the HIV-AIDS pandemic. This disease is having a major and substantial effect on productive assets and labour at the national and household level, as well as creating a creeping crisis in the health care systems. In the midst of this crisis, the current food insecurity is escalating the destruction of the village communities' capacity to cope. Communities have fewer coping strategies and are less able to care for the more vulnerable. The current food security crisis in Zambia is the result of two consecutive years of low rainfall, compounded by the high prevalence of HIV/AIDS, economic decline, and the current government policy on genetically modified food.

The current food insecurity is compounded by the Government of Zambia's position that GMOs pose a biohazard to humans, which has resulted in the suspension of GM current food aid. To date, no alternative non-GMO source for food aid has been located; although, a number of agencies (including CARE and CRS) have started locally purchasing small quantities of food for distribution.

For the past two years, Zambia has experienced both drought and floods. Excessive rains last year destroyed a significant portion of the maize harvest, the staple crop comprising more than 60 per cent of the diet.<sup>9</sup> Prolonged dry spells during the 2001–02 growing season exacerbated an already precarious food situation. As a result, national maize production in 2001–02 was reduced by 42 per cent compared to the average.<sup>10</sup> The Southern and Western Provinces yielded 59 per cent and 50 per cent respectively of their average maize production. A recent report indicates that maize prices began to increase in rural markets much earlier than usual, reflecting serious supply and availability problems

Zambian farmers are renowned for their maize dependence, despite declining rainfall and an erratic supply of necessary inputs. Especially in the drought-prone areas, there is a need to diversify with more drought-resistant, and secondary food security crops such as sorghum, cassava and millet. Given the impact of HIV/AIDS on rural labour supply, farmers need to use more efficient farming techniques.

There is a need to strengthen, rebuild, and protect seed stocks. If families run out of food by July/August, there will be little or no seed for planting in November. Traditional farming practice is very resilient and provides over 80 per cent of rural households with seed for planting. They depend largely on the capacity of local farmers to retain some of their harvest for the following season. Unfortunately, for many years in Zambia farmers have been given or "loaned" hybrid maize seed and fertilizer, resulting in the breakdown of the traditional farmer practices.

The C-SAFE (see below) Action Plan for Zambia complements WFP general distributions under two scenarios: a) the GMO issue is not resolved; and b) the GMO issue is resolved. C-SAFE will be requesting 55,270 MT of four commodities in the first year of the two-year programme, targeting 632,531 recipients. The C-SAFE supplementary feeding and agricultural recovery activities will complement general feeding activities in the target areas.

CARE International is keen to engage with existing actors in the region to respond to both immediate relief needs and longer term measures to reduce the region's chronic vulnerability. As one of its responses CARE International is seeking immediate financial support from various donors including DFID to support the C-SAFE initiative as outlined below.

**C-SAFE—CONSORTIUM FOR THE SOUTHERN AFRICA FOOD EMERGENCY**

It is clear that beyond the immediate distribution of emergency food the crisis is rooted in long-term poverty and problems, which from the outset demand a long term programming approach. It is also recognised that the WFP food pipeline cannot meet all food needs and is not responsive enough to respond unassisted and comprehensively to unforeseen food shortages in the long term. Additionally, the GMO issue and uncertainty about how and when it will be resolved and how it will affect food supply also demands that the timing and delivery of food aid be dependant on diverse food aid sourcing and a flexible approach to final delivery and pipeline management.

C-SAFE is the largest and most comprehensive initiative in the region to simultaneously address both immediate relief needs and combine these inputs with the restoration of longer-term livelihoods. The goal of C-SAFE is to improve household food security in targeted communities in Malawi, Zambia and Zimbabwe. HIV/AIDS oriented programming is mainstreamed into all C-SAFE activities.

The three leading agencies of the Consortium are CARE, Catholic Relief Services (CRS) and World Vision, Inc. (WV). The respective lead members are CARE in Malawi, CRS in Zambia and World Vision in Zimbabwe. All three agencies have extensive relief and development experience in Africa. They have experienced staff, strategic and technical expertise, and well-developed systems and procedures that enable them to respond to the immediate emergency, and then shift into mitigation, preparedness and development, as appropriate. All three organizations have worked for years at building community and local organizational

---

<sup>9</sup> FewNet, June 2002.

<sup>10</sup> FAO/WFP Crop and Food Supply Assessment, 18 June 2002.

capacity in both relief and development settings. Overall management of C-SAFE will be the responsibility of a Regional Programme Unit (RPU) based in Johannesburg, South Africa.

*CARE International*

*October 2002*

### APPENDIX 3

#### Memorandum submitted by Stephen Carr

*(Mr Carr has worked with small scale farmers in Africa for the past 50 years. For 30 years (including the past thirteen years in Malawi) he has lived with farmers in rural areas. He has also been Director of Agriculture in the Southern Sudan, agricultural advisor to the Prime Minister's Office in Tanzania and the Principal Agriculturalist in the Africa Region of the World Bank. He is an honorary life fellow of London University (Wye College), and currently provides agricultural and development advice to major donors and government in Malawi)*

#### FOOD SHORTAGES IN MALAWI 2001–03

Please note that these comments are entirely drawn from Malawian experience and are not intended to reflect what may have happened in neighbouring countries.

#### AGRICULTURAL ISSUES

Family food insecurity and under-nutrition are a permanent feature of the Malawian smallholder sector. The main reasons for this are:

- Population growth has led to declining farm size so the majority of farmers have access to less than 1 ha. of land and a significant proportion have less than 0.5 ha.
- Under continuous cultivation there is a steady decline in soil fertility.
- The climatic conditions preclude the growing of perennial food or cash crops so that production is confined to a five month season each year. As a result the majority of farmers grow no cash crop and the farming system is dominated by unfertilised local maize.
- Because of the lack of cash crops and the paucity of off-farm employment many farmers cannot afford either improved seeds or fertiliser.
- Consequently yields are low and the majority of households run out of home grown food five months before the next harvest.
- As a result tens of thousands of children die because of severe under-nutrition every year giving Malawi one of the highest child death rates in the world despite an outstanding record of child vaccination.
- The perennial food insecurity makes households highly vulnerable to modest fluctuations in climate such as occurred in 2001.

#### THE IMMEDIATE CAUSE OF THE CRISIS

In February and March 2001 Malawi experienced an unusually wet and cloudy period, with daily rain for two months and very little sunshine. This was when the maize was ripening and the combination of water-logging (not flooding) and lack of sunshine seriously depressed yields. Because most families are perennially short of food they had no domestic buffer stocks with which to make up the short-fall in production and therefore ran out of food earlier than usual. This became obvious quite quickly as maize prices in local markets doubled and quadrupled within a few months of harvest. By December many families were facing serious food shortages and had to resort to living off wild plants. The situation deteriorated rapidly in the early part of 2002 as maize prices rocketed and families started to starve. In order to survive families sold their animals and possessions leaving them with no resources with which to deal with future shortages.

When the maize seed set in late March 2002 it was harvested green by people who were desperate for food. As a result a reasonable harvest was reduced by an estimated 20 per cent which has combined with perennial food insecurity and the erosion of coping strategies to produce another difficult situation for the period November 2002 to March 2003.

#### PREDICTION OF THE CRISIS

The sharp rise in maize prices combined with local knowledge of the impact of excessive rain on the crop made it obvious by September 2001 that there was going to be a serious shortage of food. At the end of October 2001 the Minister of Agriculture attended a meeting of all the donors (chaired by DFID) and asked

for food aid to alleviate the shortfall in local production. The donors were aware of the mismanagement of the strategic grain reserve and of the small amount of food aid which had been provided (15,000 tons from the EU) and consequently declined to offer any help. They were assisted in making this decision by totally unrealistic figures of root crop production put out by the Ministry of Agriculture. An IMF study reckoned these estimates to be out by a factor of ten which tallies with informed opinion in Malawi.

I was fully aware that the root crop figures were a fiction and in October 2001 I co-operated with a highly respected senior Oxford academic, who is an authority on hunger issues in Malawi, to write to DFID warning of the severe problems of hunger facing the Malawian rural population and asking what measures the British government planned to take. DFID replied that although there was a possible shortfall in maize production the abundance of root crops ensured that there was plenty of food in Malawi. As there was no risk of hunger the British government did not intend to take any action. How DFID staff equated a quadrupling of food prices with a "food abundant" situation was not explained. I made a follow up in December 2001 with DFID staff in Malawi highlighting the paucity of cassava and potatoes in the rural areas and the increasing danger of hunger but this produced no response. USAID adopted a similar stance and the EU was unwilling to act because of the misappropriation of their initial food aid contribution. In consequence in the most severe food shortage in Malawi since 1949 there was no attempt by donors to mitigate the situation until the British government finally decided to act in February/March 2002 when the crisis was almost over.

#### THE CURRENT RESPONSE

It would appear that lessons have now been learned and a major effort is being made to ensure that the tragedies of early 2002 are not repeated in the coming months. There has been a two pronged approach with free food to be distributed by a range of NGO's to the 25 to 30 per cent of the most vulnerable households and funding for a subsidy on the maize to be sold to the rest of the population. This latter strategy could be undermined in three ways. Firstly if the subsidy makes Malawian maize significantly cheaper than in neighbouring countries then there could be substantial leakage across the border leading to shortages in Malawi. Secondly if the amount on sale at any one time is inadequate to meet demand then there is likely to be a repeat of last year's experience as the wealthier members of society buy up existing stocks and resell at prices well beyond the reach of the majority. It is too early to assess whether stocks will in fact be adequate enough to preclude such rent seeking. Thirdly if there are shortages there may be a further repetition of last season's experience when scarce supplies were sent to the main towns to prevent political unrest while country areas starved. The donors are mobilising monitors of the distribution but it remains to be seen whether they will be adequate to prevent profiteering or misallocation of stocks.

#### OTHER CAUSES OF THE HARDSHIPS OF 2001-02

Apart from the agricultural problems detailed above, the situation in Malawi was exacerbated by the misuse of the strategic grain reserve which should have mitigated the plight of poor families by dampening down price rises through strategic releases on to the market through the network of public sector outlets. Instead of this the whole stock was transferred into the hands of powerful families who controlled supply to the market so as to drive up the price of maize to levels which were completely outside to reach of the majority of households. By February the price was six to eight times higher than it had been 12 months previously. This not only led to widespread hardship but acted as a disincentive to the donor community to take any ameliorating action.

#### LESSONS TO BE LEARNED

For the longer term donors need to analyse more clearly what factors are causing perennial household food insecurity in Malawi and adopt policies which will deal with the underlying constraints faced by poor farmers so that they are less vulnerable to modest climatic changes. This issue is dealt with in more detail in the next section.

As far as response to possible shortages is concerned there is a clear lesson from the Malawi experience of 2001-02 that donors have to be prepared to seek advice from members of the local community with a broader knowledge of the situation than that available to their own staff many of whom have only brief local experience. The FEWS (official early warning system) staff accepted Ministry of Agriculture production figures which were known by knowledgeable residents to be gross exaggerations. The FEWS figures were in turn accepted by the various embassy and development agency staff who ignored alternative advice which, in the event, turned out to be accurate.

#### HOW CAN HOUSEHOLD FOOD SECURITY BE IMPROVED IN THE LONGER TERM?

Malawi is in a particularly favourable situation in one way in that it is known how smallholder yields of the staple crop can easily be doubled or trebled. In most of Africa such claims would be considered nonsensical by experienced agriculturalists but in Malawi it is a proven fact. All over the country, in every village, there are farmers who plant hybrid maize with adequate fertiliser and obtain two, three or even four times more yield

than their neighbours who have identical management, climate and soils but who cannot afford hybrid seed or fertiliser.

- Thousands of experiments over the whole country have established the appropriate varieties and fertiliser applications to be used for maize production.
- Private seed companies produce and retail the best suited varieties.
- Private and para-statal outlets sell fertiliser across the country.
- Most important of all, the great majority of farmers are desperate to lay their hands on this technology.

The one factor preventing this revolution from taking place is the lack of purchasing power of smallholders. Credit is no answer for food deficit households who would have to sell food to repay the credit. In addition macro-economic mismanagement has led to interest rates of 60 per cent which are quite beyond the capacity of poor people.

Unfortunately the various “diversification missions” which have visited Malawi over the past decade have failed to identify a single cash crop which could be grown by large numbers of poor people on a small area of land to provide money for the purchase of inputs for their maize.

These poor families have one under-utilised asset which is spare labour in the dry season when no farm work is possible. The private sector is too small to absorb this and public funds are needed to mobilise this labour for rural infrastructural development for which there is an enormous need in a country with a very poor rural road system, thousands of children taught in the open because of a lack of school buildings, hills which need to be reforested and irrigation opportunities which need to be exploited. Such work can be rewarded with vouchers for agricultural inputs which can enable farmers to double their food output. It will also give a boost to private seed and fertiliser suppliers and eliminate the need for loss making quasi-government rural supply depots. Experiments with this approach with thousands of farmers (funded by USAID) have proved immensely popular and have brought quite obvious benefits both in terms of food production and rural road development.

The British Government is funding an extensive labour intensive dry season work programme but is paying for this with modest amounts of cash. Poor families find it almost impossible to make savings from such small monthly sums so that they are still unable to purchase inputs in November and break out of chronic food insecurity. The money is earned in the dry season when food is available and has all been spent before the hungry season comes with the rains, so that it does not even meet the families basic need for purchased food. Participants have asked to be paid with input vouchers but the request has been turned down, possibly because of a sense of political correctness that people should be paid in cash and not kind. Whatever the reason the donors are missing an opportunity to move hundreds of thousands of poor smallholders into a more secure food situation which would minimise the impact of moderate changes in climate from the long term norm and bring about a major improvement in the whole development of rural areas.

The donor response to farmers’ problems in gaining access to inputs was to give free handouts of very small quantities of seed and fertiliser to every family in rural Malawi. The cumulative effect of providing 2kg. of seed and 15 kg. of fertiliser per family had a positive impact on national food production, but the increase in each individual’s output was quite insufficient to carry them through the hungry season. In addition the concept of handing out free, small packs to every family into perpetuity had little attraction for most of the donor community. A large scale infrastructural programme along the lines of “The New Deal” which also provides families with adequate inputs to achieve a major change in food production has much more chance of obtaining longer term support.

It is appreciated that simply putting on fertiliser every year with no other action to improve soil quality and management is not sound husbandry and better land management is being dealt with under several major donor projects.

*Stephen Carr*

*October 2002*

#### APPENDIX 4

**Memorandum submitted by Carlos Barahona and Sarah Levy, Monitoring and Evaluation (M&E) Consultants to DFID and the Malawi Government for the 1999–2000 Starter Pack and 2000–01 and 2001–02 Targeted Inputs Programmes**

#### ABOUT US

1. We have carried out 13 nationwide research studies in Malawi since 1999. They include surveys, participatory studies and case studies. They cover smallholder farming, food security, free inputs, market linkages, farmers’ livelihoods and coping strategies, cultural values, poverty and population size. All the study

reports, data and other analysis are available on CD-ROM (the Free Inputs Programmes M&E Archive 1999–2002) from ourselves or from DFID-Malawi. We believe that this archive is the most comprehensive collection of information available on these subjects.

#### MAIN POINTS

2. The main points that we would like to make to the inquiry can be grouped under the headings: the scale of food insecurity; the reasons for under-production of food; natural and human causes of the crisis; the need for a medium-term rural development strategy; sustainable agriculture; and taking the evidence seriously, including response to early warnings. These topics are explored in the following paragraphs.

#### 3. *The scale of food insecurity*

The food crisis of 2002 was not a one-off event. The evidence suggests that it will be repeated in 2003 and in future years (see paragraph 5 below). How many people are likely to be affected in 2003? Our food security survey—the only such nationwide survey in 2002—shows that 45–50 per cent of smallholder farm households faced extreme hunger in the period from February to April 2002. Depending on which population figures you believe, this implies that between 4.3 and 5.8 million people in rural areas were seriously short of food in the 2002 lean period<sup>11</sup>. Malawi has a production deficit of around 780,000 tonnes of maize in 2002–03, compared with some 600,000 tonnes in 2001–02 (see paragraph 7 below). Therefore it seems likely—unless large amounts of food can be imported—that some 4–6 million people in rural areas will be affected in 2003.

4. Our research shows that most smallholder farmers in Malawi are extremely poor and not self-sufficient in maize. In the lean period, they are *net purchasers* of maize. We found that 86 per cent of rural smallholder households bought maize in the 2002 lean period. Their purchasing capacity was massively eroded by the increase in prices. We believe that *policies that help to keep maize prices low are pro-poor policies*.

#### 5. *The reasons for under-production of food*

Maize is the main staple food crop in Malawi. In the context of infertile soils and degraded seed stocks that is found in much of the country, crop yields are very low without improved seed and fertiliser. Farmers are aware of the need to buy these inputs, but our research found that in 2000–01 and 2001–02, *two-thirds of smallholders could not afford to do so*. The key reason for under-production of maize is that smallholders cannot afford to buy inputs. For each season that they continue to lack inputs, production will be insufficient to meet the needs of the population, food prices will rise sharply and crises will result.

#### 6. *Natural and human causes*

The smallholder sub-sector accounts for around nine tenths of total maize production in Malawi. Smallholder farmers were hit by agricultural liberalisation in the 1990s and a sharp increase in the price of fertilizer (owing mainly to depreciation of the kwacha) in 2000–01. In addition, in 2000–01 and 2001–02 they faced the scaling down of the free inputs programme which had provided support and helped sustain maize output in 1999 and 2000.

7. We can clearly distinguish between the contribution of the weather factor and free inputs to total maize production in Malawi in recent years. The 1998–99 and 1999–2000 seasons were good, while the 2000–01 and 2001–02 seasons were moderate/poor in weather terms. In the 1999 and 2000 harvests, underlying production of maize reached 1.65 and 1.86 million tonnes respectively and universal Starter Pack provided additional output of around 500,000 tonnes and 350,000 tonnes respectively. In the 2001 harvest, underlying production fell to 1.42 million tonnes. Starter Pack—renamed the Targeted Inputs Programme (TIP)—was cut from 2.86 million beneficiaries (universal) to 1.5 million beneficiaries in the 2000–01 season and contributed only around 75,000 tonnes to the 2001 harvest. Maize prices rose sharply. In 2002, underlying production of maize fell further, to 1.28 million tonnes, and TIP, further scaled down to 1 million beneficiaries, contributed around 40,000 tonnes.

#### 8. *The need for a medium-term strategy*

We believe that in addition to humanitarian relief efforts and reforms of certain government bodies, an effort is needed to tackle the medium-term problem of under-production of food. There is no doubt that enabling smallholder farmers to grow enough food to feed themselves is much cheaper than importing it, particularly when the whole Southern African region is affected by food scarcity. Universal Starter Pack is a proven, efficient method of achieving food security, and food security is clearly a pre-requisite for the success of any poverty reduction and development efforts.

<sup>11</sup> The conservative estimate is based on the 1998 census. Our research suggests that the 1998 census undercounted the rural population.

9. However, Starter Pack should be part of a broad rural development strategy which would eventually reduce dependence on free inputs. In our view, the Government of Malawi should give priority to developing a medium-term rural development strategy focusing on the smallholder sub-sector. The strategy should include measures to improve smallholders' livelihood opportunities and incomes, as well as Starter Pack.

10. Donors should differentiate clearly between medium-term strategy and crisis interventions. Many of the donors hold the view that Malawians should decrease their dependence on maize. This is an unpopular argument with Malawians, who have a strong cultural preference for maize. There is a valid argument for diversification on food security grounds. However, the short-term reality is one of high dependence on maize. During the 2002 food crisis, telling starving people to "eat something else" when very little was available at affordable prices, as some donors did, was unhelpful.

#### 11. *Sustainable agriculture*

The medium-term strategy should include:

- Injection of good maize and legume seed via Starter Packs.
- Village maize seed banks for Open Pollinated Variety (OPV) maize seed multiplication, as part of future free inputs programmes.
- Crop diversification to reduce risks of failure for farmers and combat over-dependence on a single food crop (maize).

#### 12. *Taking the evidence seriously, incl. response to early warnings*

In our view, more needs to be done to ensure that evidence from research is taken on board by policy makers, donors and other stakeholders, and that appropriate action is taken as a result.

13. The Malawi Government and some of the donors—in particular the EU Food Security Office—did not take the early warning signals about food crisis seriously in the 2001–02 season. As a result, much valuable time and many lives were lost. Development activities were undermined as poor Malawians focused on trying to meet immediate food needs. There is a need to create a *system* for translating early food crisis warnings into action. The system should agree on *indicators* which would ring alarm bells—such as a low maize harvest and sharp increases in key food prices.

14. Finally, there is a need to continue to collect reliable evidence about food security. Various donor missions which visited the country in March 2002 found a lack of reliable data. In the past three years, we have trained a team from the Ministry of Agriculture to carry out our surveys to internationally acceptable standards. We believe that it is important that the Ministry "institutionalise" it by setting up an Agriculture and Food Security M&E unit comprising these trained personnel.

*Carlos Barahona, Senior Statistician, Statistical Services Centre, The University of Reading*

*Sarah Levy, Economist, Calibre Consultants (UK)*

*October 2002*

## APPENDIX 5

### Memorandum submitted by Traidcraft<sup>12</sup>

#### INTRODUCTION

1. Traidcraft welcomes this inquiry into the humanitarian crisis in southern Africa. Traidcraft is a fair trade organisation encompassing a trading company (Traidcraft Plc) and a capacity building NGO (Traidcraft Exchange), committed to using trade as a vehicle for poverty alleviation. Traidcraft Plc is the UK's largest fair trade company with an annual turnover of £10 million per annum. Traidcraft is an active participant in the wider movement to promote fair trade<sup>13</sup>.

2. Traidcraft works in developing countries with producers of agricultural, manufactured or handcrafted products whose circumstances effectively exclude or marginalise them from the mainstream trading system. Terms of trading are set in a way that ensures producers receive a price that covers a fair return on capital costs and labour, and business training and support where needed. In particular Traidcraft works to establish trading relationships that are transparent, equitable and sustainable thereby ensuring that producers are able to overcome barriers to trade and establish sustainable livelihoods. Traidcraft views its work as actively

<sup>12</sup> The following from Traidcraft's network contributed to this paper: Elvas Kadzako, Managing Director of Development Trading Limited (Malawi); John McGrath, Chair of the TEEM Project (Malawi); Bonaventura Chidzard, Managing Director of Pamet (Malawi).

<sup>13</sup> Other bodies that make up the Fair Trade Movement include, the International Federation for Alternative Trade (IFAT) [www.ifat.org](http://www.ifat.org); the Fairtrade Labelling Organisation (FLO) [www.fairtrade.net](http://www.fairtrade.net) and its UK representative, the Fairtrade Foundation (FTF) [www.fairtrade.org.uk](http://www.fairtrade.org.uk) Consumption of fair trade products in the UK grew by over 40 per cent in 2000–01.

contributing to the realisation of the Millennium Development Goals, which seek to reduce the number of people living in absolute poverty by half by 2015. Traidcraft works with producers from South and South East Asia, Central and South America, the Caribbean and East Africa. In southern Africa, Traidcraft works in Malawi, Mauritius, Zambia, South Africa and Zimbabwe.

3. As an organisation working to secure long-term, sustainable development for some of the poorest groups, the current humanitarian crisis in southern Africa is of deep concern to Traidcraft. Systemic poverty ensures that people are vulnerable to the kind of shocks that southern Africa is currently experiencing—and greatly exacerbates their impacts on marginalised communities. While critical for providing emergency relief once a shock has reached crisis proportions, the policies of donors and the international community more widely can either contribute to or lessen this vulnerability.

4. This submission does not offer an exhaustive analysis of the factors contributing to the current crisis, but will rather focus on the experience of the Traidcraft network in the region, in particular the factors directly affecting people in our suppliers' trading chains at present<sup>14</sup>. Traidcraft seeks to “fight poverty through trade”, so this submission will also point to the relevant links between trade and poverty.

## THE IMPACT OF THE CRISIS

### 5. *Famine related deaths*

In Malawi, according to Traidcraft partners and suppliers, there is no doubt that the current crisis has led to many deaths, particularly in late 2001 and early 2002. According to the NGO ActionAid, between January and April 2002 at least 500–1,000 people died of hunger and hunger-related diseases in southern and central Malawi, making this the worst famine in living memory<sup>15</sup>. Lack of access to food forced vulnerable farmers to consume their maize harvest before it was ready—while it was still “green”. This left many without adequate supplies to plant and is expected to lead to a second crisis later this year and early next year when harvests again will be unable to meet demand.

### 6. *Increased levels of malnutrition and disease*

The crisis has affected communities in other ways. Many families are now unable to have even one meal a day leading to increased levels of malnutrition which leaves the young and the old vulnerable to disease. This places a severe burden on families where members are unable to work and therefore generate cash income due to illness. This in turn leads to a vicious cycle as lack of a cash income leaves families unable to buy medicines when required.

### 7. *Education suffering*

Traidcraft's partners point to the effects that the crisis is having on education. Many parents are unable to pay the school fees for children in secondary school or provide the food needed by their children at primary school. Children may also be taken out of school to help their parents look for food. Some children are simply too weak and hungry to attend school. ActionAid reports a 25 per cent drop out rate in one area due to hunger<sup>16</sup>.

### 8. *Migration*

The crisis in rural areas has led to increased migration to nearby towns and urban centres. Employees of one of Traidcraft's producer organisations—PAMET<sup>17</sup>—based in Blantyre report pressure as relatives who have not been able to harvest enough maize arrive from the villages.

### 9. *Economic slow down*

Economic activity in Malawi is primarily driven by the performance of the agricultural sector. The current crisis has led to a more general decline in economic activity with some high profile companies closing down or operating below capacity. The associated retrenchments have exacerbated poverty and insecurity. Press Corporation Limited group Chief Executive, Matthews Chikaonda attributed the recent closure of one of its subsidiaries, Hardware and General Dealer Limited to, “stoppage of development aid, famine and the under-performance of the economy which has eroded the purchasing power of households.”<sup>18</sup> This is compounded

<sup>14</sup> Traidcraft would be happy to supply the Committee with further detailed information on the issues highlighted in this submission.

<sup>15</sup> “State of Disaster: Causes, Consequences and Policy Lessons from Malawi”, Action Aid, June 2002. Available at: [www.actionaid.org/resources/pdfs/malawifamine.pdf](http://www.actionaid.org/resources/pdfs/malawifamine.pdf)

<sup>16</sup> “State of Disaster: Causes, Consequences and Policy Lessons from Malawi”, Action Aid, June 2002.

<sup>17</sup> PAMET aims address the shortage of school supplies and improve the quality of primary education in Malawi using small-scale paper making and recycling technology.

<sup>18</sup> The Malawi Nation “Hardware and General Dealers Limited Closes”, 2 October 2002.

by falling prices for key commodities such as tea, coffee and tobacco. Workers in these industries are particularly vulnerable when they are dependent on estate owners to provide them with food. Following the dramatic rise of food prices there have been reports of owners releasing workers so that they do not have to feed them<sup>19</sup>. Agriculture across southern Africa has been impacted by recent events in Zimbabwe, which has frightened buyers away from the region.

#### VULNERABILITY AND SECURITY FACTORS IDENTIFIED

10. Southern Africa has been racked by shockwaves from a relatively minor climatic hiccup—certainly when compared to the two years of sustained drought that preceded the 1991–92 crisis. It is important to understand the factors contributing to this. In particular it is important to find out why so many people are more vulnerable now—and have been tipped over the edge into chronic food insecurity—than they were 10 years ago and what factors can reduce this vulnerability and provide effective coping strategies for poor and marginalised communities.

#### *Lack of sustainable income generating opportunities*

11. In Malawi 87 per cent of total employment is agriculture based and agriculture provides over 60 per cent of the income of the rural poor<sup>20</sup>. There is a chronic lack of reliable, year-round income generating opportunities, which could provide people with the means to survive such a crisis. Reasons for this include the high cost of borrowing, lack of effective market access, lack of access to credit and poor transport facilities. This ensures that communities remain dependent on subsistence farming supplemented by seasonal casual work on plantations and neighbours farms—often for very low rates of pay. When the agricultural sector as a whole is hit by a crisis, the coping strategies available to the poor are severely limited.

12. Traidcraft's approach aims to broaden coping mechanisms and ultimately sustain livelihoods through providing access to year-round trading and income earning opportunities. In Malawi, Traidcraft's partner fair trade company, Development Trading Limited, pays a group of over 1000 basket weavers a deposit of 25–50 per cent of the final price of each basket on commencement of weaving. The balance is paid on collection of the baskets. The baskets are exported to businesses in Germany and the UK.

13. This kind of equitable financial partnership has proved to be a vital tool for sustainable poverty alleviation for the communities involved, but has been especially critical in the present crisis. Part of the money the basket weavers earn is used to buy food. Weavers with children in secondary school have been able to pay their fees. Even though primary school is free, fair income generating opportunities can make a real difference to school attendance and performance. Where children are not provided a meal at school, being able to take food with them means that there are both more likely to attend and will be more able to concentrate.

14. Importantly such income generating opportunities provide an element of year-round security to supplement income from sale of crops, which is earned only once or twice a year—or not at all in crisis years. Income earned provides incentive for saving and investment in other non-seasonal enterprises. This increases the number of coping strategies available to vulnerable groups. Livelihood opportunities that can be combined with agriculture and farm tasks are particularly important; for example DTL are also buying rice from smallholders for a fair price and then selling this to National Milling in Blantyre.

15. The fair prices and premium paid to businesses and communities engaged in fair trade also allows collective saving schemes which are then invested in community-based projects that improve the standard of living of all.

#### *Failure of donor policies*

16. The countries in southern Africa affected by the current crisis are extremely poor. Several partners have pointed out that the current crisis is only an extension of the hardships and insecurities faced by poor communities in these areas each year. According to Malawi's 1998 integrated household survey 65 per cent of the population is poor and nearly thirty per cent are living in extreme poverty. Malawi is particularly dependent on donor finance. 80 per cent of the development budget and 40 per cent of the recurrent budget comes from donors<sup>21</sup>. Those countries most severely affected by the current crisis are also heavily indebted.<sup>22</sup> These factors lead to a high degree of donor responsibility for policy making. The levels of (sometimes conflicting) policy prescriptions and conditionalities imposed by donors places an increased burden on

<sup>19</sup> "State of Disaster: Causes, Consequences and Policy Lessons from Malawi", Action Aid, June 2002.

<sup>20</sup> Government of Malawi, "Poverty Reduction Strategy Paper" 2002.

<sup>21</sup> Reserve Bank of Malawi, 2000.

<sup>22</sup> In the case of Malawi, interim debt relief has not been released—despite the severity of the current crisis—as the IMF deems that the government is off track with its commitments. According to the Jubilee Debt Network, the World Bank has stated that even with full HIPC relief Malawi's debt will remain unsustainable. Zambia has only just had its finance released after suspension and again, its debt is considered unsustainable even after relief. Zambia's debt service is 126 per cent of what it receives in aid.

domestic governments and decreases the space for domestic policy making. Several partners have pointed to inappropriate donor policies and lack of donor co-ordination as factors contributing to the current crisis.

17. Access to agricultural inputs is critical to production in Malawi. A number of problems have been faced on this front. Liberalisation of farm inputs, such as seeds and fertilisers, combined with exchange rate liberalisation, as part of donor prescribed structural adjustment programmes have made them too expensive for most people. The Starter Pack scheme aimed to support production by restoring access to these inputs. Following widespread distribution of the packs in 1998–99 and 1999–2000, in 2000 it was scaled back and “targeted”. The number of households receiving this vital input fell from 2.8 million to 1 million. Combined with localised flooding this contributed to a dramatic decline in agricultural output and a rapid rise in food prices. In Malawi, production fell from 2.5 million metric tons in 1999–2000 to 1.7 million metric tons in 2000–01. The price for one kilo of maize rose from MK4 in June 2001 to over MK40 in January 2002.

18. Donor driven partial deregulation of Malawi’s grain marketing board, ADMARC, has meant that structures and safety nets that were in place in the 1991–92 crisis are no longer there. In particular the board had in the past had a comprehensive network of outlets through which food could be delivered in times of crisis.

19. Traidcraft’s partnerships around the world show that trade based on principles of transparency, equity and sustainability can contribute to poverty alleviation. Where merely boosting competition and economic openness are the driving factors, trade’s contribution to sustainable development can be minimal and in the worse case, can be counter productive.

#### *Governance issues*

20. It is clear that in Malawi, mismanagement, governance and accountability issues have contributed to the current crisis. Following donor advice to reduce the level at which Malawi held strategic grain reserves, it appears that the entire reserve was sold off. It also appears that the bulk was sold locally—rather than being exported as the IMF recommended. This allowed local traders to hoard the maize and benefit from higher prices when hunger hit. Investigations into the involvement of senior figures in this matter are continuing.

21. Traidcraft believes that donors owe a duty of care to governments where they have a high degree of responsibility for decision making to support the development of the principles and practice of open, responsible and accountable governance. We recognise the important work that DFID is doing in Malawi on this subject.

#### *HIV/AIDS*

22. HIV/AIDS rates have increased dramatically in southern Africa since the 1991–92 crisis. In Malawi it is estimated that 15 per cent of the adult population is HIV positive, in Zambia this figure is 21.5 per cent and in Zimbabwe 33.7 per cent.<sup>23</sup> This has been critical in exacerbating vulnerability. People are less able to devote sufficient attention to their crops because they are sick or are giving care to a family member who is sick. What spare income a family has may have to be spent on medicines to treat opportunistic infections. For people living with HIV/AIDS, food shortages bring a host of problems, including an increase in the occurrence of secondary infections as their resistance declines due to poor nutrition. The resulting increased costs of care-giving and loss of productive labour has an asset-stripping effect on households as well as on their purchasing power.

23. Traidcraft’s approach of creating sustainable livelihood opportunities to poor and marginalised communities through trade can be important in helping to mitigate the increased vulnerability of already-marginalised communities due to HIV/AIDS. Traidcraft is exploring ways of ensuring that its practice takes into account these impacts and encourages other agencies and donors to do the same.

#### RECOMMENDATIONS

##### *24. Increased support for sustainable income-generating projects*

The experience of the current crisis in Southern Africa demonstrates that access to fair and sustainable income generating activities has been critical in mitigating the impacts of the current humanitarian crisis for the poor and marginalised groups that Traidcraft works with. In Malawi, DFID are supporting this approach through a £2.6 million grant to Traidcraft Exchange. Such relationships should be further supported, encouraged and replicated wherever possible, including through donor policies and national owned and agreed poverty plans. The development of a strong agricultural sector should not only be seen as important for food security, but also as a springboard for economic diversification and subsequent further industrialisation.

<sup>23</sup> UNAIDS, 2002.

25. *Support for greater participation of marginalised groups in policy making*

It is clear that total liberalisation of agricultural markets was not an appropriate policy recommendation for a country like Malawi. In this case donors' "one size fits all" approach to economic development has had disastrous consequences. Countries should be allowed the flexibility and policy space to support and promote those industries or sectors that they deem most appropriate for their people and their future development. In poor and unequal societies the voice of marginalised producers and the informal sector is too easily overwhelmed by more powerful economic interests, leading to policies that may have limited effects on poverty. In particular donors should encourage the effective participation in policy making of those most affected.

26. *Greater attention to the quality of trade promoted*

The relationship between poverty and trading is a delicate one. Access to trading opportunities can—when organised in a fair and sustainable way—lessen vulnerability and support poverty alleviation. However too much emphasis on an aggregate increase in trade with insufficient attention paid to the structure and quality of the relationships involved may lead to increased vulnerability of the poorest.

*Traidcraft*

*October 2002*

## APPENDIX 6

### Memorandum submitted by UNICEF

Many people in the international relief community are linking the current crisis in Eastern and Southern Africa primarily with drought and food shortage.

The questions raised by the new inquiry into the humanitarian crisis in Southern Africa relate primarily to agricultural practice, commercial farming and food aid.

It is true that the region has been affected by erratic rainfall, inappropriate agricultural policies and, in some cases, misguided economic policies.

But the scope of the humanitarian emergency in Southern Africa is much broader. Its roots lie in problems that existed before the onset of the present drought.

HIV/AIDS will kill many more women and children than the lack of rainfall. And the AIDS catastrophe will continue long after the rains return to the region.

The average HIV/AIDS prevalence rate in the six most-affected countries is 25 per cent. This has removed and will continue to remove farmers, teachers, health workers, drivers, small businessmen and women (and people from all segments of the population) from productive work. It has deprived and will continue to deprive children of their parents.

HIV/AIDS not only prevents people from working, it also causes severe and painful secondary infections. These require expensive treatment and drugs, for which families often sell off vital productive assets.

Of the estimated 12.8 million people affected, 55 per cent are children. And 2.3 million are children under-five. Many of these will become increasingly malnourished, sick and unable to continue in school. They will face increased demands by their families to participate in household activities such as collecting water and firewood, farming, searching for wild fruits, carrying out small jobs for food or money, or caring for sick family members.

By 2010, the South African economy will be 20 per cent smaller than it would have been without HIV/AIDS. This is a total loss of about \$17 billion.

Throughout the region, the private sector will be affected, both through reduced production and through a switch in foreign direct investment to less affected countries.

The pandemic will reduce the number of teachers and health workers, both by death and by migration.

The number of orphans will double.

Uncontrolled, HIV/AIDS may make countries helplessly unprepared to cope with drought or floods, and may ultimately break down societies as we know them today.

The "food crisis" in Southern Africa is not a one-off emergency. It is the result of a long-term process.

The responses of the international community must address not only the problems of food shortage, but also the deep-rooted and complex problems caused by HIV/AIDS.

*UNICEF (United Nations Children's Fund)*

*October 2002*

**APPENDIX 7****Memorandum submitted by the World Development Movement****INTRODUCTION**

The World Development Movement (WDM) welcomes this International Development Committee inquiry. WDM is an independent research and advocacy organisation with 8,000 members, 20,000 supporters and 100 local groups across the UK, operating as a democratic membership organisation. WDM's aim is to ensure that the policies of governments, international agencies and companies towards developing countries promote fairness, opportunities for the poor and respect for the rights of vulnerable and disadvantaged people.

WDM undertakes research, maintains close contact with the government and Parliamentarians, and educates members of the public on the importance of changing policies in the UK, EU and multilateral institutions on financing for development. WDM does not give humanitarian aid, but campaigns on the issues that it regards as the cause of such crises. Since its establishment in 1970, WDM has campaigned for more finance for development, more effective use of funding, and policies that will achieve greater benefits for the poor.

- On aid, WDM has campaigned for larger aid budgets, an end to the commercialisation of aid, and an end to the harsh economic conditions attached to bilateral and multilateral aid. WDM successfully challenged the government in the High Court over the Pergau dam.
- Since the early 1980s, WDM has campaigned for an opportunity for the poorest countries to escape the trap of poverty and indebtedness. WDM was a founder member of Jubilee 2000 and currently a Board member of the Jubilee Debt Coalition.
- On trade, WDM has campaigned for phase out of EU's restrictions on the import of textiles and garments from the poorest countries, access to the EU for commodity exports and a fairer deal for developing countries at the Ministerial Conferences in Seattle and Doha.
- On investment, WDM has opposed to the Multilateral Agreement on Investment (MAI) and proposed new investment rules that would aim to create a stronger link between foreign investment and poverty reduction.

This submission centres on the crisis in Malawi, the subject of a recent report commissioned by WDM, "Structural Damage: the causes and consequences of Malawi's food crisis".<sup>24</sup>

**THE HUMANITARIAN CRISIS IN MALAWI (EXECUTIVE SUMMARY OF THE REPORT)**

1. There is a common perception that the food crisis in Malawi has been caused by the floods that ruined the planting season in 2001, or by widespread Government corruption and mismanagement. These undoubtedly have contributed to the crisis. But there is another cause, which has been even more significant—inappropriate policies of donor agencies, led by the International Monetary Fund (IMF).

2. Hunger and food shortage has always been a problem in Malawi, hence the poor nutrition levels of 32 per cent of the population. In the past, food shortages have been addressed through food aid from donors and Government subsidies for basic food channelled through the grain board, the Agricultural Development and Marketing Corporation (ADMARC). This system has allowed the people of Malawi to survive the seasons of adverse weather, and the Government corruption and mismanagement which has persisted through years of good harvest and bad.

3. However, over the past 20 years the agriculture sector has been restructured by the IMF and World Bank, under their structural adjustment policies. In agriculture, these policies are supposedly aimed at improving efficiency and productivity. But, as in other countries such as Zambia and Mozambique, the donors have ignored the reality of farming systems in Malawi and have assumed that markets will be able to meet social aims; to supply food at affordable prices throughout the country, and to ensure that smallholder farmers can feed their families. Instead, Malawi now faces chronic food insecurity. The IMF/World Bank policies in Malawi's agricultural sector, supported by the bilateral aid donors, have failed.

4. Prior to these reform programs, the Malawi Government could ensure food availability even in the remotest areas of the country. Through subsidies and controlled prices, farmers were assured of affordable farm inputs and grain stores were maintained in remote areas. However, with the introduction of the agricultural reforms, Malawi is now faced by famine even more serious than the fabled 1949 hunger crisis.

5. As in other countries, agricultural reforms were imposed on Malawi without the donors having undertaken a proper analysis of their potential impact and consequences, particularly on the poor. Standard policies were applied to Malawi, following a one-size-fits-all approach. Subsidies for small farmers and the poor were reduced, price controls and regulations removed, and agencies that played a social role, such as the agricultural marketing agency, ADMARC, were re-structured and/or privatised.

---

<sup>24</sup> Available at: [www.wdm.org.uk/cambriefs/debt/Malawi%20Final.pdf](http://www.wdm.org.uk/cambriefs/debt/Malawi%20Final.pdf)

6. The results in Malawi have included price rises and increased volatility. For instance, the removal of price controls has led to a price increase for maize of 400 per cent between October 2001 and March 2002. Private grain traders have followed the market signals all too well—they have hoarded supplies and made money out of food shortages. This spirit of profiteering has fuelled corruption amongst Government officials in Malawi.

7. Agricultural reforms have done little to address the real problems of food production in Malawi—rural poverty, the impact of HIV/AIDS and discrimination against women. The chronic levels of poverty in Malawi's rural areas significantly affects agricultural productivity as it directly impacts on labour availability, access to inputs, health and education and other key social indicators. Over 60 per cent of Malawians live below the poverty line and 20 per cent of Malawi's adult population are HIV positive.

8. Women constitute 70 per cent of Malawi's full time farmers and 87 per cent of the total agricultural labour force. Yet, despite their numbers and enormous contribution to the agricultural economy, they remain marginalized from the mainstream agricultural economy. Gender differentiated access to resources and benefits continue to hinder their full participation, even though this is indispensable to lifting food productivity and increasing Malawi's economic prosperity generally.

9. There is no doubt that Malawi needs agricultural reforms so as to enhance productivity and food security. There is no doubt either that Government parastatals, such as ADMARC, need to improve their management through reform. But, rather than ensuring that social aims are achieved through accountable Government, the IMF/World Bank and other donors have pursued an agenda of austerity, deregulation and privatisation. And when, as in Malawi's case, there have been disastrous outcomes, they have denied any responsibility. The agenda of good governance and accountability has all too often been abused by donors, using it as leverage to ensure that developing country Governments comply with their policies. It must also be applied to the donors themselves.

10. In addition to policy influence, the donors have insisted that Malawi continue to service its foreign debt at a time when there is widespread hunger. Even after debt reduction under the Heavily Indebted Poor Countries (HIPC) initiative, debt service still amounts to around 29 per cent of Malawi's Government spending. This heavy burden is further compounding the humanitarian crisis confronting such a poor nation.

11. The policies that donors have proposed for dealing with the crisis include food aid, but also an IMF loan of US\$37million to purchase maize. Since there is a shortage of grain in southern Africa, Malawi will most likely be forced to purchase grain from the US, including genetically modified grain. In its unmilled form, it will be used by desperate farmers to plant out. Malawi, as has been the case with other countries, will have GM crops introduced by the back door.

12. If countries in the South are to make any meaningful growth in their economies a new approach in the world economy is needed. The relations between the rich North and the poor South have to be re-defined. African Governments, supported by civil society, must be given the leading role in developing policies for their countries, instead of the IMF/WB dictating policy. Matters of food security and trade policy are fundamentally matters of justice and human rights. It is important therefore that poor countries are given enough space to articulate and implement their own policies, with the support of the international community.

#### RECOMMENDATIONS:

13. Malawi must maintain an efficient and transparent grain reserve agency to ensure adequate supply of maize throughout the year.

- The function and stocking level of the Strategic Grain Reserve (SGR) must be decided by the Malawi Government.
- The SGR must be adequately capitalised and, if necessary, its operations must be subsidised.
- A rapid response mechanism is needed to deal with future food crises at an early stage.
- The SGR must be subject to regular independent audit, with oversight from Parliament and civil society.
- Malawian civil society must participate in future policy decisions that impact directly on household food security.
- The right to development and food, which is enshrined in Malawi's constitution, must be articulated into explicit obligations on behalf of all the parties involved in ensuring national food security policy. Accountability for protecting violations of citizens' right to food and to development must rest with the Malawi Government.

14. Agricultural policy should be re-oriented to address the core problems of rural poverty, the escalating HIV/AIDS pandemic, and the marginalisation of women.

15. Donors should build the capacity of the Malawi Government to undertake Poverty and Social Impact Assessment (PSIA), with the participation of civil society, on all major policies.

16. There should be full cancellation of Malawi's long term debts, on the understanding that funds are invested in the development of Malawi's economy and its people.

17. The Malawi Government must take the lead in economic policy-making, and donors should play a role in building, not supplanting, the capacity of Government to do so with full accountability to Parliament and civil society.

*World Development Movement*

*October 2002*

## APPENDIX 8

### Memorandum submitted by World Vision

World Vision is one of the world's largest Christian humanitarian relief and development agencies, working in over 90 countries around the world. Over 50 years of programming experience have enabled us to develop expertise in emergency relief and disaster mitigation, working with the UK Government, EU, major donors and private supporters in places such as Southern Africa, Gujarat, Goma and Kosovo. Our long-term work focuses upon sustainable community development programmes, alleviating poverty by empowering communities to overcome vulnerabilities and manage external shocks.

In May 2002, World Vision (WV) initiated a region-wide response to the southern African food crisis, which is now placing 18.4 million people at risk of starvation by early 2003. The affected countries in the Southern African Region are Angola, Lesotho, Malawi, Mozambique, Swaziland, Zambia and Zimbabwe. By September 30 2002 WV had reached a total of 1,871,345 beneficiaries in the region<sup>25</sup> and this figure is expected to reach 2.4 million. Strategic interventions to address hunger will initially include food aid distribution and will then move into agricultural recovery and food security programmes which will cover health, water, sanitation, nutrition, HIV/AIDS and advocacy interventions. Thus far World Vision has committed £35 million to addressing these needs.

#### EVIDENCE

The following evidence relates to those questions where World Vision has specific concerns:<sup>26</sup>

*Question 1.1. What factors contributed to the food crisis and what role did issues of governance, agricultural practice, commercial farming of cash crops etc, play in exacerbating the crisis?*

Most of the contributing factors have been well documented by the WFP and others.<sup>27</sup> However, one factor that has not been highlighted until very recently is the long-term but steady deterioration of the natural resource base due largely to increasing population pressure and unsustainable livelihood systems. Many farming systems in southern Africa are characterised by rapidly declining soil fertility, vegetative cover and water supplies, and exacerbated by longer periods of below average summer rainfall.

The farming systems are often unsustainable because the agricultural technologies and practices are dependent on crops requiring high levels of externally supplied inputs. These farming systems have developed as a result of decades of government policies which have created over-reliance on maize in particular as the single most important staple food crop with technologies (particularly seed varieties) that require high levels of production and credit inputs, and management. Alternative appropriate technologies and practices that can contribute to a reversal of current trends do exist. For example World Vision in Zambia is promoting agro-forestry and World Vision in Mozambique is encouraging non-mechanical irrigation techniques; however, these are generally not popular among ministries of agriculture in the region.

The impact of commercial farming of cash crops, including staple cereals, varies between countries. Whilst there appears to have been little disruptive impact in the large-scale commercial sector in Zambia for example, the present Malawi government's policy of encouraging small-scale cash crop production, especially tobacco, in marginal agro-ecological areas has had a significant impact in exacerbating present food shortages, for example the Southern Region districts bordering the Shire highlands.

Recommendation: Governments must pursue policies that diversify agricultural production away from dependence on single staple food crops and promote the development and dissemination of local input technologies to ensure long-term sustainable agricultural production.

<sup>25</sup> This figure excludes Angola.

<sup>26</sup> Responding to IDC Press Notice 29: see [www.parliament.uk/commons/selcom/indpnt29.htm](http://www.parliament.uk/commons/selcom/indpnt29.htm)

<sup>27</sup> WFP Launches Massive Regional Appeal as Starvation Threatens Millions [www.wfp.org/index.asp/section=2](http://www.wfp.org/index.asp/section=2)

*Question 1.2. What evidence is there of governments and other organisations taking steps to predict and mitigate food shortages?*

Governments have done little to prepare themselves for periods of food shortages. The FAO Famine Early Warning System/FEWS appears not to have significantly improved forecasting trends in food security at national or regional level, possibly because funding has been limited and government support has not always been wholehearted eg Malawi 2000–01. WFP/FAO, working with host governments, have endeavoured to predict food stocks at district up to regional level, mainly through selective surveys at harvest time. These surveys are under-funded eg Mozambique 1997–2000, and can be unduly influenced by local political pressures.

World Vision International has recently (2001) instigated a FEWS at community level to assist World Vision national offices in preparing for times of food shortage eg World Vision Mozambique.

Recommendation: Locally based organisations working in partnership with rural communities to develop agriculture should be included in assessments of food stocks.

*Question 3. What support is needed to ensure future food security?*

Recommendation: It is essential that governments encourage rural communities to broaden their food production and change their consumption patterns, to reduce their reliance on a single cereal staple crop (see 1 above). Further, governments should be encouraged to support fully appropriate practices to reverse the continuing decline in the natural resource base that small scale farmers depend on for their livelihood.

*Question 4.1. How should the provision of food aid and longer-term measures to ensure food security be balanced?*

There is a danger that, once recovered, rural families will return to their previous livelihood and farming systems and then be poorly prepared for future food supply crises.

Recommendation: Short-term humanitarian interventions should be linked with appropriate training and community-based organisations to enable food producers in the region to move to more sustainable livelihood systems that will ensure long-term food security.

*Question 4.2. What is and should be the role of the WFP, FAO and other UN and international organisations?*

Several countries within the region have suggested that the Southern African Development Community (SADC) should play a more active role in mobilising resources beyond national boundaries for the food crisis. The benefits of SADC being more actively involved would be reduced duplication of effort and less competition. SADC would need to have its capacity strengthened to undertake this task. The administrative procedures of international organisations have sometimes worked against the overall objectives of providing timely food aid in a balanced way eg during the 2000 and 2001 floods in Mozambique.

Recommendation: SADC should be strengthened to play a more active role in mobilising resources for food aid and long-term agricultural development. UN organisations should play a stronger facilitating and co-ordinating role.

*World Vision*

*October 2002*