

The state of Malawi's poor:

Agriculture and making a living from the land

Special points of interest:

- Cropping patterns do not differ greatly between poor and non-poor. Regional differences in crop mix are more significant.
- The non-poor are less likely to have cropland, but if they do, they have larger holdings.
- Cash cropping is done by both the poor and non-poor. However, non-poor derive greater benefits from the effort.
- Livestock ownership is low overall, except for poultry. Only cattle ownership shows a strong poor/non-poor contrast.

PMS

Poverty
Monitoring
System

The Poverty Monitoring system is an activity under the Poverty Alleviation Programme of the Government of Malawi. The core research activities of the PMS involve four institutions:

- National Economic Council,
- National Statistical Office,
- Centre for Social Research of the University of Malawi,
- International Food Policy Research Institute.

The poverty monitoring research program has been designed to gain a comprehensive understanding of poverty in Malawi. The findings presented here are part of a series of briefs designed to inform policy makers about the current state of poverty and the methodologies used to measure poverty.

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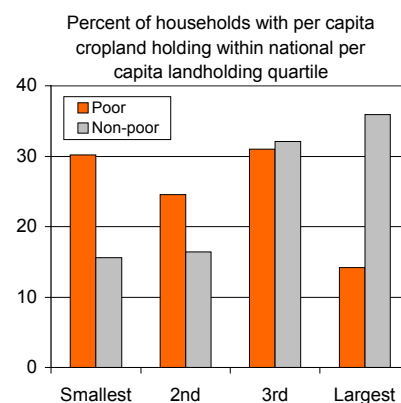
The access of the poor to agricultural land

All IHS households estimated how much land they have for cultivation. Nationally, 81.8 percent of poor households have land, while 73.5 percent of the non-poor do. While it is good that the poor have access to land, this does highlight that poverty incidence among agricultural producers appears to be higher than among those in the non-agricultural sector. Farming is an activity of the poor.

Landholding sizes differ between wealth groups. The mean per capita landholding for poor households with land is 0.185 ha, while it is 0.282 ha for the non-poor. This pattern of the poor having smaller landholdings is also seen when one considers what proportion of poor and non-poor households have landholding areas within each of the overall landholding size quartiles. Most poor use smaller areas.

Landholding sizes vary across regions, with the more heavily populated Southern

having the smallest. Central and Northern landholdings are surprisingly similar.



(per capita land area (ha))	Poor	Non-poor
Southern region	0.150	0.222
Central region	0.213	0.320
Northern region	0.210	0.330

Food crops

The proportion of households that cultivate food crops does not vary significantly across poor and non-poor households. The key differences by crop are only that a greater proportion of non-poor households grow hybrid maize, while a greater proportion of the poorer households grow local maize. The proportion cultivating other crops does not differ significantly between wealth groups.

Although the data is not shown, estimated yield levels are consistently higher for non-poor households, except for rice.

Urban households do not commonly grow food crops. Yet, a greater proportion of those that do are poor and, especially, the ultra-poor. Moreover, the level of total sales from food crops by the urban poor is much higher than that of the urban non-poor. Food crop production

(percent of households cultivating)	Poor	Non-poor
All food crops	71.8	67.1
All maize	67.4	64.0
<i>Hybrid maize</i>	28.8	34.7
<i>Local maize</i>	45.3	38.7
Cassava	7.5	8.7
Groundnut	25.8	24.3
Rice	4.7	5.1
Millet	2.8	2.8
Sorghum	3.4	2.7
Bean	8.3	8.8

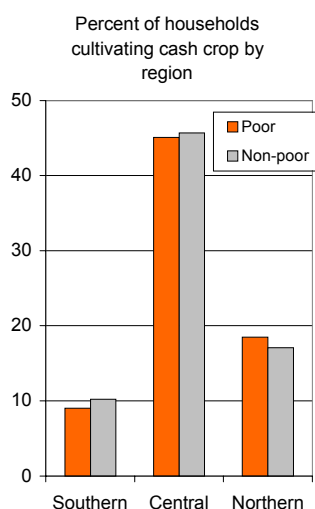
appears to be a coping strategy for the urban poor more so than for the non-poor.

Cash crops

The highest incidence of cash crop cultivation is found in the Central region, where an equal proportion of both poor and non-poor households (about 45 percent) cultivate cash crops. Cultivation is lowest in the South. For all cash crops, there are no sharp differences in the proportion of the poor or non-poor who cultivate the crop.

Tobacco, the principal cash crop, is grown by one-third of households in the Central region, compared to only about three percent of households in the Southern region. Regional differences in tobacco production are much more significant than wealth group differences. The incidence of tobacco production appears to be determined by agro-climatic factors rather than by wealth factors.

However, the level of benefits which poor and non-poor households derive from tobacco are very different. The difference in mean sales between non-poor and poor households who grow tobacco is about MK 3,000. Clearly the ability of members of the two wealth groups to profit from the crop differs for reasons which might variously include access to credit facilities, to the auction floors, or to information on improved production methods.

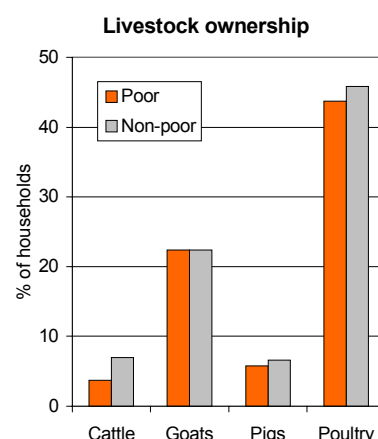


Livestock and the poor

Poultry is the most common livestock raised in Malawi, followed by goats and pigs. The percentage of households owning poultry and cattle is significantly higher in the Northern region than elsewhere. Goats are most commonly owned in the Central region. Households in the Southern region are the least likely to own pigs.

Variation in the importance of the contribution of livestock income to total income is larger between regions than across poverty groups. The only exception to this is cattle: While essentially equal proportions of poor and non-poor own other types of animals, non-poor households are more likely to own cattle. That said, cattle ownership is very low nationally, with only 5.2 percent of households owning the animals.

In aggregate, however, considerably more income from livestock is derived



by the non-poor than by the poor. Mean annual per capita livestock income for the poor is MK 164, while it is MK 277 for the non-poor. However, as a proportion of total income, net livestock income accounts nationally for 1.8 percent of all income of the poor, 1.0 percent for the non-poor.

Agricultural policy and the poor

Given the overwhelming role of agriculture in Malawi - for the poor and non-poor alike - productivity increases in the agriculture sector should be one of the main engines of growth in the country.

The poor are doubly-burdened in agriculture: Not only do they operate extremely small farms, they are also unable to take advantage of superior agricultural technology. That this is especially so in the production of maize, the main staple, provides reasons for additional concern. Removing the impediments to higher yields which poor farmers face involves considerable investments in land improvement. These are feasible only in the medium to long term, but a realistic policy framework must recognize this fact and act upon it immediately. Delays in implementing long-term investment projects will accentuate future problems.

This does not mean that short-term policies do not have a place in Malawian agriculture. In fact, given current levels

of poverty, short-term investments in seeds and fertilizer that wrest out even relatively marginal gains in productivity will have important effects on poverty reduction in Malawi. A very careful balance between long-term and short-term investments in agriculture is needed.

The livestock sector in Malawi, in particular, is considerably underdeveloped. Efforts that look into ways of profitably integrating livestock production with crop production should be pursued.

Both short-term and long-term gains can be realized from efforts aimed at improving marketing of inputs and outputs, not just for cash crops like tobacco, but also for food crops like maize. Progress here hinges on the development of basic physical infrastructure such as roads. However there remains considerable scope for shorter-term policies that foster competition among market intermediaries in order to provide better prices and choices to Malawian farmers.

Other policy briefs

- Activities of the Poverty Monitoring System
- The state of Malawi's poor: The incidence, depth, and severity of poverty

- The state of Malawi's poor: Who they are
- The state of Malawi's poor: Their education
- The state of Malawi's poor: Their health
- The state of Malawi's poor: Their economic characteristics