

**THE INFLUENCE OF THE MANDATE THEORY ON AGRICULTURE AND
HOUSING SUBSIDY POLICIES IN MALAWI AND TANZANIA**

PhD (DEVELOPMENT STUDIES) THESIS

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UNIVERSITY OF MALAWI

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PhD (DEVELOPMENT STUDIES) THESIS

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DEDICATION

To My Mother, Wife, and Kids

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ABSTRACT

Against the claim that democracy influences good policy due to competition, this thesis argues that competition in young fragmented democracies brings insecurity to ruling regimes and this influences introduction and implementation of short term policies including poorly designed subsidy policies aimed at getting votes. A comparative analysis of political economy factors influencing subsidy policies in the area of agriculture and housing was conducted for the two countries: Malawi and Tanzania, the former being a more competitive but fragmented party system while the latter, a dominant party system. The study used a case study strategy, and collected both primary and secondary data using document analysis, key informant interviews and focus group discussions sources and methods helped to reduce bias in the results. Situating mandates within the democratic environment where competitive elections determine who gets the mandate to rule, this study found that higher electoral competition within a fragmented party system in Malawi has brought insecurity to the ruling regimes and influenced instability of the policy marked by deviations from main development and policy frameworks. Stronger institutions influenced by strong leadership, grounded ideology and dominant party system in Tanzania have formed the bedrock for security to the ruling regime to formulate and implement policy with minimal distraction from pluralist forces. The mandate theory in Malawi has, therefore, influenced not only higher propensity for subsidies in the social sector but also distracted the design and implementation of such programmes. In Tanzania, mandate policies have not had an equal distractive effect on the main development frameworks. This study introduces party fragmentation to the debate on whether competitive party systems produce better policy or not. This characteristic of competitive party system changes the perspective of analysing party systems and policy consequences as more care has to be taken to avoid overgeneralisation of phenomena. Malawi's continued prioritization of the mandate policies over medium and longterm development frameworks reawakens the debate on compatibility of long term planning and democracy. More research effort needs to be directed towards policy approaches where public goods are prioritized to enhance solidarity as well as community and individual capacities so that people can afford to acquire commodities on their own or collectively.

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LIST OF ACRONYMS AND ABBREVIATIONS

ACBIO	: African Centre for Biodiversity
ADC	: Area Development Committee
AFAP	: African Fertilizer and Agribusiness Partnership
AFSP	: Accelerated Food Security Project
AFORD	: Alliance for Democracy
ANC	: African National Congress
ASDP	: Agricultural Sector Development Programme
ASWAp	: Agriculture Sector Wide Approach
AU	: African Union
BDP	: Botswana Peoples Party
BPM	: Bureaucratic Politics Model
CALF	: Centre for Affordable Housing Finance in Africa
CCM	: Chama Chamapinduzi
CHADEMA	: Chama cha Demokrasia na Maendeleo
COMESA	: Common Market for East and Southern Africa
CSO	: Civil Society Organisation
DC	: District Commissioner
DAHSP	: Decent and Affordable Housing Subsidy Programme
DECs	: District Executive Committees
DEVPOL	: The Statement of Development Policies
DPP	: Democratic Progressive Party
ECAMA	: Economic Association of Malawi
EISA	: Electoral Institute of Southern Africa
EIU	: Economic Intelligence Unit
EP&D	: Economic Planning and Development
ERP	: Economic Recovery Plan
FGD	: Focus Group Discussion
FISP	: Farm Input Subsidy Programme
FYDP	: Five Year Development Plan
GNI	: Gross National Income
GoM	: Government of Malawi

GSI	: Global Subsidies Initiative
HDGs	: Housing Development Groups
HDI	: Human Development Index
HDR	: Human Development Report
HIPC	: Highly Indebted Poor Countries
IDA	: International Development Association
IFIs	: International Financial Institutions
IMF	: International Monetary Foundation
ISPs	: input subsidy programmes
KII	: Key Informant Interview
LGAs	: Local Government Authorities
LPP	: Long-term Perspective Plan
MAFSC	: Ministry of Agriculture Food Security and Cooperatives
MANA	: Malawi News Agency
MARDEF	: Malawi Rural Development Fund
MASAF	: Malawi Social Action Fund
MDAs	: Ministries, Departments and Agencies
MEGS	: Malawi Economic Growth Strategy
MCCCI	: Malawi Confederation of Chambers of Commerce and Industry
MCP	: Malawi Congress Party
MEC	: Malawi Electoral Commission
MEJN	: Malawi Economic Justice Network
MGDS	: Malawi Growth and Development Strategy
MHC	: Malawi Housing Corporation
MK	: Malawian Kwacha
MoF	: Ministry of Finance
MTEF	: Medium-Term Expenditure Framework
MTT	: Mudzi Transformation Trust
NAIP	: National Agriculture Investment Plan
NAIVS	: National Agricultural Input Voucher System programme
NALP	: National Agricultural and Livestock Policy
NAP	: National Agriculture Policy
NGC	: National Governing Council
NGOs	: Non-Governmental Organisations

NHC	: National Housing Corporation
NHSDP	: National Human Settlements Development Policy
NICE	: National Initiative for Civic Education
NPC	: National Planning Commission
NSGRP	: National Strategy for Growth and Reduction of Poverty (also known as Mkukuta)
OECD	: Organisation of Economic Cooperation and Development
OPC	: Office of the President and Cabinet
PAP	: Poverty Alleviation Programme
PEA	: Political Economy Analysis
PIP	: Public Investment Programme
PP	: People's Party
PPPs	: Public Private Partnerships
PRSPs	: Poverty Reduction Strategy Papers
PSIA	: Poverty and Social Impact Assessment
PSIP	: Public Sector Investment Programme
PSSN	: Productive Social Safety Net
REPOA	: Research on Poverty Alleviation
SAPs	: Structural Adjustment Programmes
SADC	: Southern African (Development Corporation) Economic block
SPS	: Starter Pack Scheme
SSA	: Sub Saharan Africa
SWAPO	: South West African People's Organization
SWG	: Sector Working/Wide Groups
TA	: Traditional Authority
TAFSIP	: Tanzania Agriculture and Food Security Investment Plan
TASP	: Tanzania Agro dealer Strengthening Program
TDV	: Tanzania Development Vision
TFRA	: Tanzania Fertiliser Regulatory Authority
THB	: Tanzania Housing Bank
TIP	: Targeted Input Programme
UDF	: United Democratic Front
UNDP	: United Nations Development Programme

UBR	: Unified Beneficiary Register
URT	: United Republic of Tanzania
VDC	: Village Development Committee
WB	: World Bank
WTO	: World Trade Organisation
YEDF	: Youth Enterprise Development Fund

CHAPTER 1

INTRODUCTION AND CONTEXT

1.1 Introduction

In democracies parties compete to gain mandate to rule by *selling* party manifestos to voters. Against the claim that democracy influences good policy due to competition, this thesis argues that competition in young fragmented democracies brings insecurity to ruling regimes and this influences introduction and implementation of short term policies aimed at getting votes. The argument is in tune with Niles (1999) claim made on social protection programmes that democracies with stable party systems and elected authoritarian or dominant party systems are likely to choose more progressive policies than do non-elected systems and democracies with fragmented party systems.

The adoption of multi-party democracy in the early 1990s, brought the need for ruling elites to seek mandate from the public through competitive elections meaning that elites compete in selling their potential policies to the public. Proposed policies that are attractive enough will win the concerned parties the mandate to rule. This essay recognizes that policy choices in a democracy will be influenced by different factors. This becomes more significant in Africa's nascent democracies where through clientelism, political competitors can make credible promises only to small segments of the electorate and still gain office (Keefer & Khemani, 2003).

During the period many Sub-Saharan Africa (SSA) countries were adopting multi-party system of government, different developments within the economic development arena saw the popularization long-term planning in many countries including the SSA. Following the failure to sustain economic development in Africa, The Africa Conference in 1990 recognized that for Africa to develop, there was a need for long term planning that must be endogenous, responding to national needs and aspirations (Global Coalition for Africa, 1992). The stress in the 'New' national development planning movement has been on wide participation of citizens in the planning process.

While the participation element is in tune with principles of democracy, marriage between long term planning and mandate policies has raised many concerns and policy planning horizons have been affected, threatening the aspirations for sustainable development.

This essay discusses the roles of institutions, party systems as well as agency to provide the context in which this concept of mandate is employed. More importantly, the thesis discusses how the need to win votes through mandate policies in electoral democracies has to be matched with the need to sustain development through medium and long-term plans and strategies (Edigheji, 2005). The extent to which a developing democracy like Malawi will achieve this balance determines the development path of the country.

This essay utilized empirical data collected mainly between January 2018 and June 2020 in Malawi and Tanzania. The focus of the study was on government led subsidy policies in the area of agriculture and housing. The proliferation of government led subsidy policies in the multiparty democracy era in the SSA region has attracted much public and scholarly attention and questions have been raised as to what influences this movement and what implications this will have on the development discourse (Ricker-Gilbert, Jayne & Shively, 2013).

Subsidy policies are considered by some scholars as important for economic and social welfare reasons (UNDP, 2000; OECD, 2013). SDG number 10 on reducing inequalities and Agenda 2063 for the African Union urge countries to adopt policies, especially fiscal, wage and social protection policies that progressively achieve greater equality. Market economists' predominant view is however, that an activity worth undertaking must meet the market test: i.e. existence of sufficient demand for the private sector to profitably engage in the activity (Triest, 2009; Phang, 2011; Okun, 1975). To this latter school of thought, the need for a subsidy is a signal that the activity fails the market test, and so may not be worthwhile. The observation on their increase through manifesto promises and policies begs the question as to whether subsidies are proposed and implemented for developmental reasons or merely short term benefits, like winning elections.

While agriculture subsidies have been a common feature in many SSA countries adopting almost similar features, housing policies have varied among countries. The two countries under study have housing financing programmes, Malawi has gone further ahead and introduced specific housing subsidy programmes in two electoral cycles, 2013-2014 and 2014 -2019. This thesis took a comparative case study approach in studying subsidy policies in agriculture and housing in the two countries and additionally took a special interest in going further to investigate the motivation for introducing and maintaining the seemingly ‘outlier’ housing project in Malawi called Decent and Affordable Housing Subsidy Programme (DAHSP). A comparative study of the two neighbouring polities was intended to further explore if the influence of mandate concept will vary between different political systems as Malawi has often been referred to as a competitive party democracy, while Tanzania, a dominant party democracy.

1.2 Problem Statement

Subsidy policies were avoided by African governments in the midst of the high poverty levels when the SAPs resulted in hardships on livelihoods. Their argument was based on the fear that such welfare arrangements create dependency, undermine traditional informal support mechanisms, and divert scarce public resources that could be better invested in productive sectors like agriculture or industry (Devereux, 2006). The several safety net and social support programmes that existed to address various risks affecting vulnerable groups were, therefore, mostly initiated and funded by external actors like donors and international NGOs.

These African governments have abandoned their earlier stand in the past three decades and increased subsidy programmes. For instance, in a study involving 8 SSA countries Smale and Theriault (2018) found that the share of the rural and agricultural budget allocated to the fertilizer subsidy programme in (Malawi, Nigeria, Mali, Tanzania, Kenya, Ghana, Burundi, Burkina Faso) constantly increased from less than 10% in 2008 to about 25% in 2014. The countries understudy, Malawi and Tanzania did not only expand subsidies in agriculture but also went into other sectors.

Malawi introduced the following subsidy programmes: Starter Pack farm input programme in 1998 and later Targeted Input Programme (TIP) (Chibwana et al., 2014;

Chirwa & Dorward, 2013); Farm Input Subsidy Programme (FISP) in 2004; Agriculture Input Subsidy Programme (AIP) in 2020. Malawi has also had a housing subsidy programme under Mudzi Transformation Trust (MTT) in 2012 to 2014 and Decent and Affordable Housing Subsidy programme from 2014 to 2020. Tanzania, also introduced National Agricultural Input Voucher System programme (NAIVS) in 2002 and expanded it in 1998 and the programme was implemented until 2016 (Mdoe and Mlay, 2021; Lameck, 2016; Isinika & Msuya, 2016). The housing sector has also received government assistance and just like Malawi, social safety net programmes have been scaled up (Ulriksen, 2016).

There are strong links between the introduction of the multiparty politics in Africa and the adoption and scale up of subsidy policies as the latter occurred after the introduction of the former. Rao, (1984) suggests that subsidy programmes have been implemented in the context of democracy because of electoral competition. Cook and Kabeer (2009) argue that political parties increasingly vie for power, and therefore policy promises on such areas as subsidy programmes are top on their policy agenda. While competition in democracy is supposed to improve policy, the adoption and scale up of subsidy policies begs the question as to whether the intention or consequence of the recent events are developmental or not.

Food has been high on the priority lists for a common Malawian, Tanzanian and the SSA region due to persistent food shortages and subsidies have mainly been justified in those lines, Afro barometer studies for 2005, 2009, 2012 and 2014 on Malawians' and Tanzanians' expectations from their Government consistently mentioned food security as one of the priority areas. In addition to Smale and Theriault (2018) observation on the expansion of subsidy programmes another study by Ghins, Aparisi, Balié, (2017) noted that input subsidies crowded out other areas in national budgets. In view of scarcity of resources African economies are facing, this development is worrisome to the continent and therefore attracts attention in scholarly writings.

On the priority list from the Afrobarometer referred to above, Malawian respondents did not mention housing among the priority areas while it appeared at the lowest rank on Tanzanians' priority list. While food subsidies have mainly been justified on account of food insecurity, it has been difficult to justify housing subsidies in countries whose

demand is enormous. As at 2010, solving the housing challenge in Malawi required that 21,000 houses be constructed annually (Malawi Urban Housing Sector Profile, 2010) and Tanzania's deficit was at 3 million in 2010 with a growing annual demand of 200,000 (NHC, 2010; Shelter Afrique, 2012). This also attracts scholarly attention.

This study recognizes the existing scholarly work on politics, subsidies and social protection. Chinsinga (2012, p. 20) examined the political economy of agricultural policy processes in Malawi and noted that “prospects for technocratically driven agricultural policy processes have to contend with the contextual political realities and challenges that promote neopatrimonial rather than policy-based politics.” Blumenthal (2022) brought in the pluralistic perspective on beneficiaries of policies implemented the study of the political economy of agricultural policy and livelihoods in Malawi, Tanzania and Zambia indicated that Agricultural subsidies disincentivise the adoption of sustainable practices in agriculture (Mdee, et al., 2020; Morgan et al., 2019). Niles (1999) linked political party regimes with policy horizons in social protection studies. This study therefore supplements the works of these various scholars to specifically explore how the search for ruling mandates has influenced policy on subsidies.

1.3 Objectives of the Study

The main objective of the study is as follows:

- To investigate how competition for political mandates influences subsidy policies in Malawi and Tanzania.

The study s looked at the following three specifical objectives:

- To explored the political economy factors shaping the policy environment in Malawi and Tanzania, including structural, institutional, agential, as well as political factors;
- To investigate the role mandate policies have played in shaping agricultural input subsidy policies in the two countries;
- To investigate the role mandate policies have played in influencing housing policies in the two countries with a focus on subsidies.

The study sought answers to the following main question:

- How does the mandate theory influence subsidy policies in Malawi and Tanzania.

Specific questions that the study sought to answer are as follows:

- What political economy factors shape the policy environment in Malawi and Tanzania?
- How have mandate policies influenced agricultural subsidy policies in the two countries?
- How have mandate policies influenced housing policies in the two countries?

The first specific question sought to understand the overall policy environment in the two countries including the political and economic aspects to understand main factors that shape policies within such environments. The second focused on how political party manifestos affect the making and implementation of subsidies in agriculture while the last question seeks to achieve the same in the area of housing. Information gathered through such questions would assist to answer the main question of this thesis.

1.4 Case Selection

The issue of subsidies has been popularized in the past decade within the sub-Saharan region following Malawi's success story on how it implemented its Farm Input Subsidy Programme (FISP). More subsidies have also been introduced in areas such as housing. This study analyses the subject of subsidies in relation to mandate policies that are formulated by parties and presented through manifestos to woo voters. In relation to this, many scholars note that food security has been linked to Malawi's politics such that it has been an integral part of local politics (Chirwa & Chinsinga, 2013; Banik & Chasukwa, 2019; Kamangira et al., 2016). Political parties compete on policies that would ensure food security due partially to a history of periods of food shortages that dogged the country especially in the period between 1990 and 2005 (Stambuli, 2002; Owusu & N'gambi, 2002).

Tanzania presents a good comparative case to Malawi as these bordering countries have had similar challenges though the issue of hunger has featured higher in Malawi. Both countries have expanded subsidy programmes in agriculture and other social sectors. Both countries have similar histories of slave trade, colonialism and their transitions

have come at similar periods, independence in the early 1960s and multiparty democracy in early 1990s. The subject of mandate policies brings up the issues of political competition and elections. As competition at elections in the two countries is at different levels with Tanzania's domination of Chama Chamapinduzi Party since independence, while Malawi changed parties during the multiparty transition and later elections, Tanzania presents a good comparative case to Malawi in testing the effect of political regimes on policy horizons. Another interesting feature to the political regime and policy test is the difference in the ideological past of the two countries whereby Tanzania adopted socialist system of government and Malawi maintained much of the capitalistic elements of the colonial system of government after independence. Though both countries transitioned into more liberal economies, a study on policy environment that resulted from this short history could assist in unveiling some of the complications including institutional setup, that policy making and implementation presents in the two countries. A scan of the context is therefore useful as a starting point.

1.5 Context

Malawi and Tanzania share boarders. Tanzania is located in the north of Malawi and other neighbouring countries for Malawi include Mozambique covering southern, part of the eastern and south western borders while Zambia is in the Western side of Malawi. Although the two countries share boarders, Tanzania is often categorized among East African Nations with Malawi grouped among Southern African countries. Both countries belong to Southern African intergovernmental organisation called Southern African Development Community (SADC) and Common Market for East and Southern Africa (COMESA).

Understanding the context under which the two countries exist assisted the study to apply appropriate tools for better understanding of trends in behaviours and practices in the countries understudy. The social and historical context below portrays similar paths and transitional sequences that the two countries have experienced. Different ideological choices after independence and leadership styles for the founding presidents of the two countries, however, may account for the resulting differences in the institutional set ups.

1.5.1 Social and Historical Context

Institutionalists attribute African developmental shortfalls to weak institutional constraints on the political systems (Alence, 2004). Historical institutionalists go further to attribute the same to the moulding of the life on the African continent through the systems of slave trade and later colonialism that did not have any values in building the social cohesion of the Africans but rather facilitated the opposite. Englebert (2000) largely attributes this development crisis to a policy crisis. Englebert attempts to provide answers to the concerns raised by many political scientists on what accounts for policy choices of many African governments and why some display better capacity for development than others. The conclusion largely focuses on historical legitimacy (or lack thereof) of African states. Malawi and Tanzania have travelled similar paths in as far as precolonial and colonial periods are concerned such that they both inherited government systems introduced by Western colonisers. Tanzania experienced two colonial regimes: German from the 1880s to 1919 when it came under British mandate under the League of Nations and became the United Nations Trust territory under British administration (Iliffe, 1979). Malawi was a British protectorate from the start in 1881 to the time of independence.

After independence the two countries centralized their authority and adopted one-party systems. Both countries put emphasis on agriculture as a base for the growth of their economies. Though growth was attained slowly in both systems, the 1970s produced good levels of economic growth driven by state led policies. The main difference between the two countries was in the adoption of contending ideological paths with Tanzania adopting socialism and Malawi, capitalism (Osafo-Kwaako, 2011; Kayuni, 2011). However, on one hand, Hastings Kamuzu Banda ruled Malawi from independence in 1964 until 1994 through a highly arbitrary and personalized system. It has been described as “one of Africa’s strongest dictatorships” by Brown (2008, p. 3) characterized by ruthlessness in enforcement of his commands and brutal repression of any resistance to his rule. Tanzania on the other hand has maintained a more participatory system within the socialist domain. Although the system of government changed from multiparty to one party democracy after independence like Malawi, the process followed differed in that the changeover happened in a constitutional manner. They adopted an electoral framework that maintained popular participation and allowed competition within the one-party system (Lofchie, 2014).

The two countries also differed in the strategies employed to build their nations. Attempts at Building the nation in Malawi were mainly forceful. Different writers (Brown, 2008; Sagawa, 2011; Kumwenda, 1997; Kayuni, 2011) have mentioned Dr Banda's attempts on gaining broad based control for the regime's political security than building social cohesion for national building. Kaspin (1995) describes networks of regional and district committees and area branches that linked Malawians at all levels to a chain of communication to allay any threats to the regime. Chiefs were also used to capture the rural communities. These were empowered to run traditional courts that would try even treason cases and pass death sentences on political opponents. The failure of Banda's brand of nationalism became very apparent during the reintroduced multiparty elections in 1994, when Malawians voted on regional lines with United Democratic Front (UDF), led by the Yao president Muluzi, won most of the Southern region constituencies, Banda of the Chewa tribe claimed the centre and Chihana, a Tumbuka by tribe from Northern based Alliance for Democracy (AFORD) swept all Northern region constituencies (Ferree & Horowitz, 2007). The tribes to which these leaders belonged have unsurprisingly been in majority in the respective regions where they got majority votes. Such divisions have persisted to the present Malawi with the only exception being the 2009 elections where Bingu Wa Mutharika amassed votes in all regions.

Attempts at national building in Tanzania came through the propagation of the African socialism ideology implemented through the Arusha Declaration of 1967 that proposed establishing an African socialist state based on Ujamaa policy, where peasants were mobilized into artificial villages. Prior to the creation of the Ujamaa villages, most Tanzanians had lived in scattered areas for various reasons: poor soil nutrients made them adopt shifting cultivation and pastoralism; abundance of wild animals; distrust amongst themselves during slave trade; and vulnerability to colonial taxation (Ili 1979; Mc Henry, 1979 cited in Silwal, 2015). The Declaration outlined a socialist vision with national economic self-reliance, nationalization of commercial farms and industries.

Nyerere has been praised for leading the nation building process for Tanzania, promoting a 'singular Tanzanian identity' over tribal or religious affiliations. This national identity process (Tanzanianisation) has been held as the foundation for long standing stability carried over to the present day of liberal democracy (Ibhawoh &

Dibua, 2003; Osabu-We, 2000, p. 171). Nyerere however, faced a lot of criticism for his socialism, especially after he gave up his presidency amid the economic crisis of the 1980s. He was accused of broken promises and squandering developmental opportunities with his ‘misplaced philosophical idealism’ (Gerhart, 1997; Scott, 1999; Johnson, 2000). For modernists, the ruling elite was portrayed as robbers of personal freedoms and private incentives to enable the country modernize and gain democracy and prosperity (Yeager, 1989, p.1). For leftists, Nyerere had abandoned the class-based struggle that characterizes the socialist ideology (Shivji, 1974). The use of force in the villagization process, when the turn-up to the Ujamaa villages was not very impressive, brought in some repercussions to the success of the programme as silent resistance was reported on the communal farms (Silwal, 2015; Mc Henry, 1979; von Freyhold, 1979). Despite these setbacks, Nyerere’s name remains a symbol of unity among Tanzanians.

1.5.2 Economic Context

Malawi and Tanzania are countries within the category of low human development countries (UNDP, 2020). More than two decades after the transition to multiparty democracy, both economies still face challenges. With an estimated total population of 18.6 million, Malawi was ranked no.172 out of 189 countries in the 2018 HDI with the HDI rating of 0.485 and Tanzania with a population of 57.3 and HDI rating of 0.528 was ranked at no. 159 (ibid). While Tanzania’s HDI rating has not been much different from the Sub-Saharan average of 0.537, Malawi’s ratings have been below average since 1990. Tanzania’s Gross National Income (GNI) per capita income rose from US\$ 749.3 in 2010) to US\$ 1,043 in 2014, per capita for Malawi declined from \$370 in (2011) to \$200 in (2014) (UNDP, 2014) due to donor aid fatigue following the massive fraud of government funds (also known as ‘cash gate’) in 2013. The resource envelope for both countries still remains tight such that it has become a challenge to decide which programmes to prioritise in their national budgets.

Table 1. 1 Trends in HDI Values for Tanzania and Malawi from 1990 to 2017:

HDI Value	1990	2000	2010	2012	2014	2015	2016	2017	2018	2019
<i>Tanzania</i>	0.370	0.395	0.493	0.506	0.515	0.528	0.533	0.538	0.528	0.529
<i>Malawi</i>	0.340	0.399	0.441	0.455	0.468	0.470	0.474	0.477	0.485	0.483
<i>Sub-Saharan Africa</i>	0.398	0.421	0.498	0.514	0.526	0.531	0.534	0.537	0.541	0.547

Source: UNDP, 2019

Malawi's economic progress has been uneven, marked by robust periods of GDP growth of 6.5 per cent per year between 2003 and 2014, before sliding to 3 per cent in 2015 and 2.8 per cent in 2016/7. The economy is largely based on small scale, low productivity rain fed agriculture, which makes it especially vulnerable to the impacts of climate change. There is limited diversification, with the manufacturing and service sectors contributing less than 10 per cent and 9 per cent to GDP respectively. The agricultural sector continues to be Malawi's major source of economic growth and accounts for over 90 per cent of export earnings.

Tanzania on the other hand has a more sustained high economic growth of 6-7% annually for the past decade with poverty levels declining from 34.4% in 2007 to 28.2 in 2012 and 26.8% in 2016. Unlike Malawi, Tanzania's economic advantage comes from the diversity of its natural resources. Additionally, it has a robust agricultural and wild life sectors and is also located on the coast of the Indian Ocean, giving it an advantage on transport costs as compared to Malawi, a landlocked country that gets its supplies through Tanzanian, Mozambican and South African ports. Both countries have however, been dented by reports of corruption.

The growing level of fiscal constraint on both governments means that the role of political decision-making regarding public expenditure is very central. Political attitudes concerning who deserves support will likely influence who gets what under such circumstances (Graham 2002, p. 25). The new democratic dispensation meant that

public policy became the major basis on which governments would be voted to power by the sovereign (citizens of a country) and the party manifesto became a major tool for advertising policies during election campaigns where citizens would choose the party that best articulates people's preferred agenda. Citizens' preferences have however, to be balanced with available resources while meeting the longer term developmental needs of the country. The study of subsidy programmes as mandate policies, therefore, needs to be understood within this historical and socio-economic context.

1.6 Overview of analytical and methodological framework

The complexity of the policy environment in most of Sub-Saharan countries cannot be explained by merely looking at 'slices of time or short-term manoeuvres' that may have directly influenced the decisions made. Stories are told about centuries of events and processes that shaped state in the developed world. The current state of development or the opposite in the Sub-Saharan region also requires trendy inquiry and the current study uses elements of historical institutionalism to explore such trends. Transitional trends have also been investigated in the two polities to support the historical institutionalist approach to understand both their political systems and resultant policy environments.

As the study combines issues of policy, politics and development, political economy analysis has been a tool of enquiry to support the historical institutionalist approach. Political economy analysis is concerned with the interaction of political and economic processes in a society; including the distribution of power and wealth between groups and individuals, and the processes that create, sustain and transform these relationships over time (Hudson & Leftwich, 2014). The two approaches were complemented by insightful methods for data collection as most data collected was qualitative. A comparative case study approach was used to investigate subsidy programmes in the two countries as two broad cases. The study included the two cases because comparisons of these cases allowed their special features to be identified much more readily, the contrast between the two polities allowed the researcher to draw out some important themes from these cases. (Bryman, 1989). Content analysis was used on both the comparative study of the two polities, Malawi and Tanzania and the study on

housing subsidies pays a special attention to housing finance policies in Tanzania and Malawi with a particular examination of the Descent and Affordable Housing Programme in Malawi as a special ‘case’ study.

1.7 Contribution to the Discipline and Utilisation of Research Results

Recently, studies on agriculture input programmes in the SSA region have dominated the scholarly work (Jayne et al., 2018; Smale & Theriault, 2018). Much as the issue of political influence on subsidy programmes has been tackled, there has been a gap on details about this influence. Conflicting signals from the neoliberal institutions on removal of subsidies and return of the same through welfare programmes has been noted in scholarly circles (Rickard, 2012; Peet & Hartwick, 2009; Graeber, 2009). However, the recent rush for government led subsidy programmes within the SSA has pushed for a deeper understanding beyond just ‘political influence’. The actual driver of this ‘political influence’ needed to be unveiled.

Beyond the assumption that competition improves policy in democracies, this study reveals that this varies among party systems with dominant parties producing more stable and longer horizon policies than fragmented party systems. This study therefore extends Niles (1999) argument that policy horizons are influenced by political party regimes in the social protection sector to include influence of the same in the introduction and implementation of subsidy policies. Dominant party system in Tanzania presents a more stable policy environment than does the fragmented party system in Malawi though party competition is higher in the latter. Beyond the mere influence of party regimes on policy, this study reveals that insecurity to the tenure of incumbents in polities with weak institutions diverts the focus from longer term to short term policies. The search for votes distorts the framing of mandate policies.

The study reveals that party domination and fragmentation are not determined by fiat but result from longer term institutional transformation influenced by political economy factors including ideas, agency and transitions. The study therefore confirms Bratton and Van Walle’s (1994) predictions on regimes and transitions whereby personal dictatorships transition into fragmented and fluid party systems and party domination results from competitive one party systems. Scholarship on party systems in Africa should therefore go beyond simplistic categorisation of party systems into competitive

and non-competitive systems. Unpacking these broader categories as this essay has attempted to, aids diagnostic process of the challenges manifested in young democracies in this part of Africa

The study also highlights the competing interests behind mandate policies and development frameworks' implementation. Adherence to the latter diminishes in the more fragmented party system of Malawi than in Tanzania. Increased resource allocation and unwillingness to reform implementation of programmes from mandate policies reawakens the debate on compatibility of long term planning and democracy that persisted during the Cold War (Song & Davis, 2016).

Many studies have been conducted on input subsidies but the study gives reasonable attention to an enquiry into the Descent and Affordable Housing Subsidy Programme (DAHSP). Unlike input subsidies that were popularized due to recurring famines in Africa, housing has not enjoyed similar popularity. Moreover, housing sector requires heavy investment to offset housing deficit in Africa amid many competing interests on national budgets. Introduction of the DAHSP in Malawi, therefore, arouses interest from scholarship. Being the first time this programme has been studied more comprehensively, scholarship stands to benefit from its findings and analyses.

1.8 Structure of thesis

The next chapter discusses literature connecting politics and policy with a focus on subsidy policies within the context of electoral democracy. Factors influencing policy formulation and implementation are discussed along with historical institutionalist and political economy factors including structural, institutional and agential factors. The context of electoral democracy within which subsidy policies are made and implemented brings to the fore a discussion on the subject of mandate concept of representation being an important platform for introducing policy in this type of democracy. The chapter also discusses regime and party systems and their linkages with different policy horizons.

Public policy aims to attain growth and development of a country and its people as such developing countries have often engaged medium and long term planning to attain this growth (Sheying, 2006, p. 4). The chapter therefore discusses literature on the

interaction between mandate policies and medium to long term development frameworks to gauge possible implications of their mix. A deeper exploration of literature on subsidy policies draws insights into input subsidy policies and housing subsidy policies contextualized within the sub-Saharan region. Potential strengths and challenges in the implementation of subsidies in the two areas are discussed from the literature perspective and prospects and challenges on reforming such policies are also highlighted. The chapter ends with a theoretical and conceptual framework that has been a guide to the actual research, analysis and conclusion. The theoretical underpinnings are based on rational/public choice theories including politics as a marketplace and mandate theories. The theoretical framework links the theories with ideas from Niles' matrix on regime types and policy horizons to come up with a model that guides the analysis and discussions of the thesis.

Chapter 3 discusses how the study is designed, gives sampling strategy and outlines data collection and analysis techniques. There are two levels at which information was gathered in this study: primary data was obtained through interviews and focus group discussion while review of documentation helped to inform on gaps in the area of study and direction that the study should take. The chapter also discusses issues on data management, generalizability of results and ethical issues around data collection processes.

Chapter 4 discusses findings guided by the research question: *What factors shape the policy environment in Malawi and Tanzania?* Structural, institutional and agential factors influencing the policy environment in the two countries have been discussed along with political influences within the electoral democracy realm. Party systems in the two countries are analysed to uncover intricacies of Tanzania's dominant party system and Malawi's competitive but seemingly fragmented party system. Implications of these systems on policy stability are discussed guided by Niles matrix predictions that point to dominant party systems like that of Tanzania formulating policies with longer time horizons than fragmented party systems like Malawi.

The chapter recognizes the significant role actors play in the shaping of the policy environment in the two countries. The founding presidents, Nyerere for Tanzania and Kamuzu Banda for Malawi lead the pack and their influences in shaping the policy

environment is highlighted. The chapter also discusses current economic and development frameworks and how they relate to mandate policies coming through political party manifestos. A comparative analysis of the processes for coming up with development frameworks and mandate /manifesto policies assists to gauge which policy discourse carries more credence. Finally, the chapter examines how mandate policies influence subsidy policies in the two countries.

Chapter 5 discusses subsidy policies in the agricultural sector guided by the question: *How have mandate policies influenced agricultural subsidy policies in the two countries?* A comparative analysis of the content of the input subsidy programmes in the two countries has been done with a view to assess how strategic the design of the programme is for the attainment of higher productivity. Some of the issues the study examines in the content include the share of the budget and government contribution against what the beneficiary farmer would put in. As smart subsidies are supposed to graduate its beneficiaries, a scan on how good this has been done is carried out with a view to gauge achievements of the programmes.

The chapter analyses linkages among policies within the two polities to check if they are formulated in a mutually reinforcing manner within and across all relevant sectors. The chapter further examines the role of political mandates in influencing these input subsidy policies and programmes. With the help of a matrix, this chapter further analyses the linkages between development frameworks and mandate policies in the two countries in the areas of agriculture to determine whether they correspond or work in isolation. Challenges encountered by both countries in the implementation of input subsidies programme are highlighted and their attempts at solving the same is also analysed. Attempts at reforming the programme are also highlighted to explore the commitment to delivery of optimal results to the populace.

Chapter 6 is guided by the research question: *How have mandate policies influenced housing policies in the two countries?* The chapter examines policies and programmes on subsidies in the area of housing in the two countries. It explores the background to the introduction of these policies, linkages with wider policy framework and implementation modalities. The chapter further examines the role of political mandates in influencing these housing subsidy policies and programmes. The two countries under

study have housing financing policies and programmes, Malawi has gone further ahead and introduced specific housing subsidy programmes in the past two electoral cycles. This study has in addition to comparing housing policies in the two countries, taken a special interest to investigate the motivation for introducing and maintaining the seemingly ‘outlier’ housing project, the Decent and Affordable Housing Subsidy Program (DAHSP).

On DAHSP, the chapter, highlights the concept, implementation issues as well as politics surrounding adoption and implementation of the DAHSP program. The concept part includes the design, objectives and criteria for selection of beneficiaries. The implementation part has two parts: rural and urban implementation modalities. Political issues at conceptualization, adoption and implementation stages of the programme are analysed. Within the presentation of political issues, a political economy analysis has been employed examining roles by different actors at the central and local levels to reflect interests of different actors on the design and implementation of the programme. Finally, DAHSP as a mandate policy is assessed on its conversion with or diversion from normal policy practices in Malawi and elsewhere.

Chapter 7 is the final chapter that highlights conclusions on the study. Against the claim that democracy influences good policy due to competition, this thesis argues that competition in young fragmented democracies brings insecurity to ruling regimes and this influences introduction and implementation of short term policies aimed at getting votes. The chapter also highlights wider implications of the empirical analysis on how mandate theory within the electoral democracy domain influences subsidy policies in Malawi and Tanzania. These implications are also presented separately for agricultural input subsidies and housing subsidy policies.

The chapter also makes recommendations on roles of structure, institutions and agency in shaping the policy arena in the developing countries and particularly Malawi and Tanzania. More recommendations are made in the area of marrying mandate and development frameworks as well as political party institutionalization for better policy environment that restrains bad policies from politicians.

CHAPTER 2

SUBSIDY POLICIES, MANDATE CONCEPT AND POLITICAL REGIMES: A REVIEW OF RELATED LITERATURE

2.1 Introduction

This chapter discusses literature connecting politics and policy with a focus on subsidy policies within the context of electoral democracy. Theoretical underpinnings of policy formulation are discussed along with historical institutionalist and political economy factors including structural, institutional and agential factors that shape policy. The context of electoral democracy within which subsidy policies are made and implemented brings to the fore a discussion on the subject of mandate concept of representation being an important platform for introducing policy in this type of democracy. The chapter also discusses regime and party systems and their linkages with different policy horizons. A deeper exploration of literature on subsidy policies draws insights into the status of input subsidy policies and housing financing and subsidy policies within the sub-Saharan region.

The claim that the expansion of subsidies especially towards welfare needs in most developing countries is a result of competition for the popular vote, has been made from different academic and non-academic sources (Hickey, 2007; Scholz, 2008). The challenge of funding the welfare state is recognized even in the developed world as recurring economic crises force countries into a ‘permanent austerity era’ (Morel & Palme, 2012). Further debates on balancing between social and economic policies as well as defining the demarcation between the two in the pursuit for development have dominated the development discourse. This study recognizes that going to extremes in pursuit of either social or economic policies for a developing nation like Malawi has many repercussions in its development trajectory. The study is therefore confined to understanding factors that may have influenced the recent expansion of government led subsidy programmes and possible implications to the development of a country.

As programmes span from policies, the importance of policy in development programmes is the starting point in this investigation. An understanding of policy formulation processes within the democratic environment with a special focus on the developing world has been considered important for this study. Linkage of subsidy policies with competition for votes within the context of mandate concept of representation, forms the central focus of this investigation.

2.1.1 Understanding Some Key Terms

Public policy is said to be the oxygen for growth and development of a country and its people. This does not mean, however, that all public policies are developmental. Chen Sheying (2006, p. 4) attests to the fact that non-developmental or even anti-developmental public policies do exist and calls for recognition of this “so their causes must be carefully studied and such policies be prevented or stopped”. The development discourse, however, recognizes the role of politics in policy processes such as the formulation and implementation, monitoring and evaluation and others. According to Chen (ibid) in both autocracies and democracies politics will influence policy. In monarchies, the anticipation or stability of dynastic succession is said to lengthen the king’s/queen’s planning horizon and might be good for long term development, just as in autocracies, the fear of revolt could enhance quality of policy making. However, in both these regimes, the absence of competing powers to constrain the authorities’ misuse of power means that power can easily be abused for personal interest (Olson, 1993). In democracies, good policy is said to be enhanced by electoral competition. This competition is assumed to attract people with aspirations that enhance the public interest rather than private ones. *Mandate* conception of representation, holds elections as a tool for selecting “good policies or policy bearing politicians” (Przerworski & Stokes, 1999, p. 29). Higher competition in democracies should, therefore, offer a conducive environment for better policy. But the choice and maintenance of public policies can be influenced by other factors than autocratic – democratic divide seems to suggest. As the study concerns the influence of mandates on subsidy policies, a quick scan through the terms mandate, policy and subsidies should be a good starting point.

a. Mandate

The importance of elections to democracy is that they provide a chance for voters to choose the party that sells policies viewed as favourable to them. They are mandated to implement those policies (Stokes, 2004; Johnson & Crisp, 2003). Hershey (1994) translates this process as an instruction to the elected representatives on policy direction. Hofferbert and Budge (1992) extract two senses from the word mandate: command and authorization. In command, the elected government is assumed to have been mandated to do certain things and in authorization, the government acquired a 'moral right' and responsibility of implementing its programmes by submitting that programme to the electorate that made it gain required votes to govern. Mandate policies are therefore sold through party manifestos during electoral campaigns.

b. Institutions

The role of mandates in electoral democracies cannot be over assumed as if political players including parties represent stable interests and positions. The fragility of the political market place in developing democracies requires guidance from proper institutions (Häusermann, et al., 2013). According to North (1990), institutions constitute the historically embedded 'rules of the game' within a given society. Institutions are useful in guiding development path. They provide guidance on what to expect and what is permitted, and development will be expected where capable political institutions, that can give substance to public interests, exist (Huntington, 1965).

c. Policy

The definition of policy often focuses on two elements: the processes and policy goals. By defining public policy as the 'outcome of the struggle in government over who gets what', Cochran et al. (1999, cited in Birkland, 2015, p. 8) endorse Ndah's view on the centrality of politics in the process of public policy. However, Cochran and Malone (1995 also cited in Birkland, 2015), provide direction and purpose to the definition of public policy by stating that these policies and programmes aim to achieve societal goals or desired state. This is further emphasized by Ndah's contention that some nations are considered rich and others poor, developed or underdeveloped because of public policy making. Hence quality of policy will affect quality of life within a polity.

d. Subsidies

Subsidies have been defined as an incentive for consumers or producers to behave in a certain way, or do something they would not otherwise do (Hoek-Smit, 2008). Schwartz and Clements (1999, p. 119) provide three compelling reasons for studying government subsidy behavior: first, because subsidies are a major instrument of government expenditure policy; second, subsidies affect domestic resource allocation decisions, income distribution, expenditure productivity, and, may also affect structural and sectoral adjustment and third, on an international level, questions are raised regarding the extent to which subsidies cause distortions in international resource allocation by affecting competitiveness. A variety of subsidies have been implemented on the African continent since independence and in various areas including agriculture, energy, housing, health and education (Dionne & Horowitz, 2016). Implementation of subsidies in the 1960s and 70s, was more aligned to the improvement of the social welfare of the population influenced both by socialist ideologies in countries that adopted socialism and Keynesian interventionist perspectives in more capitalistic regimes.

Contemporary development thinking has incorporated new aspects in the solution package for development puzzles and that goes beyond economics and social welfare to include politics as well. As decisions on subsidies require allocation of resources and most often such decisions will not be specified in any book of law, hence political decision making gets called to duty (Beattie & McGillivray 1995, p. 68, cited in Devereux, 2001, p. 22). The situation in Africa where resources are constrained, and governments that make decisions on these resources are elected in office by voters who pay taxes and have the power to take the elected out of office, political attitudes will often play a central role in deciding where to allocate more resources. Public policy therefore cannot be separated from economics and politics hence the overlap in the current study unpacked through the political economy analysis.

The adoption of multiparty systems of government in the Sub-Sahara African region opened the way to influences on government policy from many players including citizens, political parties, civil society, the donor community, business merchants and others. The following sections discuss different factors that influence policy before unpacking literature on the mandate concept and its influences on policy

2.2 Policy and Influencing Factors

Policy environment encompasses many factors that influence the resulting policy. Birkland (2015, p. 87) emphasizes that factors that make up the policy environment are not fixed in time; rather, they are long-standing features of a nation's politics and daily life "that can change and have changed over the course of ... history". He, therefore, contends that successful actors in policy making must understand and accommodate the enduring features of the policy-making environment and the ways in which the environment can change to enhance or retard the possibility of policy change. It has been argued that policy failures can only be understood in the context of political economy of policy choice. The wide agreement amongst scholars as well as actors like IFIs and donors that politics matters brings to the fore the importance of political economy in the context of understanding policy and development (Drazen, 2006; Hudson & Leftwich, 2014; World Bank, 2011). This study has been influenced by the political economy movement and discusses policy influences through structural, institutional, agential and political factors that form basic elements within the political economy domain.

2.2.1 Structural factors

In his elaboration on the importance of public policy for development, Du Hai (2012), advances the argument that the economic development of a country depends on the quality of its policy framework, the decisions taken, as well as the processes involved in formulating each decision. This serves to clarify that quality of results of policies will be determined not only on that single policy but also the policy framework and systems within which this policy exists. In examining the influence of mandate concept on subsidy programmes, the focus centres not only on what conditions and processes have influenced the introduction of subsidy policies but more importantly how these policies are designed to fit into the wider medium and long-term policy frameworks for attainment of the country's development goals. At the time of research Malawi was still implementing its vision 2020 and Malawi Growth and Development Strategy III (MGDS III) while Tanzania had Vision 2025 and Five Year Development Plan (FYDP II). Such longer-term policy frameworks get moulded by structure that would have been shaped in the course of history.

Structure has been described as a framework or a system of parts, the ‘scaffolding’ of society or a building that holds its contents in place (Hudson & Leftwich, 2014). Structure creates order and patterns behaviour and thought. This framework is said to provide regularity to social life. Aspects of a political system that can be described as structural include its geography (soil, climate) and economy (sectoral composition, production and exchange systems), social (sense of class, caste and ethnic structures, gender relations, and ideological structure). Structure forms part of the context and context is very critical in the process of policy formulation and wrong contextual analysis leads to formulation of policies that are not suitable for the targeted polity.

Polities of the countries under study, Malawi and Tanzania have been shaped by much similar events and junctures in their history of existence until independence. Other than different ideological paths adopted after attaining independence, similar events and transitions have marked their historical courses. Most historical institutionalism strands support the idea that state formation is supposed to be dominantly an endogenous process. It is not a stable process though as evolutions and revolutions often characterize its paths (Tilly, 1975, p. 42). The results are basic structures that define it. History of many states especially in Europe points to endogenous processes that affected the process of state formation some of which are the wars with other groups and the need for resource mobilization leading to taxation for, among others, protection of the state and later development. Endogenous processes strengthen social cohesion to tackle collective action problems. Pempel (1999) argues that the societal coalitional base determines the structure of the state and institutionalization and bias of the resultant public policies. Taylor (2002) observes that unlike older democracies in Europe and elsewhere, the state formation process in most African countries has been fragmentary and incomplete. This has influenced contemporary defective policy trends in most of these countries. While there is consensus on the observation on the policy trends, analyses of the causes for this situation have differed.

Booth, Cammack, Harrigan, Kanyongolo, Mataure, Ngwira (2006) have blamed traditionalism, characterized by clientelism and patronage, for the contemporary defective policy trends in most of these countries. They blame collectivism in the value system of an African society as the generator of conformism and tolerance of mediocrity. In their contention, success of individuals in such society will be cut down

through false accusation, gossip and jealousy expressions. Platteau (2007) suggests that 'collectivist' cultures have shown less dynamism because they are not subjected to as much pressure for change. They conclude that these elements have derailed innovation and development. Fonchingong (2005) has listed down other modern writers that are in tune with Booth *et al.* (2006) in blaming Africa for its developmental malaise. The World Bank (1994) and Ake (1996) have blamed domestic policy environment; Mkandawire and Soludo (1999) policy failures; Amin (1990a, 1990b) blames the inability of the bourgeoisie; Edigheji (2004) and Lumumba-Kasongo (2002) think inappropriate state structures are responsible; while others blame exogenous factors like the role of such actors as the World Bank, foreign technical advisors and foreign economic interests (Ninsin, 2000), colonialism (Fonchingong, 2005; Mulinge & Lesetedi 2002; Hyden, 1980; Ake, 1985; Vansina, 1992).

On the contrary, other scholars highlight characteristics in the ancient African society that make it positively unique. Positivist scholars in their writings on precolonial Africa have stressed on the importance of egalitarianism, where everyone is expected to be granted a place in society and nobody starves (Vansina, 1992a; Mutharika, 2010). These scholars highlight society's solidarity as a foundation for development. This school of thought observes that precolonial African states were stable and governed democratically with power devolved to regional and zonal structures (Busia, 1962; Osabu-Kle 2000). Linton (1959, p. 120) appreciates the 'thoroughness of their political institutions' as well as the utilization of social institutions for stable political society which according to his assessment 'exceeded anything in Europe prior to the 16th century'. The writers observe that this society was devoid of dishonesty and corruption. The relationship between the individual and community has been described as 'communalism' characterized by consensus building in the decision/ policy making process. (Ake, 1993).

Other than slave trade and the newfound faiths, destruction of admirable values and institutions of the precolonial Africa is mostly attributed to colonialism. Colonialism has been blamed for establishing authoritarian, corruption and political instability legacies (Fonchingong, 2005). In order to rule scattered societies, colonisers had to rely on indirect rule whereby they ruled through African chiefs who collected taxes on their behalf. Some portion of the collected money was retained by these chiefs and this

developed into a system of taking kickbacks (Mulinge & Lesetedi 2002:55). Colonialism has also been blamed for instilling tribal divisions among Africans. Strategies they adopted included the need to identify one's ethnic origins whenever people had to fill government forms and some assimilated groups were favoured. This fragmentation and exclusion therefore enhanced ethnic consciousness that later blossomed into tribal conflicts and patronage tendencies. Natives were therefore unable to embrace this alien state creating what Hyden has called the 'duality between the state and society'. (Hyden, 1980; Ake, 1985). The crisis of legitimacy was, also inherited as state structures were not historically embedded in the society (Englebert, 2000).

The anticolonial struggle had different effects in the SSA region. Most economies where colonization was seen as alien adopted socialism, a reactionary ideology to the Western colonisers' capitalistic state. This was the case with Tanzania and most of the southern African states. Socialism was seen as the closer ideology to the precolonial communalism. The same anticolonial struggle bore internal squabbles amongst other populations like Malawi and disagreements on which ideology to adopt, led to the cabinet crisis and later dictatorship that would force compliance to state policy from rival groups (Chipembere, 2001). Malawi adopted what has been described by Kayuni, (2011, p.128) as a "pragmatic unilateral capitalist" state where Kamuzu Banda was a sole determinant of Malawi's economic and development policy choice that pursued economic development without "fully embrac(ing) socialism or communism". The system has also been described as 'developmental patrimonialistic' state by Cammack et al (2010). In both adopted systems of socialism and capitalism, however, the state was at the driving seat for economic and social policy.

Herbst (2000), observes that in general, African states inherited the artificial borders created by the Berlin's 'Scramble for Africa'. He further reveals that writings of early leaders bear no desire for seeking alternative to this state after independence. This has also been attributed to the fast pace at which independence came that left leaders preoccupied with the intent to seize power than rethink the design of an African state. These attributes of structure of the new independent states, including Malawi and Tanzania, have greatly affected the contemporary institutional framework for policy formulation and implementation.

2.2.2 Institutional factors

In the development discourse, key roles and the legitimacy of the state have been shaped by the high degree of agreements about institutional arrangements (rules of the game) about how decisions are made (Leftwich, 2007). According to North (1990), institutions constitute the historically embedded ‘rules of the game’ within a given society. Institutions are useful in guiding development path. They provide guidance on what to expect and what is permitted, and development will be expected where capable political institutions, that can give substance to public interests, exist (Huntington, 1965). Structure can shape institutions the polity will have, and institutions can also shape structures overtime. Modernity introduces new formal structures and institutions that have to be fitted within existing traditional structures and norms. Interaction between the formal and existing norms determines the mix of institutions that may provide stability or not to the polity and, therefore, how policy formulated is accepted or rejected or even if outcomes of the policy are considered developmental or ‘undevelopmental’ (Helmke & Levitsky, 2004).

The main theme in this study concerns policy choices and influences thereof and therefore rational choice institutionalism, where actors, be it politicians, voters and others wish to attain their ends through rational and calculative strategies, cannot be neglected (Levi, 1997, p. 23). Neither can the study neglect sociological institutionalist views on individual cognition and collective decision making within the context of pluralism. The comparative nature of this study, where two polities adopted different ideological paths after independence, necessitates some understanding into the historical legacies that have shaped the contemporary policy environment. A historical institutionalist approach is generally concerned with organizational configurations overtime influenced by ideas, interests and institutions (Pierson & Skocpol, 2002, p. 693).

Concerns have been raised in some circles of scholarship that historical institutionalism cannot be applied to African politics as the lifespan of their modern institutions is too short to allow detection of path dependent developments (Lipset & Rokkan, 1967; Mahoney, 2002; Collier & Collier, 1991). According to Pierson (2004, p. 79), comparative analyses of the origins of different regime types usually take ‘long-term processes that are based on causal chains with lasting effects’

and the period prescribed amounts to centuries and not just decades. Following interruption to the state formation process by colonialism, Africa experienced frequent changes in political regimes. The concerned scholars therefore claim that such frequent changes cannot qualify as critical junctures that historical institutionalism values to trigger path-dependent processes.

Critical junctures have been described as ‘watersheds’ (Abbot, 1997), ‘turning points’ (Sewell, 1996), or ‘unsettled times’ (Swindler, 1986; Katznelson, 2003) conceived as periods when once a particular option has been selected, it becomes progressively difficult to return to the initial point (Mahoney 2000, p. 513). Pierson (2004, p. 96), however, argues that time-frame required for an application of historical institutionalism is not fixed but depends on the outcome to be explained. An example provided is that of long term impact that colonial legacy has had on the African state (Englebert 2002, p. 5; Leonard/Straus 2003, p. 8). Thus Erdmann et al. (2011) conclude that they find no methodological or theoretical reason to bar the use of historical institutionalism for explaining political regime development in Africa.

Bratton and Van de Walle, (1994) have utilized these arguments and predicted the behaviour of regimes based on characteristics before the multiparty transitions in the 1990s. They categorized Malawi and Tanzania’s pre-transition regimes as personal dictatorship and competitive one-party systems respectively. The former was characterized by strong man rule that was exclusionary, disallowing competition while the latter was a one-party system, inclusionary and allowed limited competition within the party. According to these writers, transitions in the two types of regime have different implications. In personal dictatorships, transitions are conditioned by institutional weaknesses and though the new dispensation encourages the mushrooming of opposition parties and civil society organisations, these are also characterized by fragmentation and the lack of participatory culture. Channels for negotiating rules and sharing power are few and with the absence of the culture of contestation and participation, consolidation of democracy becomes a challenge. Competitive one-party systems on the other hand will have prepared foundational structures for participation as well as contestation, standing a better chance for adoption of the new systems without much disruption to institutions. Bratton and Van de Walle’s predictions have been

proved right in cases of Malawi and Tanzania where systems in the former carry characteristics of fragmentation and the latter is a dominant party system.

Both Malawi and Tanzania underwent transitions to multipartyism within the same period. Circumstances that propelled them both may have been similar world movements. The collapse of the Soviet Union and the eastern bloc in 1989 meant that Western countries saw no need to maintain dictatorships that assisted them resist communism. The third wave of democratic transitions was sweeping across Africa including Sub Saharan countries. Additionally, the coming to power of pro-human rights democrats in the United States meant that pressure would increase for one party states to change their systems. Though these circumstances affected both countries, the transition processes these two countries underwent were different. As predicted by Bratton and Van de Walle above, Malawi's transition affected its institutional set up more than did its neighbour (Chiponda, 2008; Emmanuel 2013; Maanga, 2014; Tripp, 2012). Some of the changes included a new constitution with new constitutional bodies introduced to march the multiparty dispensations. Tanzania had already started introducing democracy friendly reforms in their institutional set up.

Within the theses of continuity versus rapture, Malawi's transition can be associated more with rapture where complete rapture of the authoritarian regime occurred along with disruption of institutions resulting in the 'rapid passage of power into the hands of the opposition' (Gillespie, 1990, p. 45). The change was propelled by the Catholic Bishop's letter that spelled out what they perceived as bad leadership of the one party rule and called for change. Other groups including pressure groups and labour organisations followed in demanding for change. Western donors also withdrew their support pressing for liberalization and the cookie crumbled in 1993 when the majority of Malawians voted for multiparty system after the government was forced to call for a referendum. This change resulted in multiparty elections in 1994 that saw opposition win and the adoption of the new constitution later (Meinhardt & Patel, 2003).

Tanzania avoided the pressure other countries underwent by initiating the change through the 'Nyali Commission' in 1992, that investigated whether the multipartyism was better for Tanzania. Nyerere, the chairman of CCM in 1990, is quoted in Bakari (2006) as saying:

‘When your neighbour is being shaved, you need to get prepared.’

The ruling party accepted the call to switch the system and became architects to the change agenda gaining the advantage to determine the mode and speed of the transition. As expected from Bratton and Van de Walle’s theory of transitions, (1994) Tanzania’s competitive one-party system had prepared foundation structures for embracing the multiparty system. Lofchie (2014) adds that this preparation had started in the post-independence period when they created an electoral system with a purpose of nurturing participation and contestation within the context of the single party system. Human rights were adopted and incorporated in their constitution as far back as 1985.

The constitution of the country defines the political system that country adopts and reflects the aspirations of its peoples (Chissano, 2000). A review of literature reveals that Tanzania had several changes to its constitution in the post-independence era. It began with an interim constitution in 1960, then it adopted the Independence Constitution in 1961, the Republican Constitution (1962), the Interim Constitution of the United Republic of Tanganyika and Zanzibar (1964), the Permanent Constitution (1977) and an incorporation of the bill of rights in 1985. Malawi on the other hand adopted the Republican Constitution in 1966 had one amendment in 1971 that made Kamuzu Banda President for life (Nkhata, 2014). The bill of rights only found its way into the Malawi Constitution in 1994 interim multiparty constitution.

Malawi’s new multiparty dispensation required that structures and institutions of the state change to suit the new system. Within a short period, therefore different institutions came up including a more representative legislature, new political parties, state oversight institutions and civil society. The process to change the republican constitution also commenced but was not finalized until after 1994 elections due to time limitations. The implication was that the new leaders would now have to decide what changes to prioritise for the new constitution and areas that had been contentious prior to the elections would mostly be decided with the influence of the new leaders. (Africa Watch, 1990; Kaunda, 1989 -1993, Newell, 1995, Posner, 1995, Lwanda, 1996, Chirwa, & Kanyongolo, 2000). For instance, in 1995, parliament repealed section 64 on Recall of Members of Parliament, rendering citizens incapable of removing their MPs from parliament even if they shirk their responsibilities to constituents (Chirwa, 2014). Further changes to the constitution were made after the UDF government gained

parliamentary superiority in 1999 elections. It has been estimated that no fewer than 205 items in the constitution were amended from 1994 to 2005 yet there appear to be many gaps and contradictions among provisions. The report on the constitutional review of 2007 illustrates the lacuna as follows:

the numerous amendments to the Constitution have not been made in a systematic way and have brought about some discord among some provisions.

Law Commission Report No. 18, August, 2007: 13

Unlike Malawi who had to overhaul the constitution to accommodate the new multiparty system, Tanzania only had to amend part of theirs to accommodate some elements such as existence of other political parties and addition of women representatives to the national assembly.

Bakali (2005) is one of the scholars who have studied the process of constitutional development and concluded that it reflects society itself. As constitutions are said to be the social contracts between citizens and their leaders (Shivji, 2000 cited in Koda & Kiduanga, 2005), the history, culture and struggles for power within the system and consensus reached will be the basis for reflections on structuring the constitution. Contents of the constitutions as well as consistency of issues and stability of those constitutions may also reflect policy environment in these societies. The constitutional route travelled by both countries therefore reflects pressures they have been experiencing from societies themselves. Tanzania experienced some changes at the time of independence but thereafter they only had one period of major changes to their constitution in 1985 when the bill of rights was introduced. Thereafter less changes have been experienced unlike Malawi that had a more stable period after first constitution in 1966 to an overhaul in 1994-96. Tanzania has tried to change its constitution for some time, however, the lack of consensus on major issues has derailed any changes. Interestingly politicians have not pushed areas that are softer to change as has been the case of constitutional amendments in Malawi. This can imply that Tanzania's institutions constrain leaders more than Malawi's system.

2.2.3 Agential factors

While structural and institutional factors may be shaped by a chain of events in a polity including political choices and conflicts, these political choices and conflicts are the

work of agency. Agents, also known as stakeholders or actors, can be individuals or collectives, who are, or think they are, affected by the problem or issue and/or its resolution or policy. These actors and agencies operationalise and/or contest challenge and seek to amend or negotiate the rules of the game in so doing affecting the distribution of the resources (Hudson & Leftwich, 2014). The interaction of the political economy factors has often been a subject for discussion especially on determining what factors influence the others. While context will guide the type of institutions formed and guide the policies actors make and institutions restrict actors' behaviour, agency will be associated with a sense of free will as actors make choices from amongst potential courses of action. The advent of democracy in the SSA region increased the space for choice. Voters could choose representatives of their choice while potential candidates had less restrictions to participate in selling their policies to lure voters to elect them.

When considering the capacities of actors or agents one of the key issues considered is power they possess within a polity to influence decisions. Policy actors are those individuals and groups, both formal and informal, that seek to influence the creation and implementation of these public solutions (Cabin, 2012). The key political actors and agencies associated with subsidy programmes in Africa include (a) political elites who set the terms of political and policy debates, (b) administrative/bureaucratic agencies that either lobby for, and/or implement the subsidy policy initiatives (c) the 'deserving' groups and also those considered undeserving, (d) suppliers of materials or services within the subsidy programme. Actors in the policy process can be a player, subject, context providers, and cheerleaders. Actors outside government (non-state actors) are often not direct policy choosers but may provide incentives and constraints that influence the behavior of state actors. (Sudjiton et al., 2015)

While as observed above, the historical events that shaped the two polities under study begin from a society with communalism characterized by egalitarianism, much stress on the actors comes in the struggle for independence when leaders with different interests emerged. Ever since, agential factors have played a big role in shaping the policy environment in these two countries. Leading the agential pack were the founders of the two nations, Kamuzu Banda and Julius Nyerere. While both leaders adopted a one party rule after independence, their leadership styles differed. Operating under the

capitalistic system, Kamuzu Banda ruled Malawi from independence in 1964 until 1994 through a highly arbitrary and personalized system. It has been described by Brown (2008, p. 3) as “one of Africa’s strongest dictatorships” characterized by ruthlessness in enforcement of his commands and brutal repression of any resistance to his rule. Ironically most of his opponents sought refuge in the neighbouring Tanzania where they were welcomed. Tanzania’s transition to one party system happened in a constitutional manner. They adopted an electoral framework that maintained popular participation and allowed competition within the one-party system (Lofchie, 2014). The two countries also differed in their strategies to build their nations. Attempts at Building the nation in Malawi were mainly forceful. Different writers have mentioned Kamuzu Banda’s national building efforts that focused on gaining broad based control for the regime’s political security than building social cohesion. Kaspin (1995) describes networks of regional and district committees and area branches that linked Malawians at all levels to a chain of communication to allay any threats to the regime. Chiefs were also used to capture the rural communities. These were empowered to run traditional courts that would try even treason cases and pass death sentences on political opponents. In Tanzania, Nyerere has been praised for leading the nation building process using the African socialism ideology implemented through the Ujamaa concept that also promoted a ‘singular Tanzanian identity’ over tribal or religious affiliations. Though his socialism was criticized by some section of scholarship like Gerhart (1997); Scott (1999); Johnson (2000) as ‘misplaced philosophical idealism’, his national identity enhancement project, also known as Tanzanianisation, has been held as the foundation for long standing stability carried over to the present day of liberal democracy (Anyimadu, 2016).

Following the fight for independence, Malawi had a team of leaders with various stand points on policy. Cammack (2006) notes that Kamuzu and Bingu Wa Mutharika had clear, documented medium to long term vision/strategies which they implemented. They stood their ground even under external pressures leading to economic crises in the 1980 -90s for the former and in 2011/12 for the latter. Patronage and corruption were centralized only to be practiced by higher echelons of power. This way the two evils were controlled. The rest of Malawi’s leaders have lacked vision and direction. When Malawi changed systems to multiparty, the new leaders rejected almost everything else that was associated with the Kamuzu except Bingu who tried to bring back some

discipline later. Corruption and patronage were decentralized and impunity has been the order of the day. In terms of development policy, they have been dictated by the International Financial Institutions (IFIs) policies. During the multiparty era many frameworks have been introduced under the guidance of the IFIs and most have overlapped. This has resulted in competing views and left more space for international actors to influence policy in various sectors. This has created an environment of uncertainties and policy incoherence. (Chirwa, et al., 2006).

In Tanzania, Nyerere laid a foundation that continues to influence leadership to date (Maanga, 2014). Nkapa and Magufuli have tended to be vibrant in their developmental policy. Mwinyi and Kikwete diverted somehow in their reign, trying to implement more liberal reforms that made them lose ground and accommodate patronage and more corruption. However, despite all these, the need to stay the course set by Nyerere has been the strongest influence on CCM leaders.

2.2.4 Political Factors

The recognition that political decision makers should be subjected to constraints when they make their decisions to avoid the domination of self-interests, is relatively newer. The following statement from the ‘federalist’ disputes the ancient notion where sovereignty rested with the king as the king was entrusted with all privileged to make decisions for the country.

If angels were to govern men, neither external nor internal controls on government would be necessary.

Madison (1788)

Politics is concerned with how actors use power in the processes of cooperation or contestation within the logic of collective action. Pluralism extends the distribution of power to various economic and ideological groups competing for community and government attention (Dewey, 1987). Such social environment creates various competing, conflicting and collaborative institutions, individuals, groups and both formal and informal structures with an interest and role in policy formulation. Influence of politics is therefore an area that cannot be overlooked in decision making and this goes beyond democracies.

Chen (2003, p. 4) provides possibilities on how policies may be influenced in monarchies, autocracies and democracies. In monarchies, the anticipation or stability of dynastic succession is said to lengthen the king's/queen's planning horizon and might be good for long term development, just as in autocracies, the fear of revolt could enhance quality of policy making. However, in both these regimes, the absence of competing powers to constrain the authorities' misuse of power means that power can easily be abused for personal interest (Olson, 1993). In democracies, good policy is said to be enhanced by electoral competition. This competition is assumed to attract people with aspirations that enhance the public interest rather than private ones. An institutional focus on democracy assumes that constraints on politicians and elites, such as electoral accountability, shape the incentives for good policymaking because they discipline incumbent politicians (Besley & Case, 1995). Based on this assumption, Malawi's leaders should practice more accountability than Tanzania because the former holds more competitive elections where the winner is not always obvious. A further assumption in this theory is that citizens are perfectly informed about the policies these competitors present and both voters and politicians simply have no possibility of behaving dishonestly, however, intense their desire to so act (Chauvet & Collier, 2008; Besley, 2006). These assertions about democracy can only be attained in utopian world. The major assumption in these assertions is the existence of a functioning political marketplace where buyers can reward and punish sellers of good and bad products. However, reality of liberal democracy can better be appreciated by ideas of the economic theory of democracy and politics as a marketplace that were later developed for deeper understanding of complexities of contemporary liberal democratic spheres. In the economic theory of democracy, voting citizens are likened to consumers trying

to get the best product for the best price, and politicians are reduced to businessmen trying to market the most attractive product to maximise sales. (Downs, 1957, cited in Hudson and Leftwich, 2014, p. 57)

The product in this case is policy. In the concept of politics as a marketplace, parties compete to win power by responding to the demands of pressure groups, and citizens, particularly voters. These groups will exert strong pressure upon governments to yield to those demands, and thus the state becomes a giver of benefits for example jobs, contracts, services; tax concessions as well as direct cash benefits and other social

services (Grindle, 2001). Most of these benefits will come in form of subsidies and even social support.

Imperfections of the political market place will be caused by different factors such as organized pressure groups whose interests are not in tune with the broader public, uninformed voters, lack of credibility in electoral markets. The theory of collective action states that organized groups of voters apply more pressure on politicians than unorganized groups. If interests of these organized groups are antagonistic to the broader development objectives, countries do not develop. In developing states many organized business interests have captured state machinery to achieve their own interests that deprive the common citizen opportunities to grow. Lack of information will come in several forms: voters may not have information about characteristics of the candidate and their choice will depend on the promises that candidates make or voter buying (Baron, 1994; Grossman & Helpman, 1996); voters may lack information about policies being promised and will face dilemmas in their choices; in some cases, the challenge is in the wishes or preferences of the voters.

Responsiveness to citizens' preferences faces challenges in absence of information because it is often assumed that "a man's (and woman's) wishes and what is good for them will always coincide". Wishing for something of which he lacks knowledge or where information on his wish is costly to obtain, will only result in undesirable policy results. But politicians who want his/her vote will often go ahead and promise the expected rather than end up promising good policies that contradict voters' expressed preferences in what Stoke calls 'betrayal in good faith' which may cost the politician votes (Przeworski, 1999, p. 11). Chen (2003), observes and warns that while priorities and preferences may appear to be minor technical concerns in certain fields, their consequences in public policy can be grave and devastating and their causes may be complex and hard to alter and states have to reap what they sow.

As regards credibility in electoral markets, Keefer (2003) notes that in young democracies political party development and other political institutions are weak with little and no identifiable issue positions resulting in less credibility on broad issues that define efficient government performance. Keefer and Khemani (2005) conclude that, without fixing these 'political market problems', politicians underperform because

there are no incentives to reinforce accountability: rent-seeking prevails, public goods are underprovided, targeted goods are emphasised. One of the means to hold politicians accountable is through elections. In competing to gain power to make legitimate decisions, political actors will be seeking the *mandate*. And the paragraphs that follow explain the ‘Mandate Concept’ as well as how literature predicts possible policy horizons under different party regimes.

2.3 The Mandate Concept of Representation

In the ‘mandate concept’, competing political parties or actors advertise their policies during electoral campaigns through party manifestos and citizens choose the party that best articulates people’s preferred agenda (Samuels & Shugart, 2006; Klingeman, Hofferbert, and Budge 1994; Manin, Przeworski, and Stokes 1999; Powell 2000; Stokes, 2001). In democracies, much as decision making will take place at various times throughout the regime’s life, the most important agenda setting will take place during the elections period. Quinn (2014, p. 6) uses the Westminster Model of democracy, to demonstrate how elections serve to legitimize regimes to implement their policies. The party that wins the election is considered to enjoy a democratic mandate to implement its manifesto policies because they are assumed to have secured the ‘imprimatur of democratic legitimacy’. According to the Westminster model, other than having the right to implement its policies, government has an obligation to do so, as it was elected based on the promises articulated through its manifesto.

Election manifestos play a crucial role in this theory of government and can be traced back to Robert Peel’s Tamworth Manifesto (1834, p. 2), in which he argued that confidence in government required electoral candidates to make ‘frank and explicit declarations of principle’. Quinn (2014) however, notes that manifestos nowadays, normally cover a wide range of policy issues, such as economic policy, public services and foreign affairs. This multiplicity of issues dilutes assumptions in Peel’s and Westminster’s models. Quinn (ibid) and other scholars have questioned how to detect which particular policy amongst the many covered will have moved the citizens to support a party’s manifesto. The controversy about mandates is further reflected in Pitkin’s (1967) substantive dimension of representation where representatives have to prioritise real needs of the people rather than perceived ones. How information is gathered on people’s needs therefore matters, unfortunately information forms one of

the biggest shortfalls in representative democracy in the developing world. Another dimension of controversy comes in the mandate – independence divide. In the mandate dimension representatives act as delegates with binding set of instructions from the represented (Manin, 1997) while in the independence dimension, the representative is a trustee who represents interests of the represented, the public or the nation as he judges best (Eulau, et al., 1959).

Mandate theory can therefore influence the general policy framework as well as particular policies like introduction or reversal of subsidy policies. The perceived preferences of the potential voters will drive politicians to design their manifesto promises in that direction. Introduction, upscaling or reversal of policies can be influenced by the search for political mandates. Pressure to stay in power, in case of ruling parties, or get in power, for those in opposition parties, influences the type of policies proposed in manifestos and pressure to fulfil them can influence the policy infrastructure that the country has, sometimes making and at other times breaking institutional framework of the economy.

Policy issues in manifestos are negotiated by different actors and groups within each party and offer the most official statement of a party's policy proposals. Queen (2014) further notes that in situations of hung and coalition parliaments it is difficult to claim people's mandate based on manifesto of a leading party that got less than 50% votes. Moreover, few voters bother to read manifestos. Hill (2005) however, uses the Netherlands divided system to demonstrate that even under such divisions parties will come together and draw up an agreed policy programme that reflects elements of their manifestos. It is therefore still not invalid to contend that policies that follow the election of a party/parties into government will largely be influenced by the manifesto/s that got them into power.

In developed democracies the economic-related theories of democracy explained above have a higher chance of succeeding as knowledge is more widely spread beyond the boundaries of (central) governments, and experts and international institutions play a big and visible role in communicating knowledge within the public debate on political issues (Albaek & Christiansen, 2003). The developing world, however, has a different story with 'market imperfections' complications explained above as well as social

fragmentation and polarisation leading to voting along ethnic lines and citizen failure to punish ‘their’ politicians for poor performance. These make politicians engage in narrowly self-serving, rent-seeking, or corrupt behaviour and/or tend to underprovide public goods. In some cases, politicians can make credible promises only to targeted groups with whom they have developed a patron-client relationship. Politicians may also underperform because there are no incentives to reinforce accountability (Keefer & Khemani, 2005, p. 7). Keefer and Khemani’s warnings here come along the lines of Chen’s warning above, that we should never assume that government’s interest in policy processes will always be developmental. Government’s interests will often vary depending on the incentives offered by the system.

2.3.1 Mandate Policies vs Medium to long term development frameworks

The question often raised when discussing mandate policies is on whether politicians are going to introduce policies that have a developmental or welfarist objective taking care of voters’ immediate needs. The latter often becomes attractive and can quickly win votes for a politician especially in societies living by hand to mouth lifestyles perpetrated by illiteracy and poverty. Song and Davis (2016) raise an important point commonly held by prodemocracy advocates during the cold war and even recently, that long term planning and democracy are incompatible. While long term planning requires continuity, learning and adaptation, frequent elections in democracy and incumbency turn over can disrupt policy pathways and incentivize public officials to focus on highly visible short-term gains. Policy reversals are frequent in old democracies like the US and often expensive for instance, during the Trump’s term of office, Obamacare was at the centre of controversy having been instituted during democrats (President Obama’s) era and attempts were being made to reverse it during the Republicans (President Trump’s) era. It was estimated that repealing the Obamacare would increase the budget deficit by \$350 billion over 10 years (Jiayu, 2017). While in a developed economy like the USA this becomes a concern, it should matter more in developing economies like Malawi and Tanzania that rely on aid to survive.

The Africa Conference in Maastricht in 1990 that influenced African countries to formulate long term visions, recognised that for Africa to develop, there was a need for long term planning that must be endogenous responding to national needs and aspirations (Global Coalition for Africa, 1992). Long term planning has often been

associated with the command or planned economies associated with communist countries common before the fall of the Berlin Wall. The stress in the 'New' national development planning movement is on wide participation of citizens in the planning process rather than the centralised decision making associated with the communist regimes then. Other than the National Long Term Perspective movements that influenced the long term visions in Africa, UNDP has also led in the formulation of the long term global agendas like Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs).

The development of Malawi's vision 2020 was influenced by the 'Africa Conference' and recognized the impact of longer term perspectives to economic successes in East Asian economies such as Korea and Malaysia among others (Malawi National Economic Council, 1998). But the 'Asian tigers' have been described as 'capable developmental states' with "ideological underpinnings that (are) developmental and that seriously attempt to construct and deploy (their) administrative and political resources to the task of economic development". Two components are important here; ideological, where the mission is to ensure economic development and capacity for economic policymaking, implementation, and efficient policy monitoring. The question then is: do SSA states like Malawi and Tanzania possess factors that would qualify them to be called or develop into developmental states? Developmental states of Asia have not been considered democratic as they do not fulfil all requirements of a liberal democratic state nor do they fit the description of authoritarian state. However, they possess attributes for policy stability with strong institutions for state autonomy and bureaucratic continuity (Caoili, 2005) and these are basic tenets that determine the quality of policies the country will adopt, including subsidy policies and their effective implementation. The Malawi Growth and Development Strategy III acknowledges the extensive process of formulating these instruments and why they should be the main documents guiding formulation of party manifestos:

Since National Development Strategies are designed after extensive stakeholder consultations, the political party manifestos should focus on translating the already developed national vision and medium term development objectives.

MGDS III, Page 41

Understanding this argument however, has been difficult in an environment where votes form the important element of incentive package for politicians.

2.4 Subsidy Policies

Subsidies have generally been perceived as giving or receiving something for free. World Trade Organisation (WTO) defines subsidy as financial contribution by a government, or agent of a government, that confers a benefit on its recipients (Steenblik, 2020). Hoek-Smit (2008) disputes simple definitions of subsidy as misleading. She portrays subsidies as an incentive for consumers or producers to behave in a certain way and uses the following 1969 US Congress definition:

An incentive provided by government to enable and persuade a certain class of producers or consumers to do something they would not otherwise do, by lowering the opportunity cost or otherwise increasing the potential benefit of doing so.

Schwartz and Clements (1999) define a subsidy in more comprehensive terms to describe categories as follows:

direct government payments to producers or consumers (cash subsidies or cash grants); government guarantees, interest subsidies to enterprises, or soft loans (i.e., low-interest government loans) (credit subsidies); reductions of specific tax liabilities (tax subsidies); government equity participations (equity subsidies); government provision of goods and services at below-market prices (in-kind subsidies); government purchases of goods and services at above-market prices (procurement subsidies); implicit payments through government regulatory actions that alter market prices or access (regulatory subsidies).

From the definition to the types and reasons for their use, subsidies have courted controversy at both domestic and international levels. World Trade Organisation has been at the centre of stabilizing conflicts between rich and poor nations following accusations from both sides on the application of subsidies and its effects on economies of other countries.

Ideologically, subsidies have not been associated much with capitalism nor neoliberalism, where the central theme of liberty meant, that there should be no artificial impediments to trade, markets, and exchange (Peet & Hartwick, 2009). The highly

progressive systems of taxation advocated by socialists to temper class distinctions fits more in the subsidy concept. This taxation limits the rate at which wealth may be accumulated and redistributes it so as to alleviate poverty and ensure equality of opportunity. The rejection of redistribution tendencies became very apparent during the oil crisis in the late 1970s and early 1980s that led many African countries into a crisis in the balance of payments paving way for the neoliberalist Brettonwoods Institutions to pounce with the Structural Adjustment Programme (SAPs). By 1979, IMF was already demanding the balancing of payments through reforms like devaluation and retrenchment in public service.

Under pressure Dr Banda in Malawi adopted the reforms, while Nyerere in Tanzania, stepped down paving way for Mwinyi who carried out the reforms such as devaluation of the currency, as well as opening up of the economy to the private sector. The massive expenditure cuts meant that most of the social sector suffered including education. Experts estimate that the Tanzanian economy was pushed back 25 years (Bryceson, 2017). Malawi, having been the first country to adopt the World Bank and IMF sponsored SAPs in southern Africa experienced worse economic problems (Chipeta, 1993; Chirwa, 1997). According to Chirwa (2004), major economic reforms in Malawi took place between 1987 and the first quarter of 1995 mostly targeting the agricultural sector notably the deregulation of agricultural marketing activities in 1987, removal of fertilizer and other subsidies between 1984 and 1992, deregulation of special crops production by smallholder farmers by 1992, devaluation of the Malawi Kwacha and its eventual floatation in 1994 and the liberalisation of prices from the 1995/96 season. These policies were reinforced by other economic reforms such as removal of trade barriers, liberalisation of the financial sector and interest rates and implementation of trade agreements. By the first quarter of 1995 most of the policies had been implemented.

The SAPs exposed developing nations to more problems and the affected nations were reduced to a state of dependency (Moyo 2009, p. 19). Stiglitz (2006) notes that the IMF programmes made life difficult for developing nations and clearly worsened the East Asian crisis. And the one-size-fits-all prescriptions could not capture complexities in the world of development. The Sub-Saharan African region experienced regression in economic growth and worsened inflation due to weak institutional framework. In an

effort to mitigate this situation, the donor community led by the World Bank itself implemented a wider social programme that brought back subsidies and general social protection programmes including safety nets (Graeber, 2009). Earlier attention by the neoliberal regime was focused on micro credit and microfinance schemes but later an extreme of social protection, the cash transfers, have become the dominant means for implementing the anti-poverty projects (Roelen & Devereux, 2013; Ferguson, 2015; James, 1959).

Global Subsidies Initiative (GSI) observes that around the world, over a trillion dollars a year goes to subsidies (Steenblik, 2020). This figure elaborates the central role that subsidies play in the world economy. This role has been assessed as developmental and non-developmental by different actors. This becomes clearer when one takes a closer look at reasons for applying subsidies in various economies.

2.4.1 Justification for Subsidies

Subsidies have been used for different purposes. Kelman (2004) provides three uses which he calls economic: offsetting market imperfections; exploiting economies of scale in production and meeting social policy objectives like protecting the poor. Standard economic theory offers two broad rationales on how subsidies could improve free-market economic outcomes: By providing resources to the poor and underprivileged, where well-designed subsidies bring about a more equitable distribution of economic well-being than that generated by an ‘unfettered free-market economy’, and; through correction of failures of the market mechanism to create an efficient allocation of goods and services (Triest, 2009). The World Trade Report (2006) particularly mentions industrial development, innovation and strategic promotion of industries, adjustment to changed economic circumstances, redistribution of income or purchasing power, environmental protection, among the policy objectives for which governments apply subsidies. The human development movement led by UNDP (HDR, 2000) advocates for rights-based approaches where provision of social services becomes a fulfilment to fundamental human needs. Generally, subsidy supporters have often justified them on grounds of addressing issues of exclusion and equity or economic justice (OECD, 2013).

Within the field of economics however, conflicting views have come up on the issue of subsidy. While Keynesian protagonists see subsidies as a solution to market imperfections, market economists' predominant view is that an activity worth undertaking must meet the market test: i.e. existence of sufficient demand for the private sector to profitably engage in the activity. To this school of thought, the need for a subsidy is a signal that the activity fails the market test, and so may not be worthwhile (Triest, 2009). Phang (2011) supports this school of thought by emphasizing the inefficiency and ineffectiveness of subsidies especially those run by Government. Okun (1975) likens the inefficiencies in the redistribution of public resources to a leaky bucket where some water is lost on the way while some gets delivered to the destination (i.e. redistribution still does occur). An obvious source of "leakage" in programs designed to address inequity is the administrative cost of running the program. Other sources of leakage include distortion of the incentives, for instance, those that discourage poor people from working and saving as well as distortions caused by individual decision makers and implementers with a view to maximise extraction of rents. As these resources have to be paid for by taxes from the citizens, issues of efficiency and effectiveness of such programmes have to be considered. Different approaches have been advanced to try to solve the efficiency and effectiveness challenge.

2.4.2 Subsidy approaches

The administration of most subsidies has followed either a universal or targeting approach. Mkandawire, (2005), is of the view that ideologies play a bigger role in the choice of these instruments. He singles out socialist ideologies that have historically been concerned with issues of poverty eradication, nation building, citizenship and social cohesion. These ideologies have tended to prefer universalist approach to subsidy implementation. Universalism has been criticized on the bases of financial constraints, and influence of political coalitions and social pacts in its implementation, also referred to as capture by the elite. Politics where universalism has been practiced most, experienced urban biases, biases towards social groups linked to the ruling classes and marginalized large sections of the populations (Areskoug 1976; Arrighi 1973). With the influence of structural adjustment policies in the 1980s and 1990s, however, the scope for administering subsidies and social programmes became limited. The minimalist government concept reduced government's social responsibility as

preference was given to market delivery of social services. The challenge of resource constraint among the Sub-Saharan African governments further limited this choice such that targeting became the preferred means for delivery of social services to the “deserving poor” (Mkandawire, 2005, p. 2). Aid dependent countries like Malawi have since received and adopted programmes that follow this pattern of implementation. The question that Mkandawire asks is whether values of such polities are served through such modalities of implementing social programmes.

Sen (1995) and Rothstein (2001) claim that self-selection methods used in these programmes are often accompanied by humiliating procedures in an effort to keep out the non-deserving. Such practices as rationing and queuing, inconvenient centres for distribution, and often the supply of goods and services of inferior standards have been cited. Stigmatization of the poor therefore, often follows these practices. There is also likelihood of paternalistic and clientelistic practices by bureaucracies and politicians privileged with discretionary power to control the poor in their jurisdictions. Opportunistic behaviour has also been observed on the part of the clients. In other communities targeting will lead to conflicts as more citizens consider themselves as equally poor and deserving. In such cases community heads choose to divide the ration received by the few equally among all house hold to ensure maintenance of solidarity within the community (Klugman, 1999).

2.4.3 Subsidies under different regimes

This section examines how two extreme regimes, autocratic and democratic regimes have been associated differently with subsidy decisions for a long time and the rationale for this association. The analysis uses the public/private and economic/welfare enhancing dimensions. The Public/private dimension examines their tendency to offer public or private goods, the former being less excludable than the latter; and the latter hinges on whether policies will be economic and welfare enhancing.

The Public versus Private Goods Argument

One of the central themes in political economy literature is power: of the majority (Hanson, 2016); elite power (Ross, 2006); and the rational actor theory (Keefer & Khemani, 2003). These have major influences on subsidy decisions. Hanson (2016) advances the democratic values where leaders have to be accountable to larger

coalitions or populations, a major factor for re-election, hence under such leadership, spending will be directed more towards public goods than private interests. Democracies are tipped to influence spending on larger groups of people for accountability (Nelson 2007). Lake and Baum (2001) also advance the idea of a political market (also highlighted by Hill, 2005, above), marked by openness and contestation that influences politicians to target larger populations. Keefer and Khemani (2005) further support that democracies are more likely to encourage debates capable of reconciling competing perspectives on the issues of allocation of resources. These scholars however, recognize the challenges citizens face in accessing information about technical details on proposed policies hindering their effective participation. This information asymmetry is more apparent in the developing world. The consequence of this disparity is that public spending decisions are likely to favour interests of the more powerful populations with veto power on policies meant to benefit the larger public (Ross, 2006). Furthermore, the rational actor theory, contends that other than just their wish to retain office, politicians have to keep revenue for their own use (rents) and will only allocate resources to the constituency that can retain them in office (Keefer & Khemani, 2003).

Lizzerri and Persico (2001) as well as Mesquita et al. (2003) highlight the dilemma that politicians face between spending on public goods and pork barrel spending benefiting the winning coalition. In non-democracies/autocracies the assumption is that leaders face less pressure to deliver public services and will therefore provide less public goods as compared to democracies. They will prefer to appropriate public funds and distribute them in the form of private goods to their political supporters. This assumption leads to the conclusion that non-democracies promote bad policy due to the regimes' incentive structure (Mesquita et al., 2003; Besley, 2006; Besley & Kudamatsu, 2007; Gallagher & Hanson, 2009; Mares & Carnes, 2009). While agreeing that all things being equal, the group in power, will choose policies that maximize its private interests, Ecomoglu and Robinson (2000) observe that the fear that dogs democracies will also affect elites in non-democracies. Dictators fear individuals within their ranks as well as different social groups. Therefore, non-democracies strive to ensure that no group becomes unhappy to be tempted to overthrow government.

Democracy advocates claim that the system facilitates the realization of economic growth through several means including strengthening institutions of accountability. It is also defended for redistribution in favour of social provisions in more unequal societies thereby improving human development (Vollmer & Ziegler, 2009). A rather radical view has been presented by Galenson and Schweinitz, (1959) who blame democracy itself for failure of development as they claim that it “unleashes pressures for immediate consumption, which occurs at the cost of investment, hence of growth”. This view has been strongly echoed by Rao (1984, p. 75), Huntington (1968) and Huntington and Dominguez (1975), who illustrate further by stating that economic development requires huge investments in personnel and material, implying cuts in current consumption that bring pain at the low levels of living.

According to this school of thought, democracies, owing to their need to cater to a broad electoral base, will have more extensive social policy commitments. As broadly distributed social spending including subsidies are known for being welfare enhancing, the argument further states that such policies may not be developmental. Likewise, democratic freedom in pluralism theories, permits interest groups to organize and press for the increase of social spending (Haggard & Kaufman, 2008). These interest groups benefit from ruling parties, when they become suppliers of goods, for instance under subsidy programmes, inflate their prices to improve their economic standing so they can in turn reward the incumbent government with cash for campaigns. Contrary views have come from Botlhale et al., (2015) who argue that even authoritarian governments introduce some social programmes associated with immediate consumption as a way of ‘buying social legitimacy or fending off pressure for implementation of democracy’. While these arguments explain why subsidies are offered when it is not economically justifiable, they also help to explain the resistance to their removal.

The arguments above point to the fact that adoption of subsidy policies will to a large extent be determined by incentives and security of tenure of the incumbent regime be it authoritarian or democratic hence political stability becomes key to issues of policy choice. New Institutional Economics emphasize that successful development will depend on a political and institutional environment aligning the political incentives facing governments with the requirements of economic growth and improved social welfare. Where incentives and developmental imperatives are at odds, policy making

and implementation will attract political opportunism (Ames, 1987; Acemoglu et al., 2001; Kaufmann & Kraay, 2002; North 1990; Rodrik 2003). But as acknowledged above, there is a general agreement that regimes facing imminent threats to their hold on power often have shorter time horizons as their priority will be survival (Levi, 1988). As the hold on power is reinforced by political parties, the role played by stability of party regimes in influencing policy choice needs to be examined through party regime types.

2.4.4 Political Party Regimes and Policy Horizons

Following the ‘third wave’ of democracy whereby clear-cut dictatorships have transitioned into democracies in most African states, a broader distinction of regimes that has become more relevant is that between dominant and competitive party regimes. Various criteria have been used to distinguish party systems, but most significant have been distinctions based on: 1. Number of parties competing for power in a polity – this has attracted much attention and party systems have been categorized as one party, two party (or two and a half) and multiparty systems (Duvenger, 1954, cited in Heywood, 2002); 2. Relative size of political parties as reflected in their electoral victories as well as parliamentary strength, where major parties referred to as ‘ruling’ exist along with minor parties referred to as opposition (Sartori, 1976). 3. Relations within the party system which can be marked by consensus and cooperation or conflict and polarization. Such systems have been associated with linkages with political culture, ideological orientation and tradition and history of that country. Stability or instability of the country is often associated with this aspect. Most common categorization in the countries associated with the third wave of democracy is Sartori’s dominant and competitive party systems.

a. Competitive Party System

Political party competition in multiparty systems is favoured to encourage innovations, create internal checks and balances within government supported by debates, conciliation and compromises. Competitive party systems encourage coalitions that can enhance the search for competing views and contending interests. There is however, need to note that such competition is better practiced when guided by existence of good institutions to breed better policy. Competitive party systems are however, not homogenous. While some competitive party systems are stable, instability within this

competitive environment is also a matter of fact. Stability or instability in competitive party systems is often associated with levels of fragmentation and polarization of parties within the polities (Salih & Nordlund, 2007).

It is generally agreed that fragmentation is associated with larger numbers of political parties in the system where none dominates the legislature while polarisation entails ideological distance between parties in a polity. These two phenomena give party systems their character (Avcu, 2013; Sartori, 1976). The matrix below shows the possible mix of these dimensions:

Table 2. 1 Matrix on Polarization and Fragmentation

	Low Polarization	High Polarization
Low Fragmentation	1	2
High Fragmentation	3	4

Box 1 situation is said to lead to two party system whose ideologies do not differ much while box 2 with low fragmentation and high polarization is compared to the US party system also dominated by two parties but with very different ideological base. Box 3 with high fragmentation and low polarization has been called segmented or fragmented multiparty system and 4 is called polarized multiparty system and is assumed to be dangerous to stability of the political system (Sartori, 1976, p. 119-216; Linz & Stepan, 1978, p. 24-27). This thesis considers both fragmentation and polarization as important factors in exploring political influences on policy formulation, and factors leading to fragmentation and polarization must feature more in the debates on the shaping of an African state to understand the current policy environment.

As stated under structural factors above, colonial governments propelled ethnic identification in many African states, as such, fragmentation was anticipated at independence as parties were likely to be formed based on such cleavages. However, in those countries where the struggle for power was prolonged, deeper ideological commitment formed the bedrock for the subsequent efforts at national building (Huntington 1968; Giliomee & Simkins, 1999). Tanzania is viewed as one falling in this category. On the other hand, where the fight did not have a distinct nation-building

agenda and simply relied on broad coalitions to gain power, stability was rare. The best way to rule was to consolidate the power through dictatorships. Most countries where the former case persisted for long periods are said to have turned into dominant party systems.

b. Dominant Party Systems

Under dominant party systems, conditions are almost improbable for the opposition to claim victory in elections (Laws, 2016). Strategies that have often been used to acquire such domination include terrorism and intimidation of the opposition and civil society, monopoly of state resources, corporatism (agreements/pacts between elites), patronage and reliance on ‘kinship’ contacts between the citizens and government, centralizing political and economic power, controlling the selection of political leadership in the interest of the ruling party, manipulating elections and electoral systems. Such systems are also referred to as hybrid or semi authoritarian regimes. It should be mentioned that this reference has mainly been influenced by the scholars who engaged in the assessment of consolidation of democracy after the third wave led by Huntington’s two-turn over test. In this conception, consolidation only occurs with regime change when winners of founding elections have been defeated in subsequent elections and ‘new winners themselves later accept turnover (Karume, 2004, Kuenzi & Lambright, 2001).

Further reviews of dominant party systems especially in the Southern African region have shown that dominant party systems will not be created only through authoritarian tendencies described above. The Electoral Institute of Southern Africa (EISA) conducted a study of one-party dominant systems in the region namely: the ANC (African National Congress) in South Africa; SWAPO (South West African People’s Organization) in Namibia; CCM (Chama Cha Mapinduzi) in Tanzania and BDP (Botswana Peoples Party) in Botswana and found that all these have relied on what Friedman (1999) refers to as “founding myth”. Their role in spearheading the fight against apartheid and the prolonged struggle for independence involving deeper ideological commitment cemented their grass root support and legitimized their dominance (Karume, 2004, Kuenzi & Lambright, 2001; Huntington 1968; Giliomee & Simkins, 1999). While incumbency provides dominant parties with advantage to sustain ‘stable roots in society’, political competition has been allowed in these countries with regular and open competition whereby opposition parties are free to mobilise support

and civil liberties are somewhat guaranteed. In Pompel's words, domination at the end of the day is "an art far more than it is an inevitability" (Quoted in Friedman, 1999). While acknowledging concerns on the quality of democracy in these states, EISA contends that dominant parties within the region courted the loyalty of electorate through positioning themselves in the party system 'tactically and prudently'. (Karume, 2004).

According to predictions on transitions by Bratton and Van de Walle, (1994) in section 2.2.2 on institutional factors above, personal dictatorships transition into fragmented party systems as they are conditioned by institutional weaknesses and are also characterized by the lack of participatory culture. Competitive one-party systems on the other hand stand a better chance for democracy consolidation since they will have prepared foundational structures for participation as well as contestation. Continuity rather than rapture of the system was therefore not a surprise when Tanzania transitioned into multipartyism.

Implications of party regimes on policy is elaborated by the study done by Niles (1999) on social protection whose findings, presented in table 3 below, highlight connections between regime types and policy horizons. Although this study targeted social protection, the results can be applied on incentives for driving the adoption of subsidy programmes under different party regimes.

Table 2. 2 Party Regimes and Policy

Regime Type	Characteristic	Expected Result on Policy
Competitive democracy		
<i>Democracies with a stable party system</i>	The party system revolves around a small-number of programmatic parties with high levels of party discipline. The underlying electoral rules include high barriers to new parties and high costs to party switching.	The effects of these are that politicians can work with longer time horizons and lower information costs; they also need to appeal to broad constituencies in order to remain in power. Politicians seek a broader electoral alliance.
<i>Fluid and fragmented party system</i>	Electoral rules include low costs to new parties, high number of often personalistic parties, low party discipline. There is presence of too many veto players.	This results in shorter time horizons and higher information costs; parties and leaders can remain in power by appealing to a narrow constituency. The electoral system discourages the provision of public goods;
Non-Competitive Democracy		
<i>Elected competitive authoritarian regimes (Dominant party system)</i>	Electoral rules include regular elections with low numbers of opposition parties, while the ruling party always wins the presidency and a majority of seats in the legislative assembly.	This leads to longer time horizons and lower information costs, with popular appeals more likely than force. Tendency to rely on temporary, targeted safety nets, implemented in a top-down. Maintenance of political legitimacy and social control priority.
<i>Non-electoral regimes</i>	With irregular elections and non-acknowledgement of electoral defeats	These governments are the least likely to protect the poor. There is little incentive to cultivate electoral support, with force more likely than electoral appeals

Source: Niles (1999)

The table shows that certain forms of party systems are more effective than others at creating incentives for regimes to deliver on social protection. Democracies with stable party systems and elected authoritarian (dominant party) systems are likely to choose more progressive policies than do non-elected systems and democracies with fragmented party systems. The table further demonstrates that under both autocratic and democratic regimes, decision making on longer term developmental policies may be challenged and better performance will be realized when institutions governing the system are strong and bring stability. The importance of this table to our study is that it connects policy to politics and provides conditions for predicting likely pathways in the combinations of political systems and resultant policies. Based on the table therefore,

Malawi, having a somewhat competitive party system might be a bedrock for longer time horizon on policy, however, the presence of high number of parties along with blurred ideological distinction across parties pushes it to a fragmented system not conducive to longer time policy horizons. Tanzania on the other hand has elements of elected authoritarian regimes that assures stability, raising expectations that its policy horizons are likely to be longer time. Hunger for short term policies is likely to dominate the Malawi Polity more than the Tanzania's polity.

2.5 Subsidy Policies in Sub-Saharan Africa

A variety of subsidies have been implemented on the African continent since independence and in various areas including agriculture, energy, housing, health and education (Dionne & Horowitz, 2016). Implementation of subsidies in the 1960s and 70s, was more aligned to the improvement of the social welfare of the population influenced both by socialist ideologies in countries that adopted socialism and Keynesian interventionist perspectives in more capitalistic regimes. As observed by Mkandawire (2005, p. 2), the “dearth of the nationalist, solidarity and citizenship values” resulting from the “rise of the right” during the structural adjustment era influenced limitations to social policy. Abuses in the management of social service provision by nationalist leaders also assisted the neoliberal movements to justify the removal of most of these universalistic policies. The era of poverty reduction strategies that coincided with the reintroduction of multi-party systems of government, therefore, has placed fundamental faith in the market and where the need for the provision of subsidies is felt, targeting has become the dominant approach used.

Remedy for widespread poverty caused by SAPs in the developing economies, came in two packages: social protection programmes from the development partners encouraged by the World Bank and poverty alleviation programmes implemented by the national governments (Chirwa & Munthali, 2002; Adesina, 2011). Both programmes involve subsidizing of goods and services. While removal of subsidies in such areas as health and education has been slow, the process was relatively faster in the areas that are more directly linked to the market such as agriculture. With tight budgets, developing nations have been placed in a tight corner and have less space in their choices of policy hence subsidy policies have not been a preferred favourite till

recently. Sporadic subsidies in the area of agriculture were reintroduced due to widespread famines in the developing world. The mid 1990s saw widespread reintroduction of these subsidies following agricultural revolution in East Asia and successes in applying subsidies some African countries that resulted in drastically countering hunger (Jerven, 2013). Some governments have gone a step further to reintroduce other more controversial subsidies in the areas like housing, raising suspicions on the justification for such decisions. Rather than wholesale study on subsidies, most of which are introduced by donors as safety nets, the focus of this study is on government-led subsidy policies. Most of government led subsidies in Africa have been applied to the agricultural area. Some interesting developments in the area of subsidy programmes have also been observed in the housing area. Sections below discuss issues and implications of these subsidy policies especially in the developing world.

2.5.1 Policies on Subsidies in Agriculture

History of subsidies in Agriculture has it that Sub-Saharan region had a fair share of subsidies in the period after independence as they tried to make up for the development of these newly independent countries. As state intervention was wide spread at this time, the subsidies were heavily controlled by the state and took the ‘universal’ approach (Dorward, 2009). While trying to make food available and increase trade with the surplus, the subsidies were also meant to familiarize farmers on the use of fertilizers and other modern farming methods and farm inputs. This succeeded. However, subsidies proved expensive and government systems through which they were administered proved inefficient. Moreover, the system benefitted some business monopolies more than targeted farmers (Banful, 2010). Eventually, with the introduction of SAPs, in the 1980s, subsidies were banned.

The success of the green revolution in Asia contradicted the 1980s and 90s popular belief that rated agricultural subsidies as inefficient and ineffective. Africa has since seen the resurgence of large scale subsidy programmes as the continent fights chronic food insecurity and economic stagnation. (Minot & Benson, 2009; Dorward & Morrison, 2015). Researchers in the field of agriculture have argued that subsidies may be critical to poverty reduction and supporting supply chains as well as rural input and output markets if the circumstances under which they are implemented are ‘right’

(Dorward et al., 2004). They, however, recognize the possible harm that expansion of market interventions and subsidies can bring if they are no longer necessary. Recognition of the ‘right’ circumstances therefore, matters. Ghins et al. (2017) add on the necessity of balancing public expenditure on agriculture and further increasing efficiency and coherence of policies in this area as doing away with subsidies may have short term repercussions.

a. Input Subsidies (ISPs)

Jayne and Rashid (2013) claim that the resurgence of input subsidy programmes (ISPs) in Africa was driven by five principal forces summarized as follows: (i) Highly Indebted Poor Countries (HIPC) debt reduction; (ii) a shift in donor support from aid conditionality to direct budget support; (iii) higher world food prices since 2008; (iv) a shift in the World Bank’s position on ISPs, which prior to 2000 worked hard to limit or end them (World Bank 2007a) and in recent years has co-financed them in countries like Tanzania, Malawi, and Ethiopia; and (v) the discovery by African leaders that ISPs were politically popular among voters and could help win elections. As this study examines the influence of mandate concept on subsidy policies, the last claim attracts the interest of the author. Jayne and Rashid (ibid) have expounded further on factors that seem to be responsible for the political dimension that drives the adoption of the ISPs. They highlight that ISPs are a highly demonstrable way for politicians to show their support to constituents as apparent beneficiaries are clearly identifiable though real losers are not. Jerven (2013) claims that politics of ISP statistics aids the concealment of possible real losers, the taxpayer. Another factor is that as results can be realized within a year, the ISPs provision fits interest of politicians who generally tend to prioritize programs that provide visible payoffs to showcase while still in office (Bueno de Mesquita et al., 2003; Clague et al., 1996; Nordhaus, 1975). On the contrary, expenditures on crop R&D and physical infrastructure have been repeatedly found to generate massive benefits to society but over a longer period (e.g., EIU, 2008; Fan et al., 2008; Masters et al., 1998). A third factor is that ruling parties can use ISPs to consolidate their influence over electoral outcomes (Banful, 2011; Mason et al., 2013). And finally, knowledge that high-income countries routinely subsidize their farmers, ready African policy makers to counter outside criticism, no matter how well intentioned, as ‘hypocritical meddling influenced by perceived aims of foreign governments’ Jayne and Rashid (2013, p. 549).

The re-emergence of large scale subsidy programmes in the SSA has often been associated with the Malawi government who introduced the Starter Pack Scheme (SPS) in 1998 involving Targeted Input Programme (TIP) (Banful, 2010; Chibwana et al., 2014). Other countries followed encouraged by the Abuja Declaration on Fertilizer for African Green Revolution where AU countries sought to increase agricultural productivity through smart subsidies on farm inputs especially fertilizers. As compared to universal subsidies, smart subsidies were supposed to: target farmers who do not apply fertilizer due to poverty and other vulnerability reasons; utilize and support private supply networks that exist already; Devise exit strategies with time limit on the support. These characteristics would ensure that commercial input sales would still exist while promoting pro-poor growth. Non-governmental supply networks would enhance efficiency and sustainability while the exit strategies would reduce the risk of capture by politicians (Minde et al., 2008; Tiba, 2009, cited in Baltzer & Hansen, 2012). But after attempts at making input subsidies smart, the general consensus is that the ‘smart’ levels are an ideal yet to be attained in the SSA region. Failure rate ranges from country to country and so does the government reaction (Morris et al., 2007).

Ghins et al., (2017) in their analysis on trends of input subsidies in 9 SSA countries, and found that the structure of input subsidies for the period 2006-2013 differed across countries. Unlike the common understanding that equates input subsidies to variable inputs, materials such as fertilizer and seeds, other expenditures like subsidized capital (on- farm equipment, for instance) and subsidized on- farm services (inspection, for instance) formed part of the input subsidy contents. Input subsidy package therefore goes beyond seed and fertilizer. The study further revealed that input subsidies tend to become engulfed in agricultural budgets over time, leading to sub-optimal execution rates. Primarily these subsidies are funded by the national taxpayer, while donors invested more in public goods. Findings also confirmed that input subsidies crowded out other spending categories likely to be more supportive of long-term agricultural development objectives. The study recommended that analyses of input subsidy programmes should be directed at making more concrete efforts to attain a better balance of public expenditure on agriculture and that, policy- makers should aim to increase the efficiency and policy coherence of input subsidies, since merely abolishing them is likely to be unfeasible in the short term.

2.5.2 Housing Financing and Subsidy Policies

Benefits of good housing to the economy have been highlighted in much of the literature such as: enhancing economic performance (Glossop, 2008); benefiting the local economy directly through trade on materials, and labour as well as indirectly through such ripple or multiplier effects on local trade propelled by expenditures by those who benefit from provision of labour etc (Wardrip et al., 2011). Health living is also promoted through good and decent housing as confirmed in the study by Cattaneo et al. (2007 cited in Arnott, 2008) undertaken in Mexico where improving houses significantly decreased infections such as diarrhoea and improved children's cognitive development.

Arnott (ibid) describes the challenges that government policy in developing countries faces on deciding how to shape housing policy. The challenges can be summarized as follows: 1. The informality of the economy in developing countries making it difficult to measure people's incomes for effective resource redistribution; 2. Most needy households live in unauthorized housing structures and this makes the regulatory state less willing to support these unless slum upgrading is part of the support; 3. High demand for housing in these countries renders the state helpless in view of fiscal capacity. Collection of taxes to fund such programmes from the informal sector is after all a challenge for these governments; 4. Redistribution in developing countries is best undertaken by the local government as they are better able to identify the real needy. But as observed by Moyo (2004), the subsidiarity is not effective in these countries as local authorities are not devolved enough with most still under delegation from central government. The challenges sound enormous in view of competing areas for government interventions and in the face of limited resources in the developing world. Arnott (2008) therefore observes that most economists have argued for less government intervention in the housing sector based on these challenges among others.

Katsura and Romanik (2002) however, justify government housing assistance from the social safety net perspective where adequate shelter is viewed as a basic need that governments have to assist fulfil especially during times of hardship. Housing assistance programmes keep families from sliding into poverty after-shocks and natural disasters. Over the years, government policy on housing assistance has shifted between supply side subsidies and demand side subsidies. The former includes subsidizing the

production and sell of materials, contributions on land tax deductions. Producers then charge a below-market price to the consumers.

Demand side subsidies involve giving cash or grants to consumers who buy commodities at market price. Supply side subsidies were popular in the 1970s as the state controlled more means of production but as the ideas of minimalist governments spread in the 1990s, demand side subsidies became a prescription from the international finance Institutions (IFIs) like the World Bank (World Bank, 1993). Governments wanted to increase the regulatory role while strengthening the private sector to be capable to provide adequate shelter to a larger population and reduce the need for housing assistance. U.N. policy document that was unanimously endorsed by the General Assembly titled 'Global Shelter Strategy for the Year 2000', observed that direct state provision of housing, 'had neither met the housing needs of the majority of citizens nor served well the broader social and economic interests of society'. In agreement with the IFIs the recommendation was to move towards the market oriented solutions.

The challenge of market failures in the area of housing was however, recognized and issue of subsidies was still included in the IFIs guiding principles. The Inter-American Development Bank for instance has in its guiding note labelled provision of subsidies as controversial since expected results and the actual impact of such programmes differ. The guidelines therefore, recommend that before embarking on subsidy programmes there is need to ask if the subsidies proposed can be justified within the context of the country's 'overall policies for social services and poverty alleviation', and whether they can be justified and sustained in light of government fiscal position.

While input subsidies will be justified under the food security banner where by its shortage causes loss to lives, justification of housing subsidies has had more challenges especially in light of government's fiscal constraints in most Sub-Saharan Africa. And Mayo (1999) notes that even if subsidies are justified, controversy still comes in on deciding the correct amount to accomplish government goals. What puts policy makers in dilemma is that most governments have broad housing sector goals that prescribe the provision of decent houses and health environment for all. Within the context of the complex housing problems in the emerging economies, the policy makers have to strike

a balance in addressing various societal pressures. And in view of scarce resources, opportunity costs of any expenditure decisions made must be thoroughly considered. (World Bank Group, 2015).

Many policy specialists have therefore recommended changes in policies on housing subsidy preferring a shift towards provision of enabling policies that create a well-functioning housing sector. Expensive broad-based housing programmes are discouraged in preference for local government assisted programmes for the most in need and on the revenue side, governments are developing policies aimed at increasing proportions of the formal economy and this includes housing. This involves designing strategies that make formal participation more attractive than informal. In case of the housing sector the focus would go to efforts that regularize informal settlements so that the state can collect more revenue (Buckley & Kalarickal, 2005; hills, 2001). Another compromise advocated by analysts in the housing field is a finance linked subsidy programme that assist to improve both housing finance systems and individuals seeking to improve the quality of their house or become home owners. The idea is to stimulate the ‘participation of the private lenders and housing producers and leverage household resources, while limiting the exposure of the state to future liabilities’ (Smit, 2008).

2.6 Politics of Subsidy Reforms

As noted in chapter 1, African governments abandoned subsidy during the financial crisis of the 1980s and when SAPs bit hard they did not return to them. Their argument was based on the fear that such welfare arrangements create dependency, undermine traditional informal support mechanisms, and divert scarce public resources that could be better invested in productive sectors like agriculture or industry (Devereux, 2006). The several safety net and social support programmes that existed to address various risks affecting vulnerable groups were, therefore, mostly initiated and funded by external actors (donors, international NGOs) as alluded to above. The concretization of multiparty politics in this region however, brought various adjustments in the area of policy as competition for ruling mandates increased among political parties. Lately, these African governments have abandoned their stand and increased subsidy programmes especially under the social protection area.

The increase in subsidy policies and programmes has often been attributed to personal interests of single decision makers. But as Smit (2008) observes, pressures in the emerging economy drive politicians to hastily draw subsidy programmes without considering objectives thereof or even attempting to connect these programmes to broader policies and other national programmes. B  rner (2005) observes further that even when economists give advice to politicians, the final policy choices and economic outcomes differ substantially from what economic theory would suggest as the optimal solutions. And the reason given is ‘the efficient policy would not be politically viable’. That is, even if a policy problem had an efficient solution, it would not be implementable in the political process. B  rner therefore concurs with Prof Du Hai (2012) on the importance of analysing the framework where the political decision-makers operate in to understand why inefficient policies are chosen. Variations in this incentive structure may lead to different policy choices and economic outcomes. For instance, when politicians are interested in re-election, they might have a time-horizon that is too short to embark on substantial reforms of the political institutions. He further makes an observation on different interests by politicians who will be looking for votes and bureaucrats implementing the programmes while at the back of their minds, they are incentivized by ideas of enlarging their bureaus.

Despite all these developments, increasing fiscal constraints have put governments under increasing pressure to change course (Kelman, 2004). According to Steenblik (2020), citizens should care about subsidies if for no other reason than to ensure that they serve the public interest and not merely private ones. Kelman (2004) adds that government intervention through subsidy should occur only in two exceptional cases where such support targets low income citizens that truly cannot pay for the service and where the community as a whole benefits. But is reforming subsidy policies such an easy task? Hills’ statement on political pressures on housing policies sheds light on the complexity of reforms in this area:

This need to look at reforms which are geared to a long-term goal has a political downside: the benefits will also arrive in the long term while some of the upheavals required will come more quickly. But if we never make the first moves towards a system better attuned to contemporary needs we shall forever be giving the answer that to get there we should not be starting from here. (Hills, 2001, p. 17)

Pearce et al. (1999) observe that reforming subsidy regimes can be complex as issues of rent seeking and corruption are involved as special interest groups come in to influence policy making to gain resources that in turn reinforce their privileged positions. Democratic societies are in this case blamed for instituting larger subsidy regimes as these special interests are likely to capture such regimes more than other systems. Several solutions are therefore proposed on how the reforms can be carried out. Sudden shocks, raptures, or dramatic events are proposed as one way of seizing the opportunity to reform where reforms are implemented alongside other transitional processes. Another proposal is to let the growing regime of subsidies produce economic “bankruptcy” that will justify extensive reforms. The cost of waiting may however, prove to be too high as some extensive subsidy regimes may sustain themselves for long periods. Gradual approach, where policies are preannounced and reduction of the subsidy happens slowly, is another approach that is advocated. These may be possible with careful public awareness and transparent processes however, in young democracies with information asymmetry and limited education challenges, the gradual approach could be perceived as a political shot in one’s foot as a fight for votes often takes some dirty pathways with little regard to institutional constraints.

The question on subsidy policies, therefore, is not whether to have them or not? But perhaps determining which form of subsidies is most appropriate and how they can be efficiently integrated into development frameworks for positive impact to the whole economy. Benefit-cost analysis has been highly recommended as the most fundamental tool of economic decision-making and as the foundation (explicit or implicit) of the business case for any proposed subsidy investment (Triest, 2009).

2.7 Theoretical and Conceptual Framework

The literature above brings to the fore the thesis’ theoretical framework. A web of theories within the rational choice family forms the basis of this framework with economic theory of democracy specifying the context within which these public choice theories are applied (Downs, 1957). The idealist assumptions that these theories portray result in creation of high expectations through mandate theory under electoral democracy where electoral promises are supposed to be the basis for putting governments in power and form the bedrock of the policy framework for the oncoming government. Political economy analytical framework further highlights other important

contextual elements that modify our assumptions in the former theories to bring us closer to reality (Hudson & Leftwich, 2014).

Rational actor, also known as rational choice theory or public choice theory, assumes that choices are made in competitive market situations and the key characteristic of this theory is that individuals act in their own best interests and that people calculate the likely costs and benefits of any action before deciding what to do (Hill, 2005; Scott, 2000). Such decisions are assumed to be made based on information availability. The economic theory of democracy, mandate theory and theory of politics as a marketplace highlight the political context in which the rational actor makes the decisions. The former emphasizes the exchange between buyer and seller where politicians sell policies and citizens buy them with votes (Downs, 1957, cited in Hudson & Leftwich, 2014, p. 57). In competing to gain power to make legitimate decisions, political actors will be seeking the *mandate*. But according to Dewey, this mandate theory describing elected representatives as being responsible to the electorate ‘has broken down’ but best describes politicians’ behavior in response to pressure groups (Dewey, 1946, p. 166). This pluralistic approach is emphasized in the concept of politics as a marketplace, where parties’ competition for power is defined not only by politicians and voters but also pressure groups with their own interests. In such pluralistic systems, distribution of power extends to various economic and ideological groups competing for community and government attention (Dewey, 1987). Dahl’s polyarchy defines pluralist societies with political structures and institutions that ensure that competition for this attention is fair and effective (cited in Shook, 2010). This pluralist theory has however, been criticized for assuming that such diversity will realise the ‘general will’ or common good of society. But imperfections in the political markets are numerous. And as Keefer and Khemani (2003) observe, the rational actor theory, contends that other than just their wish to retain office, politicians are also interested in extracting rents and will only allocate resources to the ‘constituency’ that can retain them in office.

Political market places like the Sub-Saharan region, are characterized by imperfections such as voters’ poor knowledge about the provision of public goods and who is responsible for their delivery; social fragmentation and polarisation leading to voting along ethnic lines and citizen failure to punish ‘their’ politicians for poor performance (Keefer & Khemani, 2005). Other causes of imperfections include organized pressure

groups whose interests are not in tune with the broader public, lack of credibility in electoral markets (Grindle, 2001). While acknowledging the importance of rational choice theories that emphasize the application of postulates and reasoning of economics to politics, this thesis recognizes complexities of the political markets in pluralistic societies and utilizes political economy analysis (PEA) to probe the interaction of political and economic processes in a society; including the distribution of power and wealth between individuals and groups, and the processes that create, sustain and transform these relationships (Hudson & Leftwich, 2014; Cochran et al. 1999; Drazen, 2006). PEA focuses on how the structures and institutions of power shape how agents behave, and how they do or can strategise, frame, generate, use, mobilise and organise power and institutions to bring about appropriate change in the politics of development.

The above theories are applied to explain possible implications of mandate policies under dominant and competitive and fragmented or fluid party systems as explained in Niles' (1999) matrix on party regimes and policy horizons above. In the conceptual framework of this thesis, Niles (1999) matrix combines with some elements of historical institutionalism and political economy analysis to predict the trends policy making will likely display under different regime types. The figure below is an illustration on possible elements shaping policy and likelihood of adoption of subsidy policies under different political regimes.

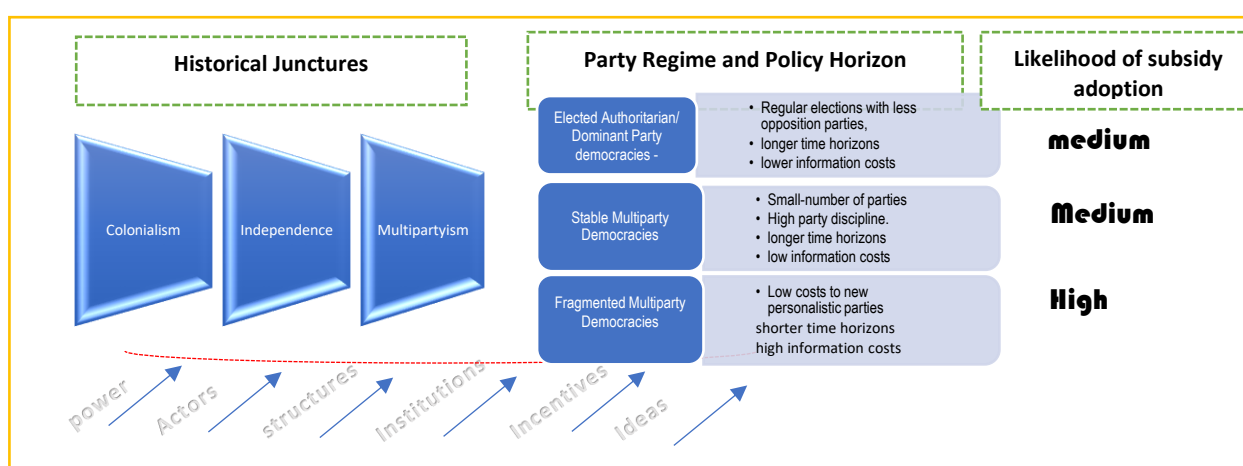


Figure 2. 1 Model on Policy Determinants and Likelihood of Subsidy Adoption

Adopted from Niles (1999) with modification by the author.

From the figure above and the literature in this chapter, fragmented or fluid party systems are likely to adopt shorter time horizon policies like those on subsidies. Large number of competing parties will push them to focus on appealing to narrow constituencies. Provision of public goods is not of much priority, faced with the need to push for re-election. Elected authoritarian and dominant party system have tendency to adopt longer time horizons as the security of tenure of leaders is more assured.

They seek to appeal to the voters than force them, hence some temporary subsidies and safety nets can be implemented to a limit as a matter of maintaining political legitimacy and social control. Level of adoption is medium. Politicians in stable multiparty democracies can work with longer time policy horizons and have medium level of subsidy adoption. They need to appeal to broad constituencies in order to remain in power and will, therefore place efforts on implementing policies that provide public goods rather than targeted merit goods. Stability and competitive party systems will often be associated with polities where information flow between governments and voters is not an issue.

The rational choice theory in the model will influence the choice of policy horizon based on the perceived security that the system offers to the politician. Stable competitive and elected authoritarian or dominant party systems will assure politicians of their security even if the benefits of their policies are long-term. Fragmented multiparty systems will offer less security due to instability caused by unstable institutions as confusion springs from instability of ideological base to guide the polity. The model further illustrates the importance of historical institutionalism as one of the factors that shape the type of institutions a polity will have overtime. Without an understanding of some historic events and trends that Malawi and Tanzania have gone through, it would be difficult to understand the similarities and differences in the levels of adoption of different policies including subsidy policies and quality of their implementation. This thesis utilizes the political economy analysis as a framework that best uncovers structural, institutional, agential as well as political factors influencing policy choices where mandate policies and medium and long term development frameworks interact.

With this theoretical background the rest of the thesis was set to explore how much the model reflects on the two polities understudy, Malawi and Tanzania. Findings of the study therefore centre on first confirming the party systems of government in the two polities and then comparing policy practices in proposing and implementing subsidy policies before making conclusions. A systematic methodology is the first step to ensure credibility of the findings and the next chapter centres on methodology.

2.8 Conclusion

This chapter explored literature connecting politics and policy and, more specifically, subsidy policies. Different factors that influence policy were discussed influenced by the political economy approach, hence the discussion on structural, institutional, agential and other political factors. With the latter, the significance of politics in the process of policy making was recognized. The context of electoral democracy within which subsidy policies are made and implemented brought to the fore a discussion on the subject of mandate concept of representation being an important platform for introducing policy in this type of democracy. Public policy aims to attain growth and development of a country and its people as such developing countries have often engaged medium and long term planning to attain this growth (Sheying, 2006, p.4). This chapter therefore discussed the interaction between mandate policies and medium to long term development frameworks to gauge possible implications of their mix. The central argument is that politics play an influential role in policy and in democracy one of the most important moments when policy is proposed is at election time through party manifestos. However, literature seems to suggest that these manifesto policies influence development frameworks in different ways depending on the regime type the country has with some regimes encouraging shorter term horizon policies while others do not seem to contradict longer term development frameworks. The difference in the influence by these regimes comes from the strengths of institutions in those regimes further influenced by other political economy factors such as agency.

This chapter went further to illustrate the importance of subsidy policies economically and socially but it also showed that adopting subsidies is an expensive undertaking that needs to be thoroughly assessed. As subsidies attempt to solve market failures, they mostly are temporary in nature. With the assistance of the Niles matrix on regimes and policy horizons, the chapter illustrated that regimes with stronger institutional

frameworks will tend to avoid subsidies than do regimes with weaker institutional framework. The reason for the reemergence of various types of subsidies within the African region amidst increased pressure on budgets is the subject that this thesis interrogates.

The last discussions were on theoretical underpinnings of this thesis that linked various theories and frameworks to come up with a model that marries Niles' matrix on regime types and policy horizons with theories and concepts discussed in the chapter for guidance in the analysis of data and drawing conclusions from the same. The theoretical underpinnings were based on rational/public choice theories including politics as a marketplace and mandate theories. The model also highlighted importance of historical institutionalism factors in shaping policy environments. The rest of the thesis is therefore set to explore how much the model reflects on the two polities understudy, Malawi and Tanzania. Findings of the study, therefore, centre on first confirming the party systems of government in the two polities and then comparing policy practices in proposing and implementing subsidy policies in agriculture and housing sectors before making conclusions. A systematic methodology is the first step to ensure credibility of the findings and the next chapter centres on methodology.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction

This section explains how the study is designed, gives sampling strategy and provides data collection and analysis techniques used. There are two levels at which information was gathered and analysed in this study. While literature used covers a wider spectrum of countries in the sub-Saharan region, the actual data collection and analysis covers: (a) country level comparisons of historical trends, political systems and policy processes that have contributed to the moulding of the policy environment in Malawi and Tanzania; (b) subsidy policies and programmes introduced in the multiparty era in Malawi and Tanzania with a focus on agricultural input and housing financing policies. The analysis of housing policies has paid specific attention on the Descent and Affordable Housing Subsidy programme (DAHSP) in Malawi.

This study is primarily designed as exploratory research. Exploratory research, according to Bless and Higson-Smith (2000, p. 41), is used to obtain a broad understanding of a phenomenon, in which lack of understanding could also result due to lack of basic information in an area of interest. Issues of subsidy policies and politics have been studied separately and where the two were combined gaps still exist in understanding the interaction of these areas in different structural and institutional contexts. A case study strategy is also used in the study involving more than a single case. A comparative case study of Malawi's and Tanzania's agricultural and housing subsidy programmes was undertaken where in-depth details are observed and analysed.

3.2 Design

A study on influence of mandate theory on subsidy policies seeks to explore complexities that the former exerts on the latter and as such an exploratory approach was considered relevant in this study. Exploratory research, according to Bless and

Higson-Smith (2000, p. 41), is used to obtain a broad understanding of a phenomenon, in which lack of understanding could also result due to lack of basic information in an area of interest. Figure .1 presents the model that guided this study constructed from different study results from scholarly works. One part depicts the effect of historical junctures that have influenced in one way or the other, the moulding of the two polities under study, Malawi and Tanzania. As such it reflects the interpretivist belief that the world is populated with human beings that have their own thoughts, meanings and continually interact (Blumer, 1969). Elements of political economy analysis are used in this study and they entail inquiring into different factors and interaction of those factors as well as influence of such interactions on behavior of actors and this also makes exploratory research relevant. This study takes a constructivist view to utilize the existing knowledge and explore more possibilities and alternatives so as to add knowledge to the field of study. Issues of vulnerability to bias are addressed in the analysis section below.

A case study strategy is also used in the study for subsidy programmes in agriculture and housing in Malawi and Tanzania. A case study has been described in various ways but most commonly it is referred to as a unit of activity usually human, embedded in the real world to be understood in context so that precise boundaries are difficult to draw (Gillham, 2000, p. 1). Case studies are not restricted to one case. While one case might be sufficient to challenge a theory, more certain insights would come from multiple cases or even comparable cases as in the present study as vital insights might be unveiled from discrepancies from the cases (Yin, 2014).

The main challenges this strategy has faced for many years have included skepticism from scholars on generalizability of its results as it has been considered idiosyncratic having derived from potentially untypical cases. Another challenge has been the perception that case studies are merely a subdivision of ethnography. The former drawback has been clarified by Mitchell (1983), Yin (1984) and Burgelman (1985, p. 42) who argued that the adequacy of theoretical inferences generated is what matters in evaluating case studies. While the latter challenge has been clarified by Yin who demonstrated that case study research constitutes an all-encompassing method covering the logic of design, data collection techniques, and specific approaches to data analysis.

Incorporation of a case study approach in the current study has been inspired by these arguments.

A comparative case study strategy is used to investigate subsidy programmes in the two countries as two broad cases. The study has included the two cases because comparisons of these cases allow their special features to be identified much more readily, the contrast between the two polities will allow the researcher to draw out some important themes from these cases. (Bryman, 1989; Sutton 1987; Yin, 1979). While agriculture subsidies have been a common feature in many Sub-Saharan Africa (SSA) countries adopting almost similar features, housing policies have varied among countries especially in the area of financing. And though the two countries under study have housing financing programmes, Malawi has gone a step further to introduce specific housing subsidy programmes in two electoral cycles, the most recent one being the Descent and Affordable Housing Subsidy Programme (DAHSP). This study takes a special interest in investigating, within Malawi's housing programmes, the motivation for introducing and maintaining the seemingly 'outlier' housing project, the DAHSP.

3.3 Sampling

To identify the cases, this study used purposive (or selective) sampling. According to Patton (1990) and Schatzman and Strauss (1973), the 'logic and power of purposeful sampling lies in selecting information-rich cases for in-depth study whereby one can learn a great deal about issues of central importance to the purpose of the research. Having selected the countries under study, objectives of the study assisted in coming up with the list of government ministries to be targetted. The first objective focuses on political economy factors shaping the policy environment and therefore main players in government policy and development frameworks were targetted led by Ministries of Finance and Economic planning and office of the President and Cabinet. Political parties were targetted due to the role they play in proposing policies through manifestos. Agriculture and Lands and Housing Ministries were targetted because specific objectives 3 and 4 specifically focus on agriculture and housing respectively. Individuals targeted for interviews were selected due to the strategic positions they occupy and likelihood of extracting rich information for a case study.

Lilongwe District which was the first district selected for piloting the DAHSP has been selected as the long implementation experience would offer much insight into this study. Mtsita Group village was the first place to pilot the programme and therefore fits as the main focus of the study. The programme is implemented both in the rural and urban areas. As Mtsita is in the rural setting, an urban setting needed to be selected as well so that the study captures insights that cut across the urban-rural divide. Lilongwe city, was selected due to its proximity to the main case study area and this offers an opportunity to compare cases that lie within a region with similar physical and social features, being differentiated only because one is in urban area.

Another important feature in the study is the role of politics in policies. As the primary study area, Mtsita, was dominated by Malawi Congress Party (MCP) and had an MCP MP, the comparative case had to reflect another party and Chinsapo I Ward where the Democratic Progressive Party had a Member of Parliament was selected. This provided grounds to examine the impact of the party politics in the policy processes. Unit of analysis was the Group Village level (VDC) or its urban equivalent, the Ward. Political sensitivities of the subject under study meant that District and City housing authorities had to be consulted on the feasibility of conducting interviews and focus group discussions in the areas. This also contributed to the choice of the two specific units.

3.4 Data Collection

The study used both primary and secondary data collection methods using document analysis or desk research, key informant interviews and focus group discussions as described below:

3.4.1 Desktop research

A thorough study of the documents was carried out. These included primary documents and secondary literature. Project documents and concepts, periodic progress reports, parliamentary Hansards, newspaper reports and features, government budgets were analysed to establish issues, challenges and lessons coming out of the subsidy programmes. National constitutions and development frameworks, as well as other relevant policy documents were reviewed in order to understand the policy architecture and establish the connection between the programmes and national policy frameworks. Trends in election results as well as political party platforms, including party policies

and manifestos for at least two of the biggest parties (at previous 2 elections) were analysed to compare issue salience and trends thereof. This data further assisted to gauge levels of ideological polarization and party system fragmentation levels in the two countries. Past studies and other perception surveys also provided a comparative basis for people's perceptions or expressed preferences versus policies introduced in manifestos and adopted by the government. These studies included: Afrobarometer (2005, 2009, 2012, 2015 & 2018; AFAP, (2016) studies on Fertilizer Accessibility in Ethiopia, Malawi, Mozambique and Tanzania; Assessment of operational aspects of the input supply chain under national agriculture input voucher scheme (NAIVS) in Tanzania (Aloyce et al., 2014); evaluation study of Agricultural Input Subsidies in Sub-Saharan Africa (DANIDA, 2011/2).

The documents reviewed, therefore, provided information on the trends in the moulding of current structures and institutions and the policy environment they provide. Key informant interviews also played a part in this task.

3.4.2 Key Informant Interviews

This study utilised semi-structured personal interviews to allow interaction between the researcher and the respondents. Such interviews, according to Leedy and Ormrod (2001, p. 159) allow for more flexible follow up questions to be posed to respondents and are more likely to yield information that the researcher may not have planned to ask for. These in-depth interviews with the relevant key informants formed the major method employed for data collection. As argued by Krauss (2005, p. 764), “face-to-face interaction is the fullest condition of participation in the mind of another human being”. Grasping the meanings of words used by the individuals allows researchers to contemplate the meaning behind individual's behaviour. Thus, the in-depth interviews helped the researcher to get first-hand information regarding how stakeholders view the subsidy programmes, and processes, institutions and other stakeholders' roles, as well as what patterns the interaction of these factors and actors take. Within the context of PEA, these interviews informed the study on the interests, interactions and politics involved in the formulation and implementation of the programmes under study and the likely result this interaction has yielded.

In this study, semi-structured personal interviews were conducted at two levels as follows:

I. Comparative country level:

Officials from ministries of Finance and Planning and Development, Office of the President and Cabinet (OPC, Malawi), Lands and Housing and Agriculture for each country programme – these provided overall picture on the countries’ political systems, economic and social policy infrastructure as well as policy environment. OPC for Malawi was added later as it transpired that this department is one that has controlled housing projects from manifestos.

Central executive party officials for the ruling and the main opposition party for each country – party officials were targeted to provide the basis for their parties’ policy choices and process for settling for such policies amongst many possibilities

Independent experts in each field the programmes cover – these experts were to provide pros and cons of the subsidy programmes from an academic perspective. These were drawn from relevant academic and professional institutions and development partners.

II. Special Case study

At Central Government level

Officials for relevant ministries for DAHSP programme – these mainly provided an overall picture on the design of the programme as well as supporting policies. National programme coordinators provided the bigger picture on how the programmes are run along with challenges and successes. Central executive party official each for the ruling and the main opposition parties – party officials provided their perspectives on the subsidy programme understudy including merits and demerits, reasons for supporting or alternative programmes preferred by their parties.

Independent housing expert – the expert provided pros and cons of the DAHSP from a neutral position. Suppliers of materials/services for the programmes – these were targeted to establish their possible gains through the programmes and possible links with other players.

At Sub-district level

5 Direct and 6 indirect beneficiaries in selected village/community. Indirect Beneficiaries were selected from Local artisans (2), material suppliers (2) and transporters (2). 5 non-beneficiaries, Community management committee representative for each community, 2 local ruling party official and 2 prominent opposition party officials in each case, Chief (village Headman) 1 Village Assembly representative and 1 Member of Parliament.

The sub district level interviews assisted to obtain information on institutions formal and informal, existing at that level and how they affect the programme. They also assisted in identifying how the intended results are realized as the programmes target the local person. Politics played at that level as compared to the higher levels as well as how the two levels connect, were part of the package under investigation.

The table below shows the categories and numbers of the targeted interviewees

Table 3. 1 Categories and numbers of the targeted interviewees

<i>Country comparative study</i>		<i>No. of participants</i>		
No	Target	Malawi	Tanzania	Total
1	Ministry of Lands (Lands, Housing and Human Development in Tanzania)	2	2	4
2	Independent Expert	2	2	4
3	Ministry of Economic Planning: Social Policy, Economic policy/	2	2	4
4	Office of the President and Cabinet	1	-	1
5	National Planning Commission	2	2	4
6	Ministry of Agriculture (Agriculture, Livestock and Fisheries in Tanzania)	2	2	4
7	Central executive members for ruling and main opposition party	2	2	4
	Sub Total			25

Case Study: DAHSP				
1	National coordinator and Ministry focal point	2		2
2	District and City council housing officers	2		2
3	Members of Parliament for the beneficiary constituency	2		2
4	Councillors for the beneficiary ward	2		2
5	Suppliers of materials/services for the programmes	2		2
6	Direct beneficiaries (2 for each community)	4		4
7	Indirect beneficiaries (2 for each community)	4		4
8	Non-beneficiaries (2 for each community)	4		4
9	Chief (village Headman)	2		2
10	Community management committee representative	2		2
11	Local ruling party representatives (2)	4		4
12	Local representatives from opposition parties (2)	4		4
	Sub Total			34
	TOTAL			59

3.4.3 Focus Group Discussions

Focus Group Discussions (FGDs) were convened in the areas of Mtsita group village headmen and Chinsapo Ward targeting areas hosting Mtsita and Chinsapo Housing Development Groups respectively to learn more about the group or community opinions and perspectives on the DAHSP. Though conducting the FGDs gives the researcher less control on the discussions, and data analysis can be challenging, group dynamics in these discussions often bring out insights of the topic and can reveal information about the subject that may not have been anticipated by the researcher or emerged from individual interviews. (Crossman, 2017). Discussions in focus groups are open-ended, broad, have more depth and variety. Nonverbal communications and

group interactions can also be observed. Focus groups can therefore get the researcher closer to what people are really thinking and feeling, even though their responses may be harder to score on a scale. FGDs can reveal local level politics and informal networks that are involved in the implementation of the programmes under study. These were reasons that persuaded the pursuit for FGDs in this study and they suit the Political Economy Analysis approach employed in this study.

4 Focus Group Discussions were held in the two areas. One FGD in each area involved Community management committee members for the DAHSP (5 members: 2 women, 2 men and 2 youth member) and the other FGD involved VDC and other community members (2 women, 2 men from the VDC, 1 young man, 1 young woman, 1 local business person, 1 teacher, 1 (5) Recording equipment was also used with the consent of the members so that vital information if missed during the discussions could be safely kept for use when transcribing data.

3.5 Data analysis: content analysis

In conducting data analysis for qualitative research, the researcher moved the raw data collected into some form of explanation, understanding or interpretation to examine meaningful and symbolic content in that qualitative data. Cohen, Manion, and Morrison, (2005) note that in qualitative research, data analysis commences during the data collection process itself and in this study as the data was being collected some initial analyses were already being made making way for flexibilities, adjustments and identification of other avenues for further data collection. A combination of Cohen et al (ibid) seven step data analysis sequence and Atkinson's (2002) Four-step case study data analysis guided the analysis:

3.5.1 Preparing the data for analysis

This first step involved the creation of a data repository. After collecting the data, the documents were organised for review and the researcher had to familiarise himself with the data by reading scripts and listening to electronically recorded data repeatedly to achieve immersion and obtain a sense of the whole (Tesch, 1990). Interview and discussion data were first digitally recorded and in some cases where permission was not given for digital recording, data was written in scripts. Being a qualitative research, the expected formats for the data were written texts from the interviews and focus group

discussions. The audiovisual data was converted into written form and transcribed so that it became analyzable.

These initial processes assisted the researcher to develop thorough and comprehensive descriptions of the phenomenon under study. Such descriptions have also been called ‘thick’ description (Geertz, 1973; Denzin, 1978).

3.5.2 Categorising the data

Data was grouped in accordance with possible themes. Mostly matrices were used to group the data into different thematic areas. Initially, two matrices were prepared, one on the country level cases and another reflecting data collected at the community level especially targeting the Descent and Affordable Housing Subsidy Programme.

3.5.3 Analysing the data

The third step involved the actual analysis of the case study data by generating a variety of reports. Data analysis means organizing, accounting for, and explaining the data; in short, making sense of the data in terms of the participants’ definitions of the situation, noting patterns, themes, categories and regularities. The analysis of qualitative data in this study started with establishing units of analysis of the data, indicating similarities and differences of these units and differences from each other. Then they were grouped into, clusters, groups, patterns, themes and coherent sets to form domains. The third step involved establishing relationships and linkages between the domains that ensured that the data, its richness and ‘context-groundedness’ were retained. The next step was to make speculative inferences. After summarising the findings data was re-examined to search negative and discrepant cases. Cohen *et al.* (2005) argue that in theory generation it is important to seek not only confirming cases but to weigh the significance of discontinuing cases. Lastly the seventh step was theory generation.

3.5.4 Validating the data

Validity in qualitative research focuses on whether the account provided by the researcher and the participants was accurate, could be trusted and was credible. According to Cohen *et al.* (2005) validity can be reached through honesty, depth richness, and scope of data achieved, the participants approach, the extent of objectivity of the researcher. Qualitative validation strategies were used in the study where the results of the study were taken back to the key participants to verify if the findings

reflect their experiences. As different methods were used on participants (like interviews and questionnaires), triangulation was used to confirm the results obtained.

3.6 Data Management

After collection, the data needed to be managed well for preservation to avoid loss or destruction and to ensure it remains accessible to those eligible and also ensure its reliability. Some of the preservation involved keeping backup files as a precaution measure in case of loss of the original files. The data protection and security systems have been maintained over the whole data life cycle from collection to utilization and after.

3.6.1 Organizing the files

When the data was collected, saved and transcribed, it was entered into data files to be stored in an electronic data folder. Although the research involved several methodologies of data collection, data was stored in one folder and separated by sections based on targeted themes. Secondary data was however, stored in a separate folder separating the data by theme in sections.

To prevent loss of data, several back-up systems were employed including storing the data in my yahoo, drop box and external drive.

3.7 Trustworthiness of the Findings

In section 3.2 above, the challenge of taking the constructivist view highlighted was its vulnerability to bias. Yin (1984) has also highlighted the main challenge of a case study approach as generalizability of its results since it derives them from potentially untypical cases. Mitchell (1983), and Burgelman (1985) however, argued that the adequacy of theoretical inferences generated is what matters. Moreover, as stated above this is not a single case study but a comparative case study covering two main cases to provide an opportunity for production of more knowledge about causal questions on “how and why particular programmes or policies work or fail to work” from their special features (Goodrick, 2014:1). The contrast between the two polities allowed the researcher to draw out some important themes from these cases. The addition of the Descent and Affordable Housing Subsidy Programme (DAHSP) in Malawi increases theoretical inferences and chances for utilization of the ‘falsification logic’ whereby

identification of a peculiar case may prove untrustworthy or inadequacy in some claims. (George & Bennett, 2004).

Criteria of trustworthiness have been provided and explained by different scholars. This study followed Lincoln and Guba's criteria namely: credibility, transferability, dependability, and confirmability (cited in Korstjens & Moser, 2018). During the interviews and focus group discussions, long-lasting engagement with the participants ensured that the researcher had familiarity with the setting and context to be able to test for misinformation, build trust and get rich data. The use of different data sources and methods of data collection, as highlighted under Section 3.2 on Data collection above, ensured that data collected is more credible. The multiple sources of evidence were related to each other and woven into the narrative to represent what Yin (2014) calls a 'chain of evidence'. The study dedicated much time on issues of context, Malawi and Tanzania, within which policies are formulated monitoring stability within those comparative cases. This ensures transferability so the experiences can be described as meaningful to an outsider. The study kept an audit trail of all steps taken from the beginning to the end of the research to ensure transparency and therefore assure that findings can be confirmable and dependable.

3.8 Ethical Consideration

Bryman and Burgess (2007) provide several important areas that need to be considered when conducting research. Most important of these are: informed consent and confidentiality. Robson, (2002) adds protection of the interviewees from any repercussions of their comments as one important consideration as well. These areas were adopted in this research.

To address the ethical issues interviewees were informed about the research purpose and why they had been identified to participate. A consent form (attached) was presented or read out to each of the participant to give consent before the interview or focus group discussion. The consent form explains on issues of their participation being voluntary, and their freedom to participate or withdraw if they feel uncomfortable, it also guarantees confidentiality of information they may provide. The form also assured participants that their identities would be protected if they so wished.

The research has also taken into account the 2011 Framework of Requirements and Guidelines for Research in the Social Sciences and Humanities in Malawi by the National Commission for Science and Technology (NCST). Furthermore, the proposal for this thesis was taken to the national committee on research in the social sciences and humanities at the National Commission for Science and Technology for an assessment on ethical and regulatory requirements and the committee gave its approval on 28 June 2018. The approval is annexed to this thesis.

3.9 Limitations of the Study

The study met some challenges especially during the data collection exercise. Most Malawians especially in the rural areas do not feel very free to be interviewed on issues that touch on politics and several subjects refused to be interviewed. The researcher in such cases had to seek alternative interviewees within similar categories.

As the interviews were also conducted across the border in Tanzania, the issue of sensitivity to politics was also one of the challenges as Tanzania's politics has not been very open in recent times. Tanzanians have also been advised to be patriotic in recent years and one of the ways of being so is to use only Swahili language. Interviewing government officials in English was therefore not an option. To solve the situation, a Tanzanian research assistant was engaged to assist in some of the interviews that the main researcher would not manage, especially with government officials and translate the same into English.

3.10 Conclusion

This chapter has discussed the approach, design, sampling strategy and data collection and analysis techniques. Primarily designed as an exploratory research, the approach used was that of a comparative case study where subsidy policies in Malawi and Tanzania were investigated and analysed comparatively to allow their special features to be identified much more readily. Similarities and contrasts between the two polities allowed the researcher to draw out some important themes for analysis.

There are two levels at which information was gathered in this study: primary data was obtained through interviews and focus group discussion while review of documentation helped to inform on what issues have been uncovered already from previous studies in the area. Data collection and analysis covered: country level comparisons of political

systems and policy processes that have make up the policy environment in Malawi and Tanzania; subsidy policies and programmes introduced in the multiparty era in Malawi and Tanzania with a focus on agricultural input and housing financing policies. The analysis of housing policies has paid specific attention on the Descent and Affordable Housing Subsidy programme (DAHSP) in Malawi.

The chapter also discussed issues on data management, generalizability of results and ethical issues around data collection processes. Data analysis used in the study was content analysis informed by Cohen's model. The chapters that follow are a reflection of the findings from the methodology described above.

CHAPTER 4

FACTORS INFLUENCING THE POLICY ENVIRONMENT IN MALAWI AND TANZANIA

4.1 Introduction

This chapter discusses factors that influence the policy environment in Malawi and Tanzania. This will assist to determine the space of influence that mandate theory has on the policy arena of the two polities. Chapter 2 covered literature that informs the study on different aspects that influence the policy environments and among these are political economy factors including structural, institutional and agential factors. This chapter uses empirical data collected through the methodology outlined in Chapter 3 to discuss those political economy factors influencing the policy environment and introduction and implementation of subsidy policies in the two countries. Party systems in these countries are discussed to gauge how they are structured and the role they play in the stability of the policy environment. In mandate theory political parties play a significant role in bringing up the policy agenda through party manifestos at elections and the nature of competition determines whether the policy environment will be stable or otherwise, hence the importance of analysing party systems. The analysis on the influence of mandate theory on subsidy policies is guided by the conceptual framework adopted from Niles' (1999) matrix, introduced in Chapter 2, on party systems and policy horizons in which different party regimes are associated with certain policy horizons. Agential forces within these parties and polities are also analysed to determine how much different actors have influenced policy direction.

The chapter further discusses the interaction between economic and development frameworks and mandate policies in the two countries to assess how these two policy frameworks support each other. The chapter ends with a discussion on how mandate policies have influenced subsidy policies in the two countries and implications of these on the larger policy framework.

4.2 Political Party Systems in Malawi and Tanzania

The study conducted a comparative analysis of party systems in Malawi and Tanzania with a view to examine the possible influence these systems may have on subsidy policies. First, was to establish the type of party systems these countries have based on Sartori's dominance and competitiveness criteria. A review of literature in Chapter 2 reveals that changing ruling parties at elections makes the system competitive, whereas party domination is marked by lack of changes where the ruling party remains the same despite elections being regularly conducted. While existence of large numbers of parties encourages party competition, competitive systems are not homogenous as some will be stable and others fragmented or fluid. Stable systems are characterized by low number of parties or low fragmentation with parties being grounded on ideologies. The opposite characteristics make a party system fluid or fragmented. Sections below take a comparative analysis of party systems in Malawi and Tanzania to confirm whether they are competitive or dominant systems. This is done through looking at (i) numbers of parties competing at elections (ii) changes of ruling parties as well as (iii) strength of ideological bases of parties in the two countries.

4.2.1 Number of Parties

Malawi has many parties and the actual number could not be authoritatively verified. Some parties appear on paper while on the ground they have no single structure. Other parties dismantled as their leaders joined more prominent parties but have not been deregistered. The Centre for Multiparty Democracy, a forum that brings together Malawi's political parties to discuss issues pertaining to their strengthening, was not so sure about the numbers either:

Malawi has over 55 registered political parties but one cannot be sure of the actual number as some have been inactive since registration

Centre for Multiparty Democracy respondent, 8 January, 2021

In Malawi's return to multiparty system of government in 1994, Muluzi of UDF won 47.3% of the votes against 33.6% and 18.6% for Dr. Banda (MCP) and Chihana (AFORD) respectively. Muluzi's party United Democratic Front (UDF) got 85 seats, Malawi Congress Party (MCP) 56 and Alliance for Democracy (AFORD), 36. No party or presidential candidate has in the democratic era scored more than 50% of the total

vote/seats except Bingu Wa Mutharika and his Democratic Progressive Party (DPP) in the 2009 elections. The following table shows distribution of seats in Malawi's parliament from 1994 elections to 2019.

Table 4. 1 Distribution of Seats in Malawi Parliament from 1994 to 2019

PARTY	MCP	DPP	UDF	PP	UTM	MP P	AFO RD	RP	ND A	MAF UNDE	C CF	PP M	PET RA	MG ODE	CO NU	Indepen dents.	Total
1994	56		85				36										177
1999	66		93				29									4	192
2004	57		49				6	15	9			6	1	3	1	40	187
2009	27	113	17			1	1			1						33	193
2014	48	50	14	26			1				1					52	192
2019	55	62	10	5	4		1									55	192

Source: <http://archive.ipu.org> and mec.org.mw

While UDF obtained the biggest number of seats in parliament at the first two elections, MCP has always been the toughest competitor and in 2004 it obtained a bigger number of seats than UDF which produced the president. These figures therefore show that there has not been one party that has dominated parliament in Malawi as competitions have always been tight. Tight competitions have tempted parties to employ all tactics possible for winning votes and competition on electoral promises is one avenue. According to an MCP respondent,

Personal things have been promised to electorate like shoes, cellphones and distribution of the same has been common during election times.

MCP executive member, Lilongwe, January, 2018

The system is so open that parties can come from nowhere and easily obtain seats in parliament. DPP, formed in 2005, won the majority of seats in the legislature in 2009 (113). 2004 saw the highest number of parties represented in parliament (9) parties and 2019 saw 55 independent members making it to parliament. These members had previously competed in primary elections within their parties and failed. Competing against their own parties shows how these ‘gatekeepers’ can be challenged. Upon winning the elections such candidates are usually welcomed back to their parties as MPs. The role of political parties in aggregating interests of the public for representation purposes is supposed to provide them with an advantageous position in competitions for offices (Hofmeister & Grabow, 2011). But when such role can be challenged by individual renegade members, institutionalization of such parties needs to be questioned.

The numerous parties and the difficulty in dominating parliament qualify Malawi as a competitive party system but with a fragmented party system. Matlosa (2007, p. 63) exposes the volatility of a fragmented party system ‘marked by continuous splits of both the ruling and opposition parties’. Democratic Progressive Party, national Democratic Alliance and People’s party are splinters of the UDF while the recently formed UTM came from DPP. Splits in parties is a sign of lack of cohesion that also results in the increase in numbers of independents at elections. The matrix above shows that independents have increased from none in 1994, 3 in 1999 to 52 in 2014 to 55 in 2019 elections.

Unlike Malawi, Tanzania retained Chama Cha Mapinduzi (CCM) as a ruling party during the return to multiparty politics in the 1990s. The country has remained with the dominant party system to date (Whitehead, 2009). The CCM dominance in Tanzanian parliament has ranged between 80 to 88% before it came down to 75% in 2015 following Kikwete's regime and rose again to 96% in 2020 during Magufuli's time. As regards numbers of parties competing at elections, the table below shows that the seven (7) parties have participated in the elections between 1995 and 2020. However, real competition has been between three parties, CCM, CHADEMA and CUF. The following trend summarizes the above contention.

Table 4. 2 Parliamentary Seats Obtained by Parties at Elections in Tanzania

Party	CCM	CHADEMA	NCCR-Mageuzi	CUF	UDP	TLP	ACT Wazalendo	Others
1995	186	16	3	24	3			
2000	202	4	1	17	3	4		
2005	206	5		19	1	1		
2010	186	23	4	24	1	1		
2015	189	34		32		1	1	
2020	225	1		3			4	

Source: EISA Database, 2020

4.2.2 Changes of ruling parties

Malawi is one of the few Southern African states that did not retain the ruling party after adopting multiparty system in the 90s. Malawi Congress Party (MCP) that had ruled since independence lost to United Democratic Front (UDF) in the 1994 elections. Malawi changed parties during the first multiparty elections in 1994 from to. The latter ruled for two terms and internal divisions in the third term saw the new president abandon the party that put him in office and form his own Democratic Progressive Party (DPP). The short history of party dominance in Malawi seems to have ended by this 'accidental' change of ruling parties.

However, when one speaks about party domination in terms of not losing elections, UDF did not at this moment lose elections, meaning that, had the president not abandoned his party, they might have been ruling till stronger opposition overcame

them later. A similar change occurred in 2012. Following the death of Bingu of DPP, Joyce Banda, the vice president took over and ruled under the Peoples' Party (PP) policies. PP had been formed as a splinter of DPP after Bingu had sidelined Joyce Banda in government business. Come 2014, DPP returned to the ruling status. Though the changes in the ruling party have not been straightforward in Malawi, fragility of the party system has ensured that no party dominates the ruling platform for longer periods.

While scholars on democratic consolidation would view the 'alternation in power' as a positive step towards consolidation of democracy, the actual consolidation is described as a 'complex process with institutional, attitudinal and behavioural dimension' involving many actors and factors (Schedler, 1997, p. 23). Party dominance is neither condemned as a return to authoritarianism however, the question as to whether the ruling party would accept defeat at elections remains a persistent suspicion. The debate about consolidation has therefore been a protracted debate in scholarship circles. This thesis has therefore avoided stressing on the issue of democracy consolidation but rather examining factors that point towards strengths of institutions that will at the end of the day assist in stabilizing policy for development.

Party domination in Tanzania has been very apparent as the ruling CCM has won all elections since independence. Table 4.2 above shows party domination clearly as no party comes closer to CCM in terms of parliamentary seats won. As explained in chapter 2, dominant party systems will not be created only through authoritarian tendencies. Like other countries in Southern Africa, the prolonged struggle for independence involving deeper ideological commitment cemented grass root support of liberation movements and parties in so doing legitimizing their dominance (Karume, 2004; Kuenzi & Lambright, 2001; Huntington, 1968; Giliomee and Simkins, 1999).

Karume (2004) further observes that dominant parties in the SADC region have managed to receive support from the majority due to their ability to position themselves in the party system. He portrays CCM as the only party in the region that can mobilise voters in all corners of the country as it has structures throughout the country. One civil servant in Dodoma (November, 2019) attributed this to the fact that institutional structures of the liberation party CCM from the central to the '10-cell party units' at the village level, have assisted to strengthen control and cohesion within the party.

4.2.3 Strength of ideological bases of parties

Chapter 2 also discussed the relationship between fragmentation and polarization (Avcu, 2013). Fragmentation is about numbers competing at elections and the latter entails ideological distance between parties in a polity. During its one-party rule, Malawi Congress Party was highly opposed to socialism and followed what could mostly be identified with capitalistic ideology (Kayuni, 2011). Two parties United Democratic Front (UDF) and Alliance for Democracy (AFORD) that came as pressure groups around 1991 found the political ground dominated by Western ideas influenced by the Bretton wood Institutions' prescribed SAPs. Though AFORD's leader Chihana was coming from the workers' union background, having held the post of Secretary General for the Southern African Trade Union Coordinating Council (Meinhardt & Patel, 2003), that mostly influenced his AFORD's socialist ideology, he also looked for western financial assistance and the socialistic taste of his party was barely audible.

When UDF won the 1994 elections it went full throttle implementing privatization and other SAPs. Although Mpesi (2011, p. 40) found significant issue saliency in two parties, MCP and UDF, before 2009 elections, he admits that parties are aware that there are few ideology voters and as rational entities driven by office seeking instincts, they focus on 'avenues which the party thinks will push the voters on (their) side'. Interviews with central executive members of Malawi's two leading parties had MCP claiming that it is a:

...conservative agro based party and we aim to ensure farmers are organized and have markets for their products.

Lilongwe, January, 2018

The DPP representative also had the following claim on their philosophy:

We are a people centred party and we believe in hard work, integrity and patriotism.

Lilongwe, September, 2018

DPP respondent, however, admitted that although they have tentative philosophies that assist run their party, there is no particular ideology that identifies clearly their policy stand. Even though the MCP member cited the value associated with his party, he admitted that membership was not aware of the said ideology. In their 2019 manifestos,

MCP was consistent in expressing their desire to follow the democratic developmental state model:

The MCP believes that Malawi's fortunes can dramatically turnaround within the framework of the capable democratic developmental state. MCP envisions a very activist and interventionist role for the government in driving growth and development.

Malawi Congress Party Manifesto 2019-2024: P 23

The DPP's manifesto on the other hand is not very clear and consistent. The newspaper insert that summarized key issues from party manifestos for the 2019 elections states clearly the DPP's key principle as follows:

The DPP believes in a lean but efficient government with a larger private sector capable of stimulating economic growth and development.

Centre for Multiparty Democracy, 2019

The actual manifesto for 2019 elections is not as succinct in stating the party's position. An analysis of party documents and interviews shows that Malawi's parties have no solid ideological grounds. While most would be associated with liberal democratic thinking, the phrases that express their stand change with time and situation. Even with these variations, ideologies of all political parties rarely reflect any leftist or centre leftist ideas. They all revolve around centre and centre rights rendering the differences very minimal. Perhaps this is what has led some scholars to describe most Malawian parties' ideology as 'big tent' or 'catch-all' 'issue pushers' meaning, parties seeking to catch voters from different view-points (Svasand, 2011; Khembo, 2004; Mpesi, 2011).

Tanzania has followed a different ideological path from independence. As a liberation party, CCM party in Tanzania was able to maximize on the political allegiances from rural communities utilizing emancipation ideologies to cement their hold on power. Strengthening of party dominance in Tanzania is attributed to socialist ideology spearheaded by Nyerere's leadership. According to one respondent, CCM has always reflected the socialistic characteristics as he says:

It utilizes ideological statements from its constitution like 'Socialism and Self-Reliance is the only way to build a society of equal and free individuals' to train its youth and women wings and anchor them in that ideology. These are systematised trainings.

Former civil servant, Dar es Salam, July, 2018

Factional competition that often leads to fragmentation within parties was controlled due to low levels of economic differentiation especially in the rural areas. Although one respondent observes that the changing world order has diluted these ideologies, they still persist in the CCM policy documents and propaganda. MCP as a liberation was also able to maximize on the political allegiances from rural communities, however, management of transitions that led to the party's loss of elections and turning into an opposition party and furthermore staying out of power for 26 years meant that their hold on the local structures could not be sustained.

The opposition in Tanzania does not have the privilege of distinct ideologies. They are caught in between socialism and free market ideals but are afraid of associating themselves with extreme liberal ideals for fear of losing a people who have always had closer influence of socialism. CHADEMA's values statement in the 2006 constitution talks about Creating and sustaining a free market economy that will 'respect and protect the rights and property of the people, free trade...' CHADEMA (Constitution 2006, p. 19). Twelve years later the party produced a policy document where the statement of the Secretary General states that the party believes in the principle of the 'Social Market Economy' while providing a 'social welfare component' (CHADEMA, 2018, p.14). The contradiction or shift between free market economy to a more socially oriented principle shows that the party is not firmly settled on one ideology. This characteristic latter statement seems to depart a great deal from the constitutional statement and confirms one respondent's observation that:

Opposition parties lack consistency in what they believe in. They will move from one idea to another depending on winds blowing and mostly to catch the vote.

Political researcher, Dar es Salaam, 29, July, 2019

Strength of institutions overtime gets tested during transitions and Bratton and Van de Walle's (1994) predictions on characteristics of a polity are based on the behaviour of regimes before the multiparty transitions in the 1990s. Malawi's authoritarian regime provided less channels for negotiating rules and with the absence of the culture of contestation and participation transition occurred along with disruption of institutions resulting in the 'rapid passage of power into the hands of the opposition' (Gillespie, 1990, p. 45). The resulting democracy was competitive but the weakness of institutions

including political parties resulted in a fragmented or fluid system. Fluidity or levels of fragmentation have been demonstrated above by number of parties competing at elections and distance between ideologies of parties in the politics. Tanzania on the other hand being a competitive one-party system was more inclusionary and allowed limited competition within the party (Lofchie, 2014). When they saw change coming, incumbent leaders flowed with the wind and controlled the pace of change securing themselves in the echelons of power. Disruption to institutions was much less. Party dominance of CCM was strengthened.

The importance of ideologies to the stability of institutions has over the years been underrated. Critics to the existence of ideologies argue that ideologies are simply instruments towards gaining power and that restrictive ideologies mentally enslave people who believe in them. With the turn of events after the cold war some writers declared the “End of History” (Fukuyama, 1989) as they thought the age of ‘ideology is dead’ (Bell, 1960). However, when one considers that ideologies arise out of particular social circumstances and reflect power structures in a society, they become natural to those societies and they encourage individuals to feel a sense of belonging (Harrison and Boyd, 2018). Sauerland (2015, p. 23) argues that institutional equilibrium is characterized by “compatibility between formal and informal rules and the underlying non-formal but logically consistent set of ideas and beliefs” about society. A society that is not anchored by underlying ideologies may face challenges in stability including on the policy space. Political systems and regime types that utilize dominant ideologies reduce uncertainty within the policy environment.

4.2.4 Party Systems and Implication on Policy

Determination of party systems in this study has followed criteria laid down by several scholars led by Sartori (1976) as discussed in chapter 2. This study categorises the party systems through looking at (i) numbers of parties competing at elections (ii) changes of ruling parties as well as (iii) strength of ideological bases of parties in the two countries. Tanzania system falls into the party dominance category because CCM has ruled the country without strong opposition at elections throughout the period they have been in a multiparty system. CCM has actually ruled the country since independence. When analysed through numbers of parties competing at elections and changes of ruling elite at elections, Malawi’s party system qualifies into the broader category of competitive

party system, however, when the third criteria of ideological distance is factored in, obscurity on identities among Malawi's political parties becomes clear as parties' ideologies do not display much of a distance with most leaning on the centre right. A polity with high number of parties and low ideological distance among parties is categorized as a fragmented or fluid system. This character fits the Malawi Political system.

The following figure illustrates how the two part systems fit into polarization and fragmentation graph.

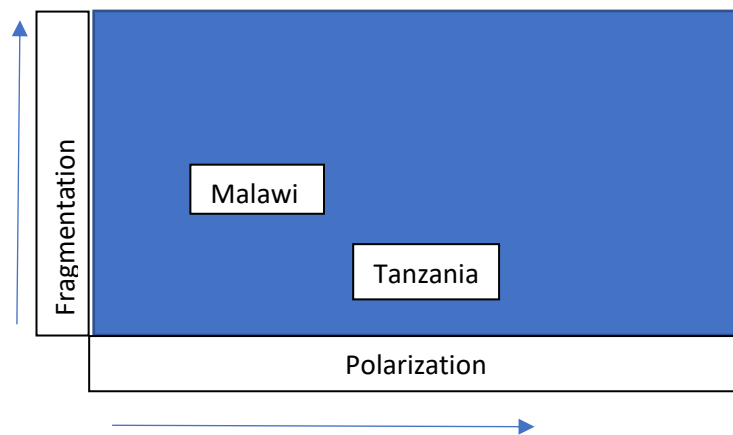


Figure 4: 1 Matrix on Polarisation and Fragmentation

(Avcu, 2013; Sartori, 1976)

This section has confirmed that party systems in the two countries differ as Tanzania has a dominant party system while Malawi's system has more features qualifying it for a fragmented party system. Implications on policies for these two polities can be drawn from Niles matrix for party regimes and policy horizons illustrated in chapter 2. According to Niles, dominant party systems like that of Tanzania will more likely have longer policy horizons than fragmented party systems like Malawi.

Party System	System Characteristics	Policy Horizon
Elected Authoritarian/ Dominant Party democracies -	• Regular elections with less opposition parties, • lower information costs	Longer time horizons
Stable Multiparty Democracies	• Small-number of parties • High party discipline. • low information costs	Longer time horizons
Fragmented Multiparty Democracies	• Low costs to new personalistic parties - high information costs - The electoral system discourages the provision of public goods;	Shorter time horizons

Figure 4: 2 Modified Matrix on Regime and Policy Horizons

Source: Niles 2019

In both Tanzania and Malawi, political competition pushes competing parties to seek ways of convincing voters to support them into office. Large number of competing parties in fragmented systems like Malawi and where entry into competition has less costs, will create insecurity to incumbents and push competition to focus on appealing to narrow constituencies. Provision of public goods is not of much priority, faced with the need to push for re-election. A larger number of election targeting subsidies will therefore be expected to be proposed and implemented. Elected authoritarian/ dominant party system like Tanzania have tendency to adopt longer time horizons as the security of tenure of leaders is more assured. They seek to appeal to the voters than force them, hence some temporary subsidies and safety nets can be implemented to a limit as a matter of maintaining political legitimacy and social control.

Party systems are not the only factors that influence policy horizons. In the first place party systems will not automatically be instituted. Some factors discussed above, will influence the shape of the systems. Another important factor with an impact on policy horizons for a polity is agency and this is discussed in the next section.

4.3 Agency

Importance of agency as a political economy factor influencing the policy environment can be appreciated by analysing key figures that have influenced policy structures, institutions and politics in the countries under study, Malawi and Tanzania. Agency is defined as the “ability of individuals, organisations and groups of collective actors to consciously deliberate and act strategically to realise their intentions, whether

developmental or not”. The notion of agency implies “a sense of free will, choice or autonomy...” (Hay, 2002, pp. 94-5). It emphasizes on leaders’ ability to influence the world around them, shaping it through charisma, vision or power. (Marcano & Barrera, 2006; Gupte, 2009). Unfortunately, leaders’ charisma will not always be obvious to those who have not experienced their leadership. Democratic systems only demand that people elect their leaders. Judgment on merits of the candidates is up to the voters. Rational voters will do a good job. But as stated in chapter 2, the economic theory of democracy and theory of politics as a marketplace, will not function well in developing world due to market imperfection as policy preferences and elections are heavily influenced by interest groups and affection ties among other factors. Information asymmetry adds to the rough playing field. While institutions play the constraining role on political actors (leaders), incentives determine whether or not players follow the rules of the game. This is where the challenge comes in the developing world as the institutions are not well developed while other strong and more organised coalitions of actors are often ready to entice leadership with incentives to bend policies towards their own business needs.

The influence of agency in both countries can be examined at two levels based on the periods the leaders presided over state functions. Distinctive periods after independence have been the one party and the multiparty eras. Sections below therefore discuss leadership and its influence on policy during the one party and multiparty eras.

4.3.1 Agency during the Post-Independence One Party Era

Cammack (2007) notes that in developing world, regulatory environment is often weak and fails to control leaders. The space and unlimited discretion they have, provide a justification for this study to explore personalities and impact different leaders have had especially in influencing policy. Weakness of institutions allows leadership benevolence or malevolence to control policy. Degree in these weaknesses however, vary among the SSA countries.

Garba (2003) identifies three dominant ideas that have shaped the economic and social policy in the post independent sub-Saharan region and these are: nationalist discourse and paradigm of social policy; John Maynard Keynes and; neoclassical economics discourses. The last discourse is associated with the post economic crisis period from

1980s to date. The Keynesian discourse is mostly associated with the state control of economic policies in the late 1960s and 1970s until the oil crisis when the international financial institutions intervened with the SAPs to save the ailing economies (Hunt 1989). Unlike countries that were pursuing socialism that embedded social policy in their entire policy framework, countries in this category applied social welfare policies selectively for instance Kamuzu Banda had more social programmes on his party structures than on the common citizen (Chirwa, 2001). Farmers accessed commodities like farm inputs through loans administered through farmer clubs for ease of repayments (Frankenberg et al., 003). At the same time, he constructed houses for his mbumba (womens' league) for free and funded their external trips. He did this to strengthen his hold on power. Garba (2007) discusses the nationalistic discourse in more detail than the other discourses. He identified Nyerere and Nkrumah with this nationalism that was driven by commitment to high moral standards with a Pan-African orientation. The description of Nyerere's Ujamaa philosophy tends to agree with this description of nationalism and despite criticisms on the implementation of his ideas, strong institutions seem to have found a good foundation in Tanzania. Later writers attribute the existence of a more united nation in Tanzania to his Ujamaa philosophy and practices (Silwal, 2015).

Dr Kamuzu Banda's influence can be illustrated through his strategies for economic growth and development using medium and long term development frameworks. The following plans guided development path: 1965-69 Development Plan, The Statement of Development Policies (DEVPOL I), 1971-1980; and The Statement of Development Policies (DEVPOL II), 1987-1996. From 1966 to the early 70s the economy flourished in many areas including agriculture and infrastructure development. State intervention, stability of prices at the world markets, centralization of the economy and tolerance of the same by the Western economies are said to be some of the contributing factors (Booth et al., 2006; World Bank 2009). According to Gulhati (1989, cited in Kayuni, 2011) Dr Banda used to make unilateral decisions and there was no room for compromises. This style of leadership ensured stability on the policy space and gave room for longer term policy horizons. Public participation however, was almost absent on the policy space.

Following the fight for independence, Malawi had a team of leaders with various stand points on policy. The invitation of Dr Banda to lead the team signals flexibility that existed amongst these leaders. The cabinet crisis in 1964 saw most of this team dismissed from their posts by the same Dr Banda after they disagreed on certain policies. Masauko Chipembere one of the nationalist leaders and minister at that time wrote that:

I too have resigned my portfolio. I was a participant in the delegation that (went) to see the prime minister (Dr Banda) ...asking him to consider the possibility of making certain changes in the system of running this country.....today here we are being described as traitors.

Rotberg ed., 2002: 433-435.

This was a point of departure for Dr Banda's rule as he banned all other parties and crushed all signs of opposition to his rule. His pronouncements on unity, loyalty, obedience and discipline sounded reasonable at the beginning but the slogan was heavily abused such that there was no room for other voices (Brown, 2008; Kumwenda, 1997; Kayuni, 2011). When Malawi returned to multiparty politics the electoral votes followed the regional patterns as presented in political parties' section above. This revealed that the one party regime had failed to unite the country. With the declining economies in the 1980s, the gains realized during the 60s and 70s were mostly lost. Regime change followed.

In Tanzania, Julius Nyerere ruled as a president from 1962 to 1985 when he paved way for his successor after Western pressure for Tanzania to embrace neoliberal principles. Nyerere was widely known for his efforts at establishing good social programmes such as education, health and youth development programmes (Potts, 2005). Just like Malawi, Tanzania had five-year development plans and long term plans under Nyerere aimed at raising literacy levels, fostering the development of capital goods industries, restructuring the industrial sector for greater economic self-sufficiency. Just like Malawi, in the 1980s Tanzania faced turbulence in the running of its economy leading to economic collapse and the collapse of many social programmes (Cooksey & Kelsall, 2011). However, some basic infrastructure had been established such as in the areas of education and social cohesion and these have assisted modern leadership as foundations for economic development. One civil servant commended Nyerere for his success in projects of national building whereby he united 126 tribes into one Tanzania,

.....started with making Swahiri a national language and now more than 99% use it. He managed this through a uniting education policy and a national service that increased interaction among the youth

A Government Official, Dodoma May, 2020

Nyerere was accused of broken promises and squandering developmental opportunities with his ‘misplaced philosophical idealism’ (Gerhart, 1997; Scott, 1999; Johnson, 2000). For modernists, the ruling elite was portrayed as robbers of personal freedoms and private incentives to enable the country modernize and gain democracy and prosperity (Yeager, 1989, p.1). For leftists, Nyerere had abandoned the class-based struggle that characterizes the socialist ideology (Shivji, 1974). The ‘Africa Bashing’ writers have trashed the whole idea of harmony and communitarianism as nonexistent in the traditional Africa. (Boesen *et. al*, 1977; Freyhold, 1979; Ergas, 1980: 387-410). However, as Ibhawoh and Dibua (2003) observe, the consistency of these postulations among the post-colonial African nationalist leaders such as Kwame Nkruma’s ‘agenda for social revolution’, Senghor’s ‘negritude’ and Kaunda’s Humanism show a common understanding of the existence of a trend of practice in the African traditional practice.

A former civil servant, who has also worked with UNDP in support of the government programmes through all the regimes, remarked on the general character of Nyerere as the “cleanest politician I have seen with no issues of corruption but people centred”. Nyerere’s legacy is appreciated even by the opposition parties who have often used his name as a point of reference. In their policy document CHADEMA have the following:

CHADEMA under the leadership of Hon. Edwin Mtei, the National Chairman at that time, handed this Policy book to Mwl. Julius Kambarage Nyerere, first President of the United Republic of Tanzania, who is reported to have said after reading it that he sees CHADEMA as the next Party to lead Tanzania.

CHADEMA Policy, 2018

Presidential contests in the multiparty era have centred on who stands out as the genuine successor of Nyerere. This simply shows the importance of influence Nyerere had and the reference to him comes due to the trust he commands from the Tanzania’s public. The power of agency in Tanzania can therefore not be overemphasized.

Nyerere left the presidency in the hands of Ali Hassan Mwinyi who was tasked with restructuring the economy from a socialist to a more liberal orientation. He initiated the removal of some restrictions on private investment, liberalized morals and values (Cooksey and Kelsall, 2011). It was during his era that Tanzania introduced the multiparty politics and just like many countries in the SSA, corruption in the newly liberalized economy gained new heights. He was also behind the setting up of the Nyalali commission that sought people's views on possibility of introducing multiparty system of government. Despite endorsement of the continuation of the one party rule, the commission still recommended the switch to the multiparty system. Leadership of Nyerere is suspected to have played a significant role in the decision as he was still the chairman of the CCM party. (Bakari, 2006).

The post-independence era was therefore marked by a policy environment dominated by legacies of Dr Banda in Malawi and Nyerere in Tanzania. Banda's legacy is identified with his dictatorial 'unilateral decision making style' that ensured a pragmatic approach in his pursuit of development in what Kayuni (2011) calls 'Pragmatic Unilateral Capitalism'. Nyerere's socialistic ideas were centred on the Ujamaa philosophy and implemented in a more open policy space under a competitive one party system. Mandate theory under these regimes might not apply as much as it did during the multiparty competitive multiparty elections. The extreme example on this is Dr Banda's dictatorship that had no presidential competition after Malawi became a republic. Tanzania on the other hand had 6 presidential competitions within the party between independence and 1989 but the winner was always sure to be Nyerere (Bratton & van de Walle, 1994). Issues of security of tenure was therefore assured and the issuance of manifestos was almost irrelevant. While competitiveness was absent in Malawi, threats to Banda's hold on power often came from those called rebels to the party but with the use of threats in the early period of his rule survival was assured (Levi, 1988).

4.3.2 Agency during the Multiparty Era

When Malawi changed systems to multiparty, the new leaders rejected almost everything else that was associated with the Kamuzu's reign with the exception of Bingu Wa Mutharika who tried to bring back some semblance of Kamuzu's discipline during his rule (Cammack, 2007). Corruption and patronage were decentralized and

impunity has been the order of the day. In terms of development policy, economic downturn of the 1980s allowed dictation of policy by the International Financial Institutions (IFIs). During the multiparty era many frameworks have been introduced under the guidance of the IFIs and most have overlapped. This has resulted in competing views and left more space for international actors to influence policy in various sectors. This has created an environment of uncertainties and policy incoherence. (Chirwa, et al., 2006).

The leadership of Bakili Muluzi introduced the poverty alleviation agenda as a guiding policy for his rule. According to the PAP document, focus was going to be on improving the policy environment, entrepreneurial and technical skills development, access to credit and appropriate technology and marketing (Chirwa & Munthali, 2002). PAP was more often mentioned in the president's speeches but its implementation was never clear. Malawi Social Action Fund funded by the World Bank was more conspicuous in the poverty reduction realm and implemented some of the social programmes like public works programme.

During Muluzi's rule corruption was very apparent. Leadership took advantage of the demands of the reforms to abuse the poorly regulated procurement systems and foreign funds to get rich and to try to stay in power (Cammack, 2006). Similar observations were made in the course of interviews:

He brought in fellow traders from Malawi Confederation of Chambers of Commerce and Industry (MCCCI) where he had served as chair before, and these took advantage of the opened space created by the liberal policies to dominate and capture market space and government contracts

An Official in Department of Economic Planning and Development, 22 September, 2018.

Bingu Wa Mutharika took a bold step and switched from the donor backed pro-poor economic strategy called Poverty Reduction Strategy Papers (PRSP) to develop Malawi Economic Growth Strategy (MEGS) with private sector backing (Chingaipe and Leftwich, 2007) in 2004-5 and later the medium term development framework (MGDS) focusing on economic growth in 2006. Mutharika and his ministers attempted to set new standards of accountability and transparency with regard to officialdom. He also introduced farm input subsidy programme (FISP) that halted famines which had

plagued the country for a long time and created a maize surplus in 2006 for the first time in two decades. (Chinsinga, 2012). The introduction of fertilizer subsidy was not a given policy as he had to challenge donors' policy on subsidies. Geoffrey Sachs expressed this in his OP-ED.

He was the first African president in recent years to face down the donors by insisting that Africa can and must feed itself, especially by helping smallholder farmers to gain access to the vital inputs they need to raise their productivity, diversify their production, and escape from poverty.

SACHS, April 19, 2012

The change of policies resulted in the increase in food output as the country became self-sufficient and realized surpluses; economy grew at an average of 7.5% and a number of infrastructure developments were realized.

Table 4. 3 GDP Recorded Since 1966

Period	1966 – 70	1971 – 75	1976 – 80	1981 – 85	1986 – 90	1991 – 95	1996 – 00	2001 – 05	2006 – 10	2011- 15	2016- 19
GDP	7.0	9.4	4.4	2.0	3.1	2.2	5.0	1.6	7.8	4.1	3.7

Source: Mangani (2011: 9); www.afdb.org; www.theglobaleconomy.com accessed 26/22/2019

From the table above, it is very easy to trace the regimes that inspired economic growth and these are Dr Banda's, with the highest growth at 9.4%, and Bingu, with the highest of 7.8%. This tallies with the descriptions of their regimes as leaders who had a sense of direction. In the same vein, Afrobarometer trust levels for presidents from 2005 recorded highest (79) during Bingu's era with Joyce Banda, who took over after Bingu's death, recording the lowest levels of trust (29) in 2014.

Table 4. 4 Levels of trust in the President

Trust in president	2005	2008	2012	2014	2017
Agree strongly	51	64	43	20	36 (for both strongly agree and agree)
Agree	17	15	15	9	
Total	68	79	58	29	36

Source: Afrobarometer SORs

Joyce Banda adopted one of the most liberal economic approaches to managing the economy. She devalued the local currency and freed it to float. She muted the implementation of the medium term development framework, the Malawi Growth and Development Strategy (MGDS II) formulated by his predecessor Bingu and came up with a shorter term framework called the Economic Recovery Plan (FAO, 2015). She set up several social protection (subsidy) programmes such as one cow per family and housing subsidy programme in addition to existing subsidy programmes. From 2013, revelations about syphoning of huge resources estimated at \$155 million or 4 percent of GDP (The Telegraph, 18 November, 2013) from the government system by civil servants with connections to her office dealt a blow to her rule (Said & Singini, 2016). This scandal has been widely associated with her search for resources to fund elections that were conducted in 2014, barely two years after she had succeeded Bingu following his death. She lost the elections.

Peter Mutharika was known for corruption just like Bakili and Joyce Banda's rule. During his reign, he displayed neither charisma nor sense of vision. His own Party's newspaper, The Malawi Voice, is on record to have reported that he does not have the "art of mixing the right amount of ingredients for effective leadership" as he was being compared with Bingu who had clear stands on issues (Maganga, 2019). He was often accused of nepotism as he filled his cabinet and government posts with people from his tribe, the Lhomwe. He introduced the Descent and Affordable Housing Programme, a housing subsidy programme in addition to the input subsidy programme and other programmes that were being implemented by government. In the electoral campaigns for the 2019 elections he promised more subsidies and welfare programmes to be implemented in the period 2019-2024 including construction of stadiums for two dominant soccer teams that already had plans for the same construction to be funded by their sponsors (DPP 2019-2024 Manifesto p.96)

The following table summarizes Malawi leadership from one party to Multiparty democracy eras.

Table 4. 5 A summary of Attributes of Leadership in Malawi

	Regime Strengths	Shortcomings
Kamuzu Banda	• Developmental approach • Policy coherence • long-term vision active government interventions • supported infrastructure development • encouraged cash crop agriculture as the backbone of the economy	• patronage • no open door policy on private sector • No free markets • Was a dictator
Bakili Muluzi	• well connected with business elites • advocated with donors for liberalisation • decentralised corruption	• mismanagement of state resources • weak and demoralised civil service • Policy formulation, the passage of laws and implementation of policy constantly delayed

	Regime Strengths	Shortcomings
Bingu Wa Mutharika	• Strong macroeconomic policies • strong public-private dialogue • developed the Malawi Economic Growth Strategy in 2004 and 2005, • prevented famines through large fertiliser and seed subsidy programme • health sector interventions made gains, particularly in HIV/AIDS • centralised rent-seeking activity in his office	• Succession challenges as he positioned his brother for succession • Promoted tribal group dividing the nation • Low in human rights record
Joyce Banda	• Improved human rights record • Reversed bad laws enacted in previous regime • Introduced Economic Recovery Plan. • Catalyzed investment through the Malawi Investment and Trade Centre and one stop centres for investor information	• Decentralized corruption – led to 2013 scandal that implicated her • serious failures in managing the economy • failed to maintain discipline within the civil service, • Muted implementation of MGDS
Peter Mutharika	• stabilized economy: inflation and interest rates are contained • Passed more laws	• lacked Charisma • implementation of policies was low • corruption and nepotism increased

Sources: Cammack et al, 2007; Mwangonde and Mwakilama, 2017; research interviews.

In Tanzania, during the transition process to multiparty politics in 1990 and Mwinyi was reelected president. He continued on the path of pursuing market economy policy. His economic reforms are blamed for opening the country to wholesale corruption. The former president Nyerere was against market economy reforms and supported Mkapa at the first multiparty elections in 1995 and being an influential leader, Mkapa won elections (Southall, 2006).

Mkapa undertook several reforms and with his reputation as an honest leader, he demonstrated commitment to tackling corruption. Several respondents from CCM and academic circles praised Mkapa for several developments.

He restructured and strengthened the public service, managed the economy better and started infrastructural development and also improved quality of education. The long term development vision (2025), was formulated under his regime.

Former civil servant. Dar es Salam, July, 2019

Kikwete created a lot of expectation from the public with his charming, outgoing, down-to-earth and media friendly personality. He increased liberalization of trade. He set up an ambitious agricultural irrigation programme. His downside is that corruption flourished during his tenure as he himself is said to have focused on accumulation of wealth at the expense of effective public administration (Rubara, 2015). He was accused of courting multinational companies and benefiting from their exploitation and expatriating Tanzania's resources. His leadership is also questioned on the way he run the party's affairs that was left divided upon his leaving office. Jakaya Kikwete received 80 percent of the presidential vote in 2005, but only 63 percent in 2010.

His apparent declining popularity is explained in terms of weak leadership, inability to arrest corruption among senior party leaders and failure to deliver on electoral promises (Hoffman, 2013)

Table 4. 6 Trust in the Office of the President from Afrobarometer surveys

Trust in president	2005	2008	2012	2014	2017
Agree strongly	69	65	43	47	51 strongly approve
Agree	22	23	45	33	34 approve
Total	91	88	88	80	85

Leadership styles will often trigger reactions on the constituency being led. The table above shows that trust in leadership was high prior to 2005 and declined to 43% during Kikwete's regime and rose again to 51% during Magufuli's presidency. The general picture is that trust in leadership has mostly been high. The loss of trust during Kikwete's period concurs with the picture portrayed above on the style of his leadership and though human rights advocates have criticised Magufuli's rule, his people seemed to trust him more than the predecessor. CCM's winning percent for presidency in 2015 following Kikwete's term was 58% while the 2020 Magufuli re-election bid attracted 84 % of total vote (Branson, 2017; Westcott, 2019).

Interviews with taxi drivers, vendors and some residents in Dar es Salam gave their impression of the Magufuli regime based on comparison with the Kikwete's regime above. His 'no nonsense' tackling of corruption and excessive government spending assisted him get sky high national approval ratings. The former civil servant now working for UNDP estimated the success of taming corruption at 60%. The 2020 electoral victory speaks volumes on the impact of his policies on the population though most Western media houses have criticized him of autocracy, human rights abuse and vote rigging.

The table below is a summary of strengths and shortcomings of leaders that have ruled Tanzania based on respondents' assessment.

Table 4. 7 A summary of Attributes of Leadership in Tanzania

President	Regime Strength	Shortcomings
Mwalimu Julius Nyerere	-Succeeded to have projects of national building -persistence in ideology -Good management of youth programmes -adult literacy and, good social programs. -Stepped down when economy suffered setbacks cleanest politician no corruption and people centered	-Government ownership of businesses and no space for private ownership. This resulted in bad management -war with Uganda led to deterioration of economy
Ali Hassan Mwinyi	Liberalisation Assured Multiparty democracy	Corruption gained ground
Benjamin Nkapa	Strengthened public service Good management of the economy Started infrastructural development Good education	Was relatively heavy handed
Jakaya Kikwete	Democratic - Opened space Increased liberalization External relations were good.	Corruption increased
Mwagufuli	- ‘resource nationalism’ for resources to benefit own people - Taming corruption succeeded up to 60% - Restored discipline in civil service - Increased the pace of infrastructure development - Social service improved - improving quality of education	Shrinking democratic space attracting criticism from civil society and donors

Sources: (Southall, 2006; Branson, 2017; Westcott, 2019)

The post Nyerere leadership has attracted mixed reactions from the Tanzanians. The change in the international order required that more liberal principles be adopted as dictated by the IFIs. However, unlike Malawi where multiparty elections change the ruling party, CCM remained dominant and the leadership has had to act within the dictates of the party. Unlike parties in Malawi, the CCM has been more institutionalized providing less space for those in presidency to make radical reforms. Those leaders who have been seen to divert from the influential policy paths of Nyerere have not been favoured. Hence the dominance of the party over individual actors has been very apparent. This has been the biggest influence in the stability of the policy space.

In the two polities, importance of agency has been demonstrated whereby the first presidents of the two polities had more space to propose and adopt the type of government they wanted and consequences thereof are still affecting these polities. The leaders in the multiparty era have had mixed fortunes with displays of brilliance and oftentimes less so. The existence of solid structures supported by more stable institutions and the Nyerere legacy has limited the space for manoeuvre to contemporary leadership. More radical stands by Mwinyi and Kikwete as they adopted more capitalistic policies, attracted a decline in party support while more conservative and technocratic performances from Mkapa and Magufuli increased support for the CCM party (Ngowi, 2009).

In Malawi, leadership has been influenced by the need to get in office and get reelected within an environment where parties feel insecure. All leaders in the multiparty era have not attempted to make policies that pose risks to their re-election with the exception of Bingu Wa Mutharika who even reversed major strategies like PRSP and introduced MGDS, risking donor support (Mwangonde & Mwakilama, 2017). At the beginning of his era, Bingu may have been driven by the mandate theory to introduce input subsidy however, the strength of agency in him led to resist other shorter term horizon policies as compared to the rest of multiparty era leaders and the replacement of the social protection biased PRSP with the more growth oriented MEGS and later MGDS. Strength of agency was therefore demonstrated during his era. Tanzanian leaders have been more consistent in pursuing medium and long term strategies in tune with CCM party manifesto. When a former civil servant was asked what incentives, parties have to implement the TDV and FYDPs, his reply was:

It would appear awkward if parties did not follow the pathway because people seem to be aware that 'we should not be where we are' and this is forcing politicians not to go other ways.

Dar es Salam, July 2019

While structure and institutions have controlled the conduct of business by leaders and voters and other interest groups in Tanzania, fluidity of the systems in Malawi have paved way for different actors to exercise power in accordance with incentives before them. Hyden (2006), concedes that the state in Africa has been dubbed “weak” because it has proved inefficient and unable to achieve official policy goals. Huntington (1968)

however, explains the origins of such situations through the Gap Hypothesis where transitions create change in the attitudes, values, and expectations of people from those associated with the old traditional world to those common to the modern world. The ability of a transitional society to satisfy these new aspirations, however, increases much more slowly than the aspirations themselves. Consequently, a gap develops between aspiration and expectation, want formation and want satisfaction. This gap generates social frustration and dissatisfaction.

This gap theory complements the mandate theory in the sense that promise made in the manifestos create expectations among voters such that failing to deliver threatens the regime's tenure. The growing dissatisfaction with new political leadership in the new multiparty dispensation was a result of the expectations from voters. Much of the frustration was experienced where wholesome changes were made during transition to multiparty system like Malawi. These polities have attracted more competition at elections and pre electoral campaigns have been so intensive that promises made to the voters are numerous and mostly of pork barrel nature. Once in power they are burdened with fulfilling those promises to convince the electorate that they are indeed working (Keefer & Khemani, 2003). Hastily designed subsidy policies are part of such mandate policies. Longer term development becomes the victim.

4.3.3 Leadership and Subsidy Policies

In our definition of agency above there was an emphasis on leaders' ability to influence the world around them, shaping it through charisma, vision or power. In the general comparison of leadership between Malawi and Tanzania it is also important to assess how these factors have been employed in an attempt to attain the countries' goal of development. And such development as analysed in chapter 2 comes with right choices of policy.

In terms of vision, both countries have had leaders who displayed zeal to move their countries forward and the first presidents, Banda and Nyerere took the lead. The architecture of this vision and method of delivery differed as the two leaders chose different paths of socialism and capitalism. The ideologies had to be matched with the nature of polity for long term impact. Breaks in the implementation of their visions caused by economic crisis and the change to multipartyism provided the necessary test

to the attainment of the vision. Consistency in the implementation of Nyerere's vision for Tanzania even with changing environments signifies a level of success to the test. On the other hand, changes in leadership in Malawi have seen so many policy reversals that have resulted in loss of direction for the country. Coming from the same party, Tanzanian leaders have been forced to tow the party line of thinking, set in motion by Nyerere, hence diversion from policy has been rare while in Malawi the rapture thesis during the switch to multi-partism meant leaving the old and adopting the new ways of doing things (Castaneda, 1996). This led to competitive behavior with new leaders trying to prove that all associated with the former leaders were not right. The result has been a challenge in coming up with consensus position on the direction of policy or simply put, policy instability. In Tanzania, leaders that came after Nyerere also may have wished to change the legacy but well established structure and institutions do shape behavior and though agents make decisions and choices and work politically to pursue their interests, they will not do so in an 'open space of unlimited possibilities'. They don't make history as they please (Hudson & Leftwich, 2014).

4.4 Socio-Economic Policy Frameworks versus Mandate Policy in Malawi and Tanzania

Against the claim by Niles (1999) that democracies with stable party systems and elected authoritarian or dominant party systems are likely to choose more progressive policies than do non-elected systems and democracies with fragmented party systems, this thesis reviewed prominence of major policy frameworks in the two countries as compared to mandate policies. The review also compared the formulation processes for both and interaction of these policies in search for development solutions.

The 1990s saw a resurgence of medium to longer term policies for more sustainable development following unsuccessful implementation of the SAPs that were supposed to be quick solutions to the 1980s economic crisis but proved to be short term and unsustainable (Chimhowu, 2019). At the time African countries were adopting the second phase of development planning, they were also transitioning to multiparty democracy. This new system required political parties to compete through selling their policies through manifestos and campaigns to get the mandate to rule. In mandate theory, the party that wins sets the policy agenda for the next period through which their mandate runs (Hofferbert & Budge, 1992). The emergency of mandate policies along

with medium to long term development policy frameworks therefore brought another complication to the policy arena that has the potential to enhance or derail development depending on whether the two frameworks complement or compete with each other especially in democratic context where parties are at liberty to implement policies of their choice.

This section therefore examines developments on economic policy and strategies and processes on how short, medium and long term strategies are structured and implemented in Malawi and Tanzania in the multiparty era. The section also looks at how a mandate policy framework gets structured and interacts with the countries' economic development structures. Finally, the section discusses how this interaction affects introduction and implementation of subsidy policies and programmes in the two countries.

4.4.1 Development Strategies and Policy Frameworks in Malawi and Tanzania

A review of Malawi Government documents reveals the existence of development planning from the time of independence to date (NEC, 2000; GoM, 2006; GoM, 2019). From independence to late 1960s development policies did exist but have been described more as wish lists but the 1970s Statements of Development Policies (DEVPOL) are held as being more organized and these ran through ten-year durations, up until 1996. However, in the 1980s when SAPs were introduced, the World Bank made country assistance conditional on formulation of Public Sector Investment Programme (PSIP), a tool that facilitates the consolidation and programming of all project interventions (Durevall, et.al, 2005). Also described by a respondent in the Department of Economic Planning and Development as:

A tool for mobilizing resources, repository of record of projects to inform future development projects and... a tool for development not welfare

22 September, 2018, Capitol Hill Lilongwe.

The new government in the multiparty era adopted the poverty alleviation policy agenda (PAP), popularized by the Brettonwoods institutions to alleviate poverty escalated by SAPs implementation. According to the PAP document, focus was going

to be on improving the policy environment, entrepreneurial and technical skills development, access to credit and appropriate technology and marketing. Two channels were to be used in the implementation of the (PAP): one through Public Sector investment programme (PSIP) and another directly to communities through community-initiated projects. PAP has been criticized as inadequate, as government policy let alone development policy. Chirwa and Ngwira (1998) argue that poverty will be alleviated if development policies work effectively. And targeting the poor implies targeting those with less capacity to engage in development activities. The introduction of PAP (PAP, 1989-2002) coincided with the new constitution that has been labelled 'humanistic' by Chirwa and Munthali for its focus on welfare in the economic Management principles. The welfare focus of the two foundational documents therefore meant that policy would certainly tilt towards welfare.

PAP was succeeded by Poverty Reduction Strategy Papers (PRSP, 2002-2004) whose goal was to achieve "sustainable poverty reduction through empowerment of the poor". The introduction of Medium-Term Expenditure Framework (MTEF) in 1995 seemed to render PSIP useless as it was assumed that the new framework would take care of the functions of PSIP. Another reason for the discontinuation of the use of PSIP was the lack of clear relationship between the two tools (GoM, 2018). It was felt later after PSIP was 'temporarily suspended', that government had little information about ongoing investment projects. To bring back coherence in development planning, PSIP was resuscitated in 2004. The new leadership of Bingu Wa Mutharika coincidentally abandoned PAP and developed a new medium-term strategy called Malawi Growth and Development Strategy (MGDS) launched in 2006 following a short period when Malawi Economic Growth strategy (MEGS, 2004-2005) became a precursor to the MGDS.

The current setting according to GoM (2017) is such that the Malawi's Vision sets out the economic and social objectives to be attained in the longer term while the MGDS is an overarching strategy emphasizing on sustainable economic growth and infrastructural development as a means of achieving poverty reduction. PSIP is used as a screening mechanism to verify that the projects being funded by national development budget are in line with national development priority areas in MGDS (MG, 2017). The directorate of development planning confirmed on the arrangement prescribed above

and that development management has used multiple tools for planning and implementing development since multiparty system was adopted. The directorate is charged with:

... managing the Public Sector Investment Programme (PSIP) as a five year programme that is used to plan both government and donor programmes.

23 September, 2018, Capitol Hill Lilongwe.

The idea of having a PSIP is to enhance proper programming of development projects in Malawi. This entails that the budget will also be based on the MGDS priority areas. The Segment 1 of figure below shows what ought to be the relationship between these instruments.

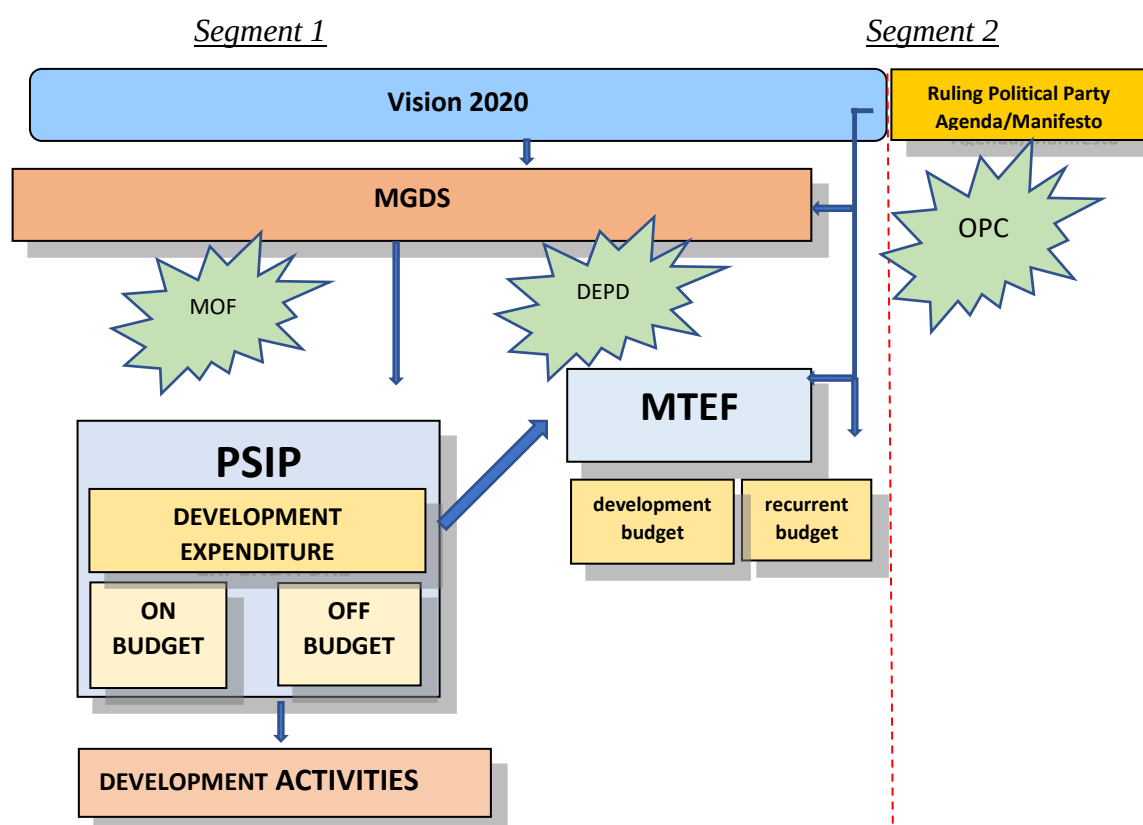


Figure 4:3 Relational Flow of Development Execution & National Budgets

Segment 1 is adopted from PSIP Preparation Handbook – 2017 with modification

MTEF becomes a tool for transparent and accountable preparation and management of the budget to ensure efficient and effective allocation of scarce resources in ‘line with national priorities while achieving overall fiscal discipline’. Economic policy

department mentioned the budget policy framework paper as a guiding document on ‘how the next budget will look like’. The key informant further elaborates that:

Prior to the completion of the budget, the Minister makes pre-budget consultations to get views from the public on what should go into the budget.

23 September, 2018, Capitol Hill Lilongwe.

The informant however, admits that this process is mostly formal as most of the decisions will have already been made. Moreover, such consultations are made in major cities in places where only the elite can attend, hence, affording chance to elite views only. But even those elite views are most unlikely to find their way into the budget. As a cabinet member, the Minister of Finance will get priorities from the cabinet that will then guide most of the budget framework. The decisions by the cabinet will mostly be based on their collective decision on priority areas and as all ministers are often from one ruling party or coalition, as rational actors, it is in their interest to take care of their political priorities first (Brady, 1999). Policies prioritized in electoral manifesto of the ruling party therefore have better chances of getting prioritized in the budget (Brouard, 2018).

In Tanzania, the influence of donors in the composition of economic and development frameworks is also very apparent. Amongst the Tanzania’s economic and development frameworks are poverty Reduction Strategy Paper (PRSP), Tanzania Mini-Tiger plan, the first National Strategy for Growth and Reduction of Poverty (NSGRP also known as Mkukuta) I and II, and the Long-term Perspective Plan (LPP), Five Year Development Plan I and II. PRSP was developed with assistance from development partners for the developing countries to qualify for debt relief (Mandalu et al., 2018). Mkukuta I and II were much similar to PRSP and covered the periods 2005-10 and 2010-15 respectively. They aimed at growth and poverty reduction, improving the quality of life and social well-being and good governance and accountability. Critics have pointed out that poverty reduction strategies were adopted as safety nets for the poor.

The evaluation of the Vision 2025 recommended formulation of medium term and short term plans that align with the long term vision (United Republic of Tanzania [URT], 2009). Medium term plans were therefore aligned to the development vision and

themes for all the three plans were predetermined and these are: ‘promotion of economic growth by resolving the critical growth constraints’ for the first (2011/2-2015/6); ‘industrialization’ for the second (2016/7-2020/1); ‘attainment of competitiveness-driven export growth’ for the third (2021/2-2025/6). (URT, 2015). The five-year development plans (FYDP) were designed to improve on implementation challenges that dogged the Mkukutas.

National investment plan aims at actualizing the vision 2025 and a key component of the investment plan is the Public Investment Programme (PIP) just like Malawi’s PSIP. The PIP manual elaborates procedures for integrating projects in the national development budget (URT, *ibid*). This has been considered important for enhancing coordination and coherence of the public investments. The PIP has been managed under the National Planning Commission whose main concerns include formulation of the medium to long term plans, coordinating sector plans for projects, guiding the PIP processes appraising projects and assessing PIP impact. Formulation and acceptance of the projects for inclusion in the PIP has to follow a specified process that involves bottom-up approach with proposals coming from the Local government authorities, Ministries, departments and agencies, consolidated into the MTEF and submitted to cabinet for approval. Formulation of the annual budgets with the inclusion of these projects is therefore based on the MTEF (OECD, 2013).

The annual budget process is organized in a bottom-up arrangement as most services are delivered locally. Ministry of Finance and Economic Affairs plays a central role of consolidating the proposals based on the MTEF and proposals from MDAs and LGAs. They negotiate priorities based on the available resources. After cabinet endorsement, the minister presents the budget to parliament for approval. It should be noted that parliament in Tanzania does not have powers to amend the budget or reallocate funds but may reject the budget which will result in the presidency dissolving parliament.

4.4.2 Processes for formulating development frameworks in Malawi and Tanzania

Processes for the formulation of development frameworks including long-term and medium-term development strategies have most often been vigorous with thorough preparatory works like trainings, countrywide consultations and validation processes to

build what can be called a consensus position to which all citizens subscribe. Malawi's vision 2020 was developed between 1996 and 1998 (National Economic Council, 1998).

The Tanzania Development Vision 2025 formulation process was equally vigorous. The following statement in the TDV summarizes the major process:

The formulation of the Development Vision 2025 has been realized through national consensus which involved extensive consultations with the various groups in Tanzania society in form of workshops, interviews, meetings etc...

URT, 2000

Five-year development plans for the two countries have also been very consultative with the same intention of getting views from as many stakeholders as possible. In Malawi consultations involved District Executive Committees (DECs), Area Development Committees (ADCs), development partners, the academia, the media, the private sector, CSO, Political Parties, Members of Parliament, Eminent Persons, and Ministries, Departments and Agencies (MDAs), and interest groups which include: youth, women, the elderly and persons living with disability. In Tanzania the processes for FYDPs have often involved three phases: 1. seeking opinions from stakeholders, 2. Soliciting consensus on priority areas and interventions, 3. Approval process by government and parliament (URT, 2016).

Another interesting perspective to the processes has been the effort to build these strategies on other existing or preceding strategies. There are efforts to build strong linkages with existing policy frameworks and strategies be they national or international to which the countries subscribe. In Malawi the FYDPs always draw references to the preceding strategies, sustainable Development goals, Africa's 2063 agenda and the Vision, though the mention of Vision 2020 has mostly been a formality. Tanzania's FYDPs also draw references to the Mkukutas, vision 2025 and global and regional policies and strategies.

4.4.3 Processes for Developing Mandate Policies in Malawi and Tanzania

As the main function of political parties is aggregation of interests and translation of the same into policy, policy proposals are packaged in manifestos for sale to the populace with the intention of gaining mandate from the larger public.

It has been stated in chapter 2 that, much as decision making will take place at various times throughout the regime's life in democracies, the most important agenda setting will take place during the elections period (Jones, 2005). For well institutionalized political parties to come up with policy issues in manifestos, long processes of negotiations by different actors and groups within each party take place and the party's values, structures and set procedures play a big part in ensuring that this process ends with policy stands that reflect preference of the constituency represented by the party. This section enquires into the policy/manifesto development procedure by examining procedures and practices they employ to come up with manifestos. Major parties in Malawi namely Democratic Progressive Party and Malawi Congress Party and in Tanzania, CCM and CHADEMA are reviewed.

Interviews with members of the central executives of the two main parties in Malawi revealed the policy formulation practices in Malawi's parties. DPP central executive member indicated as follows:

Our party president selects a team to develop the manifesto. These are experts with knowledge in specific fields and experienced with party politics. DPP policy processes borrow from processes of government policy and some bureaucrats who demonstrate loyalty to the party are consulted.

Lilongwe City Centre, 7 June, 2018

On further interrogation on the "borrowing from government policy", the respondent referred to the formation of the party, that it broke away from UDF while the latter was in government, hence being a party whose leadership was already in the government, they had to start from ideas that were already under implementation by their own government system. Further conceptualization is done by the think tank of experts. Some ideas are tested, by way of informal debates, within the party departments just to get feedback from members, like skills development programmes for youth. In some cases, ideas are tested at convention by inclusion in president's speech before the manifesto is finalised. The idea is to get feedback from the media and other commentators. The respondent however, admitted that the party's ideal preferred process would involve consultations using party structures so that every constituency contributes.

Another step would be to call for a policy conference that involves representation from community structures. However, there is little consultation with the general public due to what he terms ‘time constraints’. While parties have five years between elections one would consider the idle time spent in between the ballot as an opportune time to interact with grassroots and gauge their preferences. However, this has not been a priority to parties. Conferences are avoided even by ruling parties with adequate funding to avoid controversial proposals and decisions that may differ from the path desired by the leaders. Conventions towards elections are mostly rubber stamping forums for decisions made at private meetings. A member of the central governing council of the ruling party (DPP) in Malawi could not recall the last time the party governing council had a meeting. A political analyst had these sentiments as he commented on the desire by the then president Peter Mutharika to call for an NGC meeting:

How can a big party like DPP go without an NGC meeting for five years? One wonders how the party was making decisions if leaders were not meeting at the top level where decisions are made.

Chancellor College Lecturer, quoted by James Chauluka, Times newspaper, 5 July 2018.

Decisions are usually made by the president and a few members. This includes such critical decisions as joining an alliance or coalition with other parties. The respondent further revealed that party members take cautious measures to ensure that their ideas and strategies are kept secret in the initial stages to avoid leakage to competing parties.

The MCP Manifesto development process sounds more organised and elitist where smaller teams develop ideas for the manifesto and sell the same to the general supporters. First the task team considers the ministries that might be required to fulfil our standing agenda. Then ideas are further reorganized by bureaucrats, current and former, who will have offered to support the party.

These ideas are further developed by the task team and owned by party’s governing body and later sold to the constituency. In developing functional areas, MCP considers what ministries will be necessary to create and then proposes interventions in those lines.

MCP Central Executive Committee member, Lilongwe, 16 January, 2018.

The respondent believes in deeper analysis of the issues on the agenda so that the proposed policies are not myopic. For MCP, “consulting people who do not have ideas makes no sense”. This sounds more of the practice of trusteeship than delegate representation. Under trusteeship, a party would represent people not necessarily on what they say they want but often what they ought to want in line with the national agenda, delegate representation will however, always require constant interaction with the constituency so the representative understands reality on the ground. (Pitkin, 1967). Interviews with different informants in Tanzania revealed that all parties’ constitutions prescribe the structures to be established for running the parties and most of these parties do have some structures. The ruling CCM has had these structures from independence period and the structures grew strong during the one party rule due to the overemphasis on national building efforts and all efforts to capture the rural peasant were made possible using these structures. CCM therefore, has vibrant youth and women wings along with the other structures. The country’s rural structures are in tandem with the party’s rural structures. The ‘ten cell’ level structures are often confused with decentralization structures. This works to the advantage of CCM as rural citizens would wish to associate with the ruling parties at that level to access social welfare commodities easily. CHADEMA has prescribed a seven level structure from basic to national level.

In practice, weaknesses in the consultative processes especially for parties formed in the multiparty era have been observed while the ruling party utilizes the already existing structures.

Level of engagement with locals is very questionable especially for those formed after multiparty democracy as they cannot raise adequate funds to maintain structures. Ruling party has leaders from 10 cell levels connecting the ward level then district, regional and central party levels. Party leaders at the basic level are the ones relied on to get ideas from different groups like pastoralists etc.

An academic from a University, Dar es Salam, 29 July, 2019

Those structures help them constantly get feedback and views. This has been possible because of resources to maintain those structures. The feedback and views will not be

solicited just when coming up with manifestos but constantly through regular conferences and conventions at those levels. Nyauke and Connolly (2013) observe that there is high level of debate initiated and encouraged by CCM during elections as the party values political ideas and policy. They further observe that though the country has a dominant party system its democratic practice has been improving with increased free political debate and hence creating a community with shared ideas and expectations although these frequently fall short of fulfilment. These practices give the ruling party an advantage of coming up with ideas that reflect the public opinion better than do the opposition that do not have similar resources and tact.

One of the most significant features of the process of policy formulation within parties in Tanzania is reliance on academia. While Malawian parties have antagonistic relations with academia especially the ruling parties except those who are their members, CCM has long relied on the academia on advice in different technical and developmental undertakings.

The party constantly engages the academia for inputs into their plans and programmes. The major parties undertake their own surveys and opinion polls as well as relying on academic institutions for such polls

Academic in Dar es Salam, 29 July, 2019

Just like the Malawi scenario, government bureaucracy in Tanzania also assists in drafting policy papers for parties to improve. This practice is mostly done by ruling parties while bureaucrats who assist opposition parties do it in secret. In summary therefore policy development process in both countries is mostly elitist with Tanzania utilizing more sources of information while in Malawi the few powerful elite thinks on behalf of the party.

Other factors influencing mandate policies in Tanzania cited by key informants are the national long term development plans and ideology. The choice on what areas to focus will differ depending on parties' stance and targeted audience. At party level they have interests to rule. While parties consider the country's medium, long term development plans and other significant policy areas, they differ in the approach based on the ideology driving their policy agenda.

Some prioritize labour while others industrial incentives. Private sector and opposition will often support each other, but they will keep it secret for fear of losing business from CCM government.

A political researcher, Dar es Salam 28 July 2019

With its long socialist history, CCM targets labour and on similar issues they will seek to highlight advantages they will bring on labour force while the opposition parties often target private sector due to their market orientation.

Out of the four parties understudy, two in each country, only one, CCM has remained with stable structures and institutions since independence while its Malawian counterpart liberation party, MCP, having stayed out of power for over twenty years has been somehow weakened. Credibility in coming up with policy may therefore only exist with CCM though most consultation will involve party members. Tanzania's CCM has somehow managed to draw their manifestos guided by the country's medium to long term strategies.

4.4.4 Mandate Policies and Development Planning: A Comparative View

As observed by Rakner et al., (2004) and Booth et al., (2006) one of the highest expectations raised by the transition from authoritarian one-party rule to multiparty democracy was in the quality of policies resulting from participation of a multitude of actors at various levels of society. But the multiparty system that Malawi and Tanzania adopted obliges the parties to seek mandate after every five years. This process involves competition by political parties for the peoples vote through selling policy promises that come in packages called manifestos. There is however, a general agreement that perceived threats to regimes often influence shorter term horizons in policy making, as Rhodes premises, and that all legislators (politicians in this case) are progressively ambitious but risk averse (1978, cited in Alfazema, 2010). This threat to politicians' tenure of office therefore poses a threat to the quality of policies they make.

New institutional economics on the other hand emphasizes on the importance of aligning political incentives facing governments with requirements for economic growth and improved welfare (Acemoglu et al., 2001; North 1990). The need for medium to long term plans and strategies would therefore be in line with this school of thought. The effect of competition for votes raised above however, casts doubt on the

prospects for effective implementation of these plans and strategies. To this effect, Song and Davis (2016), raise an important point commonly held by prodemocracy advocates during the cold war and even recently, that long term planning and democracy are incompatible, hence the abandonment of the former during the cold war. However, recent literature about democratic developmental states has backed the mix to function properly under conditions that ensure policy stability that include strong institutions for state autonomy and bureaucratic continuity (Caoili, 2005). These are basic tenets that determine the quality of policies the country will adopt, including subsidy policies and their effective implementation. The following sections analyses the interaction of mandate policies and development frameworks in Malawi and Tanzania through an analysis of formulation processes, agency and planning commissions' influences in these countries.

a. Formulation Processes

Similarities between Tanzania and Malawi in their development frameworks include processes followed to come up with these frameworks. During these processes, established procedures are followed and as many stakeholders as possible are involved so to ensure inclusiveness and hence buy in from the populace for better implementation. On the contrary, processes for coming up with mandate policies in most of the parties in the two countries are inadequate and parties have complained of lack of resources and weak structures to reach out to the population (Mpesi, 2011; Maiyo, 2008). Tanzania's CCM is the only party that seems to be aided by its own 10 cell structures to aggregate perspectives, preferences and interests from its supporters that enable the party compile manifestos. The rest of parties in Tanzania do not have this privilege and in Malawi, both ruling and opposition parties have weak structures at the grassroots. MCP had better structures but decades they have spent in the opposition have deprived them of resources to maintain their structures. Table below shows a comparative view of processes for coming up with development frameworks and mandate policies in Malawi and Tanzania.

Table 4. 8 A comparative view of processes for development of medium and long term development frameworks versus manifesto development processes in Malawi and Tanzania

	Malawi	Tanzania
Long Term Vision and medium term development frameworks process	- Procedural - Consultative at different levels - Involved experts - Led by National Economic Council - Had pool of knowledge base - Involved development, implementation and evaluation of short term, medium term and long term plans to achieve the Vision.	- Procedural - Consultative, People's participation through symposia, interviews and dialogue with various groups, and meetings with people from various social settings in society. - Involved a Team of Experts - Involved mass media: articles and features in newspapers, debates and discussions in radio and television programmes
Manifesto process	- Smaller teams develop ideas for the manifesto and sell the same to the general supporters. - Task team considers the ministries that might be required to fulfil their standing agenda. - Ideas are further reorganized by task team, bureaucrats, current and former, - Owned by party's governing body and later sold to the constituency. - Manifestos kept a secret for fear of theft of ideas - Rarely consult grassroots	- Generally elite cadres get involved - Hold conferences to discuss ideas but due to resource constraints, these are rare - Ruling party use its 10 cell level structures to get people's preferences. - Questionable level of engagement with locals especially for those parties formed after multiparty democracy. - CCM has resources and deterministic tradition due to dictates of the ideology will often feedback and views solicited constantly through regular conferences and conventions not just when coming up with manifestos but at those levels

Source: interviews and literature (Nyaluke and Conolly, 2013; URT, 2016, NEC, 2000).

Despite weak and exclusive formulation processes for mandate policies in Malawi, political mandates have dominated and obscured the development frameworks. The long-term vision was effectively forgotten and only got referred to in name. MGDS III raises this concern as follows:

Party manifestos have not been developed on the basis of interpreting the national vision as enshrined in Vision 2020 but rather on the basis of designing populist pet programmes that can deliver on votes.

MGDS III, 2017-2022, Page 41

The fact that in its entire 20-year period it was only reviewed towards its expiry in 2019, speaks volumes on its usefulness to the political regimes. And the review was done to aid the formulation of the new vision. Political will has been cited as the reason for this neglect and therefore that political will has not existed for a period covering four presidents. A respondent in the M&E section of the Economic Planning Department felt strongly that political parties' campaigns deliberately neglect the medium to long term plans as they:

seek novel and fashionable ways of attracting the attention of the potential voters, hence abandoning what is perceived to have been already covered by current frameworks.

Public official, M and E Section of Economic Planning and Development

Capitol Hill 23 September, 2018

Once resources are allocated for development activities there is tendency for representatives at both central and local government levels to distribute them equally to constituencies and wards instead of prioritizing to the plans and phasing the implementation where resources are inadequate. Two examples provided by M&E section were on district borehole fund and funding for district roads where in one year, each district was allocated 10 kilometres of road rehabilitation. In the former as disagreements ensued in the targeted districts, councillors agreed to share the funds equally and assumed the discretion to decide how many boreholes they would drill. The result was that many boreholes drilled were shallow and could not last beyond six months as technical expertise was neglected, while some of the funds could not be accounted for. In the latter, Mangochi district assembly councillors voted to distribute the ten kilometre road allocation in equal kilometres per ward. Later they found this to

be naïve as the ten KM stretch had to be continuous to make any sense. However, distribution of the rest of the development budget was not reversed and the story was covered in the Nation newspaper as follows:

Traditional leaders, members of Parliament and ward councillors in Mangochi have failed to agree on the distribution of K291 million allocated for the district's development budget. ... Several members challenged the allocations, arguing that the funds were meant to be shared equally among constituencies and wards. Chikuni (director of planning and development) tried in vain to explain that the funds were supposed to be utilised based on the district development plan priorities, besides addressing key areas in the Malawi Growth and Development Strategy. However,, he later succumbed to the demands of the council to have chiefs, MPs and councillors divide the amount per constituency with each being allocated K24 million.

Kasalika, the Nation newspaper, August 3, 2015

These type of decisions make allocation difficult and resources are spread too thinly that projects will only be implemented to the foundation levels and stagnate, attracting arrears in payment to contractors and suppliers. Much as development frameworks will specify projects to be implemented, political interference will often stretch geographical areas of implementation so that every constituency is covered. Preference for pork barrel type of policies is very common (Keefer & Khemani, 2003).

One Economic Planning and Development respondent adds another perspective to the causes of neglect for the vision 2020 aspirations. He observes that long term development concepts are mostly challenged by donors. Chinsinga (2007) and Booth et al. (2006) further observe that deficiencies in expertise among government officials following SAPs implementation created a favourable atmosphere for donors involved to dominate the policy process in Malawi. Strength of agency however, determines how much the regime will succumb to donors' wishes as the sections on agency influence below demonstrates.

In Tanzania, there are indications that the vision and five-year development plans are being pursued though with less vigour. A former civil servant indicated that unlike Malawi, Tanzania's long term plan was revitalized following the midterm review in

2009 and current plans and policies are aligned to this vision. The remaining period for implementing Vision 2025 was actually divided into 5year fixed periods with themes and specific targets to ensure compliance as follows (URT, 2015): 2011/2-2015/6: ‘promotion of economic growth by resolving the critical growth constraints’ 2016/7-2020/1: ‘industrialization’ 2021/2-2025/6: ‘attainment of competitiveness-driven export growth’. In Malawi no one has been able to tell what structure the next medium term framework will take till they get there. It has so far depended on the politicians that occupy office at that time.

b. Agency influence

Economic development and change are a function of many variables including political leadership which is often considered one of the key factors. Political decisions shape actions and omissions of economic actors (Ngowi, 2009). Political leadership is described as a role of politicians in giving vision and strategies as well as creating an environment that is conducive to implementation of policies (Soanes and Stevenson, 2003). As noted in chapter 2 above, agential factors have played a big role in shaping the policy environment in Malawi and Tanzania since the two countries gained independence. The difference in roles played by these agents has mostly been in whether technocratic or populist approaches to policy making and implementation featured higher on their pecking order. The optimum result will be expected where political leadership constructs mandate policies based on laid down longer term developmental strategies and this to some extent depends on other political economy factors influencing the policy arena. As noted in chapter 2, where incentives and developmental imperatives are at odds, policy making and implementation will attract political opportunism (Ames, 1987; Acemoglu et al., 2001; Kaufmann & Kraay, 2002; North 1990; Rodrik 2003).

Importance of agency has been demonstrated whereby the first presidents of the two polities had more space to propose and adopt the type of government they wanted and consequences thereof are still affecting the two polities. The post independence era was marked by relatively favourable space for government dominated policy and the two governments were able to propose their own medium term plans and implement them without much interference from opposing voices. Policy space began to shrink during the implementation of the SAPs. Later policy would have to be compromised within a

more competitive and pluralistic environment. The leaders in the multiparty era have therefore had mixed fortunes with displays of brilliance at times and less so oftentimes.

The existence of solid structures supported by more stable institutions and the Nyerere legacy in Tanzania has limited the space for manouvre to contemporary leadership. More radicle stands by Mwinyi and Kikwete as they adopted more capitalistic policies, attracted a decline in party support while more conservative and technocratic performances from Mkapa and Magufuli increased support for the CCM party (Ngowi, 2009). In Malawi, leadership has been influenced by the need to get in office and get reelected within an environment where parties feel insecure. And as noted by Levi, (1988) regimes facing imminent threats to their hold on power often have shorter time horizons as their priority will be survival. All leaders in the multiparty era have not attempted to make policies that pose risks to their re-election with the exception of Bingu Wa Mutharika who even reversed major strategies like PRSP and introduced MGDS risking donor support (Mwangonde & Mwakilama, 2017).

When Tanzanian leaders came up with the first five year development plan in 2011, they realized that for 15 years Tanzania had recorded some impressive economic growth with little achieved in uplifting lives of the broader segment of the society. In keeping with their socialistic background therefore their new plans prioritized attracting investment in the areas where the poor are more involved.

Any growth strategy including the poor must involve substantial growth of agricultural productivity and allow most of the rural population to benefit from such growth through selling the increased produce domestic and export markets

URT, 2011: 17

The social protection paradigm has been so much associated with the “neoliberal market transactional logic” (IDS, 2011). Since the prescription of the SAPs policy influences from the Western donors have focused on social protection instruments to mitigate the impact of those SAPs on the economies of the SSA region (Dani, 008; Holmqvist, 009, cited in IDS, *ibid*). These came as poverty alleviation programmes and later Poverty Reduction Strategy Papers dominated the policy arena and guided government policies in almost the whole of the SSA region. While appreciating the importance of PRSP frameworks (MKUKUTA I and II) that had social protection

initiatives, The Tanzania Government, they left them to the donors to control and came up with a separate framework, the Five Year Development Plans (FYDP) which they would fully control (Urliksen, 2016). The government clearly prioritized the FYDPs. The change of personalities in the presidency in 2016 from Kikwete to Magufuli did not dilute but strengthened Tanzania's position on this. Magufuli reasserted their socialist aspiration on selfdetermination and ventured into renegotiating trade terms with multinationals to reduce exploitation (Nyamsenda, 2018). Tanzanian leaders have been more consistent in pursuing medium and long term strategies in tune with CCM party manifesto such that when a former civil servant was asked what incentives parties have to implement the TDV and FYDPs, his reply was:

It would appear awkward if parties did not follow the pathway because people seem to be aware that 'we should not be where we are' and this is forcing politicians not to go other ways.

Dar es Salam, July 2019

In Malawi, this type of agency was only apparent in the second multiparty president, Bingu Wa Mutharika, who upon taking over power from Muluzi in 2004 abandoned the famous donor backed Poverty Reduction Strategy Paper (PRSP) to formulate the growth oriented Malawi Economic Growth Strategy (MEGS) which upon pressure from donors combined with the social elements of the PRSP in 2006 to become the Malawi Growth and Development Strategy (MGDS). Just like the FYDPs, MEGS was more economic oriented while the latter combined with the social elements (Mwangonde and Mwakilama, 2017). The rest of the leaders in the multiparty era have shown less resolve on the social economic front.

A respondent from the monitoring and evaluation section of the DEP&D observed the following on formulation and implementation of the Malawi Growth and Development Strategy (MGDS I):

the MGDS I has been the most commended in our evaluations for consistency in its implementation and this is because it was Bingu's own brainchild and not imposed from outside and he had the political will to see it succeed

An official from DEP&D, Capitol Hill 23 September, 2018

President Joyce Banda found the MGDS II already formulated by the DPP and she only finalized and appended her signature. She however, immediately formulated the Economic Recovery Plan (ERP), as the economy was in crisis and this would cater for recovery to the normal. She did this without formally suspending implementation of the MGDS II but it was clear what would be her priority during her short stay in power. The challenge with Joyce Banda's Economic Recovery Plan (ERP) was that there was no proper articulation of how the stated plans would be implemented. The next government to assume power was DPP, a party that had spearheaded the formulation of the MGDS frameworks and had actually formulated the MGDS II. One would have expected the Peter Mutharika (DPP) government to embrace it and move ahead to implement it. Although the suspension in the initial years of the plan affected its take off, the neglect was apparent as attention was more on new priorities coming from the 2014 manifesto. The review of MGDS II concluded that:

The administrative and coordination structures established to oversee the implementation of the MGDS II are not functional and no serious attempt had been made to make them operational. The anticipated MGDS II policy level interactions have been compromised by lack of commitment, a dysfunctional and largely ineffective M & E structure, resource (human and financial) capacity constraints, from central and decentralized levels.

Malawi Government, 2016, p42.

Other than the Bingu administration where projects followed the PSIP arrangement, other regimes in the multiparty era have been marked by numerous presidential initiatives housed within the powerful Office of the President and Cabinet (OPC). Implementation of these takes precedence over the contents in the PSIP or MGDS. Most promises from manifestos have been implemented under the OPC and this gives them higher affinity at implementation.

c. *Role of National Planning Commission*

Chimhowu et al (2019) carried out an analysis of national development plans from 10 countries on different aspects of national development plans. One of the aspects was the importance of having a specialized agency responsible for the plans. The studies indicated that the existence of the national planning agency shows commitment to produce and implement the plans and ensures that the process is driven by specialist

technocrats unlike where the plans are owned by a ministry where generalist bureaucrats are involved. Another aspect was on whether the location of the authority matters. While there is no widespread evidence suggesting that locating the planning authority in the high office like that of the president and cabinet, can increase the possibility of commitment and implementation, Chimhowu et al (ibid) claim that some evidence exists linking ownership and location of the authority in the high office and allocation of resources for plan implementation especially where the planning authority has constitutional mandate.

The National Planning Commission in Tanzania was established under the President's Office in February 2008 as an agency for strategic thinking on the economy, as well as providing advice on medium- and long-term strategies for socioeconomic development, always focusing on the 'Big Picture' (Planning Commission Act, 1989). This office has been powerful being under the authority of the office of the President. The UNDP economist noted that this office has been given constant attention by government and is adequately resourced to ensure that it enforces its mandates easily. Government and political parties have respected the country's planning commission partially due to its influence. The ruling party has had a hand in ensuring that this office works. In the words of the UNDP economist...

the institution of the Planning Commission assisted in insulating the implementation of plans against political interference. The commission was powerful as it sat within the president's office.

Dar es Salam, July, 2018

The head of Research on Poverty Alleviation (REPOA) in Tanzania, however, was of the view that there is no such a thing as 'independent planning commission' just like the case in most SSA countries. And for Tanzania the executive has always placed its own personnel across the civil service. It does not matter as well where the planning commission sits as it has always moved in and out of the Ministry of Finance since the time of Julius Nyerere. The performance of the commission simply reflects path dependency theory as it has to:

.. abide by Tanzania's Long-term Development Vision (TDV 2025) and its attendant Long Term Perspective Plan (LTTP).

REPOA representative, Dar es Salaam, November, 2019

And the path dependency follows trends in adherence to discipline within the bureaucracy. Although his statement refutes the view that location of the office mattered on its effectiveness, there is a general agreement that the Commission has helped in executing policies in line with the vision and TDV.

In Malawi, this mandate of developing evidence-based long and medium-term development plans has previously been in the hands of EP&D but the department faced a lot of challenges in enforcing compliance with plans from politicians as well as government departments as observed by different respondents. Borrowing from other governments, Malawi established its own National Planning Commission under an Act of Parliament of 2017. The Commission is also mandated to oversee the implementation of the development plans, including spearheading the formulation of innovative and progressive flagship projects that can accelerate the country's socio-economic transformation.

The EP&D department now banks its hopes on the newly constituted National Planning Commission (NPC) as it was formulated based on parliamentary act. All respondents from EP&D saw the need for some authority with adequate veto powers to stop any arbitrary additions to the budget. This may however, be a challenge in a state where issue of mandate policies is left open. Some respondents especially from the M&E section see this as a tough task and recommend to have legislation that outlaws implementation of projects that do not fit into the medium and long-term frameworks. A further recommendation is to have a legal office within NPC that can advise what can be in the budget or not and undertake legal action where non-compliance is observed. M&E section also supported strengthened oversight institutions that would hold government accountable when they propose budgets that are not in tandem with medium to long-term plans. They also believe that positioning or location of the agency determines its influence on policy as well. The M&E section was previously in the Office of the President and Cabinet (OPC) and it was much easier at that time to make proposals and be understood by immediate bosses within the department.

NPC respondent does not subscribe to the legal office idea as this may not be in line with democratic theory. He expressed the following on parties' compliance:

If party undermines the medium term or long term plans will of the people, the people will decide whether they are fit to continue with their mandate or not. There is no need to have legislation that forces parties to follow the long term plan.

NPC Official, Lilongwe, March 2019

He felt people power should be trusted as regimes are put in power by people as well and the best is to influence the voters themselves to force politicians to stick to development frameworks. This could be done through propagating for 50+1 electoral system where government is supported by the majority voters and assumption being that the shared manifesto would reflect the real needs of Malawians. The voters would also be targeted with sensitization on development frameworks urging them to demand the same from their politicians. Political parties would also be targeted with messages on development frameworks so all manifestos can be formulated in line with the vision and medium term development framework. The stress is on the collaboration of stakeholders and consultative processes in formulation of the long-term vision as well as ownership by citizens and political parties. Engagement of the media would assist to expose noncompliant politicians. There is an admission from the commission that this is a very hard task in a fragmented polity like Malawi but it is the only way to development. Eventually, the electoral system was changed to 50+1 through court interpretation in the 2019 elections case and efforts have been made to force parties to align manifestos to the country's vision through legislation.

More safeguards for insulating the policy process proposed by M&E section respondents included parliamentary oversight especially when the budget is brought for parliamentary approval. The respondents felt parliamentary oversight was inadequate as politics plays an influential role in such processes. One such experience was in the approval of the 2019/20 budget item on construction of stadiums for two top football teams in Malawi that command a lot of support, Nyasa Big Bullets and Be Forward Wonderers, but are run as private entities. This was one of the promises in the 2019 DPP electoral campaign manifesto. While government wanted to gain votes by promising the stadiums prior to elections, and included the item in the first budget after elections the opposition promised to shoot it down. However, as the results of 2019

elections were being contested in courts with signs of possible annulment and a re-run, the opposition reversed its stand and feared repercussions of opposing this proposal and parliament passed it. Hence safeguards for ensuring that development plans might work or not depending on the strength of institutional frameworks that support authorities responsible for these plans.

Medium and long term strategies are formulated through a systematic, inclusive and technocratically guided process while the process for coming up with mandate policies depends on the institutionalization level of the party in question. Thus, from the interviews above, out of the four parties under study, credibility in coming up with mandate policy may therefore only exist with CCM though most consultation will involve party members. Overall, the development strategies have an edge over mandate policies in terms of their formulation processes and even implementation. Malawi has had challenges marrying the two as budgets are managed by the executive comprising of ruling parties whose interests bend towards fulfilling their party manifestos (MG, 2017). Tanzania's CCM has somehow managed to draw their manifestos guided by the country's medium to long term strategies. Party dominance helps them control government policy hence they own the medium to long term strategies as well.

4.5 Subsidy Policies in Malawi and Tanzania

Subsidies in Malawi are provided through social programmes like health, HIV/AIDS, education; social protection like public works programme, cash transfers and food and in-kind transfers; and economic programmes in the areas of agriculture and trade (NSSP, 2012). Some among these subsidies are direct while others indirectly provided. Respondents in the Department of Economic Planning and Development identified the following as some of the notable more direct subsidy programmes in Malawi at the time of this study: Farm Input Subsidy Programme (FISP); Public Works Programme; Descent and Affordable Housing Programme (DAHSP) and School Feeding Programme. There are also cash transfer programmes that are being rolled out throughout the country but most of them are led by the donors. Energy subsidy was in the recent past replaced by energy stabilization fund. Amongst the subsidy programmes, FISP and DAHSP were initiated and dominantly funded by Malawi government budget. A source in the Office of the president and cabinet mentioned other programmes that were introduced during Joyce Banda era (2012-2014) like: 'one cow per family' where

cows were distributed to rural households, and Mudzi transformation project that constructed houses for the poor. These were prioritized within the period of Joyce Banda. Interestingly, immediately after she assumed office following the death of Bingu, she introduced the Economic Recovery Plan (ERP) as a development framework. The subsidy programmes mentioned above were not part of the ERP. One cow per family project was coordinated by Presidential Initiative on Poverty and Hunger in conjunction with the Ministry of Agriculture. Mudzi transformation project was supposed to be a private undertaking under the Mudzi Transformation Trust and not designed to use government resources but was often mentioned as government project during public rallies. ‘Two crops per year through irrigation’ was another of small projects that were lined up. OPC respondent concluded that:

...and there are no evaluative reports of these projects after they were abandoned following Joyce Banda’s loss of presidency in 2014.

OPC, Capitol Hill, 7 February, 2020

One of the most notable characteristics of the subsidy policies introduced by politicians is discontinuity once the next government gains power. The mode of implementation of such projects does not guarantee accountability in the use of government funds that is why evaluations or any type of reflective reviews are not often undertaken before the next government initiates their own.

In Tanzania, there was low elite commitment to subsidies and social protection in the early 2000s. A respondent from REPOA had the following observation:

Subsidies that come as social assistance from the state are only invoked as a measure to respond to economic and social crises with most implemented as safety nets.

Dar es Salam, November, 2019

There has been a shift towards concern for the vulnerable recently placing the social protection on policy agenda. With escalating levels of hunger in Tanzania, Agricultural input subsidy programmes were introduced in 2003 to increase production and make food available for the poor. First subsidy came on transport costs and later on seeds, pesticides and herbicides in 2006 (Lameck, 2016; Isinika & Msuya, 2016). In 2007, the input subsidy programme was redesigned and upscaled to become National

Agricultural Input Voucher System programme (NAIVS). In the housing sector, subsidies have come through support for microfinance institutions to enable the financing of housing for low income households. Other subsidies in housing sector have targeted civil servants who, as observed by political expert in Dar es Salam:

civil servants have been given houses with a contract to convert them into their property after some years. Nothing for rural communities.

Dar es Salam, 28 July 2019

Lately there have been promises of construction of 30,000 affordable houses in accordance with the ruling CCAM manifesto with less results on the ground (Mwenda, 2019).

While donors assisted almost half of the resources for NAIVS unlike Malawi's FISP, other social protection programmes that Tanzania government subsidized were mainly donor supported programmes. Most significant was the Productive Social Safety Net (PSSN) Programme, a nation-wide conditional cash transfer programme that targeted the extreme poor population officially launched in 2012 (Ulriksen, 2016). This study has not established the actual reason for NAIVS attractiveness to donors where FISP failed to do so however, as a pilot project, FISP may have displayed many efficiency shortfalls that subsequent countries' programmes would address in the design complying more with donor specifications on smart subsidies. Tanzania for instance utilized the private sector for the distribution of inputs while Malawi mostly used parastatals (Kato & Greeley, 2016).

4.5.1 Sources of Subsidy Policies: Political Mandates or Development Frameworks?

There are different claims on the motives and sources for subsidy policies. Democratic Progressive Party attributes the success of the input subsidy programme to their first leader Bingu Wa Mutharika. Malawi Congress Party observes that the programme was implemented outside the long term vision (Vision, 2020) which contained nothing on subsidy programmes. The party, therefore, attributes re-emergence of subsidies and their expansion to multiparty contestation highlighting that during MCP's one party system, subsidies were embedded in government programmes implemented within the

economic and development frameworks usually midterm in nature. The MCP respondent further observed further that:

Current practices encourage podium pronouncement of policies and programmes that do not fit in other policy frameworks.

The motivation for the subsidy policies is competition for votes where proposals for subsidies will show voters that government cares for voters' plight.

Lilongwe, 16 January, 2018

The directorate of Poverty Reduction and Social Protection in EP&D disputes the attribution of preference for subsidy policies to politics alone claiming that other factors like the social fabric of the communities, education levels and levels of information flow provide pressure to policy makers to decide on introducing subsidy policies with the intention to satisfy immediate needs of the society. Much as these claims are sound, the attribution of their preference still stands as politicians are incentivized by the need to convince voters on their preferences. Hence, in polities where voters have lower educational levels and information flow is inadequate, the imperfections of the political market place discussed in chapter 2 dominate.

Views from the different respondents above can be understood by examining the different places these actors occupy in the subsidy programmes and the larger political and economic context. MCP condemned the practices while they were in opposition, DPP defended them as the government that originated and owned one of the largest subsidy policies since reintroduction of multiparty system. Within the bureaucracy, economic policy sections of EP&D opposed the policies while the poverty reduction and social protection section within the same department defended subsidies for the poor as a fulfilment of basic human needs. As argued by Merton (1957, p. 200 cites in Hill, 2005), bureaucrats (and parties) are likely to show particular attachment to rules that protect the internal system of their department for survival and self-aggrandizement. Hence Miles law: 'where you stand depends on where you sit' becomes relevant to both the bureaucrats and politicians.

The polarization of the views on subsidy policies in Malawi can better be understood with a comparative exploration of the same in Tanzania. As has been observed by Ulriksen (2016) both Tanzania's long term vision and Five Year Development

Programmes (FYDP) prioritise productive strategies than social protection measures. This preference for the home produced FYDPs has apparently drawn the government on collision course with the donors. CCM Government has stressed on the need to attract more growth stimulating investment towards areas where the poor are involved most for any strategies that target protection of the poor. Agriculture has therefore been the preferred area of investment more especially growth of the domestic and export markets as well as involvement of local labour force (URT, 2011). Many of the areas where direct social protection measures have been dominant have been led by the donors.

While distinction among the views of different respondents and institutions on the motivation and sources of subsidy policies in Malawi depends on the individuals' stands on the political or programme's context, differences among the views of Tanzania's correspondents are influenced more by the ideological positions of the politicians running the government and the opposition. Issues of influence of elections on subsidy policies frequently came up but the dominance of ideology was very apparent.

An academic in Dar es Salam claims the following on the initiative for subsidies:

As socialist country, it is the duty of government to provide for people but votes also play a big part as governments have to get back to the people for votes. Poor people have no information and they do not demand hence we can't say people are the ones who started it.

Dar es Salam, 28 July, 2019

CHADEMA respondent avoided as much as possible to affirm their position on subsidies. However, they still feel subsidy policies and other government policies including the long term development plan should be developed with less government domination and that subsidy policies need not be pegged to the long term development plan as the latter reflects the ideas of the ruling party. Such policies for them are supposed to be proposed with consultation with people and the private sector. This connotes an ideological divide that exists between the ruling and opposition parties with the former being pro labour and the latter, private sector oriented. The commitment to longer term plans is however, solid and this is what differentiates them with Malawi where supremacy of party manifestos is very apparent.

The challenge of resource constraint among the Sub-Saharan African governments limits the choice they have in the preferred means for delivery of social services to the “deserving poor” (Mkandawire, 2005, p. 2) thereby adopting ‘targeting’, despite negative influences it brings on society’s solidarity. Such adoptions with less analysis involved been described as adoption of ‘travelling ideas’ and popularization of such ideas sometimes leads developing countries to the ‘trappers game’ (Toye, 1991; Garba, 2007; Adesina, 2003, 2006; Hickey et al., 2008, p. 8). The question that Mkandawire (2005) asks is whether values of such polities are served through such modalities of implementing social programmes.

The idea of development visions was meant to enhance development of shared visions for the societies. However, in societies confused with means-testing and targeting the ‘poor and vulnerable’, whereby such terms bear wide ranging meanings, the idea of shared vision would be difficult to attain. Critics of the social protection paradigm and targeting have therefore highlighted the importance of considering social development mechanisms that combine economic development with vast improvements in social political development outcomes also described as ‘encompassing social policy’ (Korpi & Palme, 1998; Devereux et al. 2010, p. 5). In this paradigm social policy performs a wide range of functions including: production, protection, redistribution, reproduction, social cohesion and national building. These are the areas where gaps exist in the SSA countries. Institutions are weakened by a long history of slavetrade, colonialism, ideological conflicts in the independent states. Imposition of SAPs and later emergence of multiparty democracy with mixed defects inflicted more damage.

Within a democratic environment that imposes electoral roadblocks to ruling regimes and government’s-in-waiting, mandate policies will often be formulated with a focus on obtaining the mandate to rule. Most often the shaping of the mandate policies to sell to the public and implementation of the same will be influenced by different factors amongst which are structures and institutions in the polity as well as actors and the incentives that drive their decisions. As illustrated above through the Niles (1999) matrix on regime types and resulting social protection policies, different types of regimes will influence mandate policies differently depending on the incentives and threats the regimes face on their hold on power. The higher threat levels will often drive shorter time horizon policies as the regime’s priority will be survival (Levi, 1988).

Above sections have tempted to illustrate this within the two neighbouring polities of Malawi and Tanzania.

4.6 Conclusion

This chapter discussed factors that influence the policy environment in Malawi and Tanzania. Structural, institutional and agential factors influencing the policy environment in the two countries have been discussed along with political influences within the electoral democracy realm. Institutional features like the constitutions of the two countries have been discussed with a view to explore institutional stability in the two polities. Evidence shows that smooth transition to multiparty system of government in Tanzania ensured institutional stability including fewer changes to the constitution unlike the changes in Malawi that required the constitution to be redrafted. Party systems in the two countries differ as Tanzania has a dominant party system while Malawi's system has more features qualifying it for a fragmented party system. Implications for the two polities focused on the policy stability likely to result from political competition as parties compete for political mandates through votes. According to Niles matrix for party regimes and policy horizons, dominant party systems like that of Tanzania will more likely have longer policy horizons than fragmented party systems like Malawi.

The chapter recognized the significant role actors have played in the shaping of the policy environment in the two countries. While the founding president for Tanzania, Nyerere, has been a reference point and has retained influence for most policy directions of the country even after his death, the Malawi founding leader Kamuzu Banda has attracted controversy in this area with his Malawi Congress Party having spent most years so far outside government. Frequent changes in leadership and ruling parties has to some extent contributed to the instability of the policy discourse unlike in Tanzania where the ruling regime has remained intact with changes only coming in the presidency.

The chapter also discussed current economic and development frameworks and how they relate to mandate policies coming through political party manifestos. Both countries have had medium to long term plans and strategies that have been neglected at one time or another. Tanzania however, resuscitated their long term plan and

reorganized their medium term plans aligning them with vision 2025 to support implementation of the latter while Malawi's long-term plan the vision 2020 has gone unnoticed for most of its lifetime. A comparative analysis of the processes for coming up with development frameworks and mandate /manifesto policies assisted to gauge which policy discourse carries more credence. Better institutionalization of the ruling CCM party in Tanzania gives it an edge over the rest of parties in Malawi and Tanzania but as party policy formulation process is limited to only members of the entity, development frameworks provide more credible formulation process as they are led by using standard procedures that are more inclusive than party processes. As policy process is political, mandate policies cannot be neglected but the best mix between mandate and development frameworks would be more assuring in attaining the country's developmental goals. Dissatisfaction has been registered in both polities in this respect, however, some level of coherence and stability registered in Tanzania provides more hope towards developmental goal attainment than the situation in Malawi.

Finally, the chapter examined how mandate policies influence subsidy policies in the two countries. Subsidies have reemerged in both countries in the multiparty era however, there are more government led subsidies registered in Malawi than Tanzania whose social protection programmes have a larger donor sponsorship. There is tendency in both countries for mandate policies to overshadow development frameworks. Levels of influence of mandate policies vary as Malawi's party manifestos have been less confined by development frameworks than their counterpart parties in Tanzania. Levels of influence of mandate policies will be illustrated better when specific subsidy policies in the areas of agriculture and housing are analysed in chapter 5 and 6.

CHAPTER 5

MANDATE POLICIES AND AGRICULTURE SUBSIDY POLICIES IN MALAWI AND TANZANIA

5.1 Introduction

This chapter examines policies and programmes on subsidies in the area of Agriculture in Malawi and Tanzania. It explores the background to the introduction of these policies, implementation modalities including factors surrounding the continuity and efforts at policy reforms and reversals of these policies. A comparative analysis of the content of the input subsidy programmes in the two countries has been done with a view to assess how strategic the design of the programme is for the attainment of higher productivity. The chapter further examines the role of political mandates in influencing these input subsidy policies and programmes. The chapter begins with a general overview of policies on subsidies in agriculture before exploring what motivated the more recent subsidy policies.

5.2 Policies on Subsidies in Agriculture –Malawi and Tanzania

Like other SSA countries, Malawi has implemented fertilizer price subsidies to small holder farmers since independence and following the withdrawal of these subsidies in the 1980s, Government reintroduced them in 1998 through Starter Pack Programme. Later, Targeted Input Programme (TIP) was introduced after the country had experienced persistent food shortages caused by rising costs of fertilisers (Chibwana et al., 2014; Chirwa & Dorward, 2013). Though commended in the early stages for increasing food production, the programme was scaled down later following criticisms from donors for undermining private sector development, perpetuating overdependence on maize, administrative burden among other reasons (Harrigan, 2008; Dorward et al. 2008). Farm Input subsidy Programme (FISP) that followed after 2004 has equally faced criticisms but persisted to date.

In Tanzania, The World Bank (2012) notes that agriculture plays a key role in that economy contributing at least 24% to the GDP. The common challenges to the development of agriculture in the region also apply to Tanzania as infrastructure, financing and technology remain relatively poor. Poulton (2018) points out that social services have been placed at a higher pecking level than agricultural development when allocating resources in the annual budgets since independence. This could be explained with the ideological bias that Tanzania has had towards the socialist ideas since the Arusha Declaration. Importance of the agricultural sector however, got more attention during the Kikwete's regime as he focused on investments in irrigation and small holder farming through scaling up of the National Agricultural Input Voucher Scheme (NAIVS) with assistance from the World Bank (Poulton, *ibid*).

5.3 The Genesis of the 'new' subsidy programmes

In Malawi, within the MCP and UDF 2004 manifestos, input subsidies were some of the important highlights. In addition to the party's pledge on food distribution to the needy, the UDF manifesto stated the intention to provide more farm inputs to the poor in order to increase yields and guarantee food security. It did not specify whether they would continue the starter pack programme however, but the introductory statement of the chairman of the UDF party, Muluzi, pledged to continue to supply starter packs to increase food productivity. For MCP, the pledge was clear cut:

Measures will be undertaken to ensure subsidization of essential farm inputs, making farm credit readily available, commercialization of subsistence farming, promotion of food crop production by estate and maintaining food reserves.

And

Implementation of input safety net programme for low resource farmers (50 KGs urea and 5 KGs improved maize seed).

MCP manifesto, 2004.

Once into office after the 2004 elections, the new president, Bingu Wa Mutharika, implemented an expanded TIP programme and in 2005 announced a new programme, The Farm Input Subsidy Programme (FISP), following pressure from the majority opposition parliamentary members, who kept pressing for universal subsidy in keeping

with their (MCP) party aspirations (Chinsinga 2008). The new expanded programme would use coupons, targeting productive maize farmers who could not afford inputs. Donors could not support the initial stages of the new subsidy programme. However, upon recording success in the first three years of implementation, a group of donors came in to assist, encouraged by the softening of policy on subsidies by the World Bank (WB., 2008).

There is now widespread literature on the success of the Malawi programme as well as political economy issues that came with it as its popularity is thought to have produced positive results on the electoral front (Dionne and Horowitz, 2016; Chirwa & Dorward, 2013, Chinsinga, 2008). Other studies have focused on comparative scans of subsidies across Africa to unpack levels of their success or failure (Ghins et al. 2017; Kato & Greeley, 2016).

Just like in other SSA countries, subsidies in Tanzania were introduced after gaining independence as the state led in most of the revival programmes of the countries' economies. The Public Expenditure Review report for National Agricultural Input Voucher Scheme (NAIVS) for 2014 traces the Tanzanian subsidy programmes as far back as 1967 when villagisation was adopted following the Arusha Declaration. Agricultural inputs were provided to the villagers as part of the social services package (Coulson, 1982). An academician with University of Dar es Salam associates the subsidy provision with the spirit of socialism

... as socialist country it is the duty of government to provide for people.

Academician, Dar es Salam, July, 2019

Subsidies were later removed in the mid-1980s during the liberalization of agricultural markets. Declining levels of agricultural productivity and escalation of food prices as well as resultant hardships for the rural communities forced government to reintroduce subsidies by 2003 (Isinika et al., 2003). The initial subsidy was on transport costs and later on seeds, pesticides and herbicides were added by 2006. (Lameck, 2016; Isinika & Msuya, 2016).

The subsidy programme was redesigned in 2007 following controversies about management issues including targeting. A sharp rise in the prices of fertilizer and grain

on the global market prompted the government to develop the National Agricultural Input Voucher System (NAIVS) where government covered 30% and the World Bank covered 70%, of the programme cost (The African Centre for Biodiversity, 2018). The programme was further expanded in coverage in 2008 and 2009. The main aim of the NAIVS has been cited as raising maize and rice production for national and household food security. The programme was meant to be a short term intervention lasting up to three years and it actually had an exit strategy (Kato & Greely, 2016).

5.4 Content of the Programme

An analysis of the content of the input subsidy programmes helps to demonstrate how strategic the design of the programme is for the attainment of higher productivity. A study on agriculture subsidies in nine African countries between 2006 and 2013 noted that input subsidies crowded out other areas in national budgets (Ghins et al., 2017). Studies have, however, unpacked the diversity of what is generally categorized as input subsidies. It was noted that investment on capital and on farm services (mostly irrigation) have gradually been increasing in many countries even surpassing seeds and fertilizer in some countries (Mali & Burkina Faso). The study observed that seed and fertilizer subsidies represent a moderate proportion of agricultural budgets in all countries except Malawi – the only outlier spending more than 50% of its agricultural budget on input subsidies. Furthermore, there is an observation of the tendency for input subsidies to become a recurrent expenditure instead of being a short-term measure to solve the food crises and stabilize agriculture (Wiggins & Brooks, 2010).

5.4.1 Content for Malawi's FISP and Tanzania's NAIVS

While Malawi's FISP targets maize farming, Tanzania's NAIVS targets maize and rice farming. In addition to improving food security and popularizing the use of chemical fertilisers, NAIVS also aims to strengthen input supply chain. As criteria for qualification into beneficiary status for the programme one needed to be:

a full time farmer in good reputation, cultivating less than one hectare of maize or rice, willing to follow the advice of extension workers, willing to co-finance the inputs (pay 50 percent of the input cost), and willing to verify his or her use of the inputs.

NAIVS PER, 2014

The willingness to follow advice of the extension workers and the World Bank's support for training of about 3,855 agrodealers who registered to participate in the 2009/10 input distribution season demonstrates the zeal that partners in the programme had to realize intended results. Tanzanian government advocated for formation of farmer associations to access these subsidies. Targeting in NAIVS has been at different levels to stimulate specific behaviours and learning as a policy researcher observed the following:

In 2015 farmers growing less priority crops were promised subsidies with the objective of encouraging the growing of such crops. Pastoralists were also targeted with subsidies to get them to stop movements and reduce environmental degradation.

Policy Researcher, Dar es Salam, July 2019

FISP targeted small holder farmers that were resource poor in all districts except four where productive smallholder farmers would be targeted. FISP therefore did not prioritise technical guidance on the use of inputs by the farmers and the guidelines did not mention the levels of co-financing by the beneficiary. This would be and has been the discretion of the government of the day. Reality on the ground for FISP implementation has been discussed in many studies and reports. Confusion in the allocation procedures as a result of disregard for the targeting guidelines, allocation of inputs to rural middle-income households at the expense of the poor productive farmers and severely cash strained poor who receive the input ending up selling the vouchers to buy food (Chibwana et al., 2012; Croppenstedt et al., 2003; Fisher & Kandiwa, 2013). Weaknesses in the guidelines for FISP shows an absence of a social contract between government and beneficiaries and such inadequencies may lead to a situation where the latter does not feel obliged to work hard and reciprocate to the government's good will (Luiz, 2014). At the end of the day what the programme promotes is strong dependency and patronage linkages within the system.

Borrowing from Malawi's FISP, Tanzania's NAIVS used vouchers that were distributed to identified farmers to get the inputs at half the price. Each targeted farmer on NAIVS expected to receive 3 vouchers. Roughly 80 percent of the vouchers were allocated to maize farmers. These included vouchers for 10 kg of either an improved

open pollinated maize variety, or a maize hybrid, suitable for planting approximately one acre of land. FISP beneficiaries would get a package of 3 vouchers for two bags of fertilizer and seed.

One difference in the guidelines of the two programmes is that NAIVS outlines expectations for graduation of beneficiaries after three years. This was also mentioned in an interview with a former civil servant in the Ministry of Agriculture as follows:

From the design of the programme, targeted beneficiaries were expected to graduate after three years.

Dar es Salam, July, 2019

Graduation of beneficiaries is one of the criteria for smart subsidies but this graduation has met challenges in both countries. Tanzania managed to graduate some beneficiaries though but Malawi has no such record in the period FISP has been implemented. According to the Public Expenditure review findings for the NAIVS programme (2014), about 47 percent of the voucher recipients who had been introduced to the improved seed in the course of the programme continued to purchase improved seed after graduating and a smaller percentage (19%) continued to purchase fertilizer at a commercial price.

NAIVS has been categorized as a medium spender in terms of proportion of expenditure of the input subsidy against the total agriculture expenditure. For the period between 2008 and 2017, the highest proportion to the sector budget was in 2008/9 farming season with the highest proportion being 33.9% and the lowest in 2013/14 with only 8.4% allocated to the subsidy. The figure may seem high but considering that donors took an active part in funding the budget, government contribution was supposed to be 50% of the allocation. During the first two years of the project, the International Development Association (IDA) financed 50% of the subsidy cost with the remaining 50% being financed by the government of Tanzania. But IDA's contribution increased to 83% for the 2010/11 cropping season as there were significant delays in the release of government funds (World Bank, 2014).

Efforts have been made to try to balance FISP expenditure with the rest of the budgets within Ministry of Agriculture. The Ministry formulated the National Agriculture Investment Plan (NAIP) in 2018 to operationalize the 2016 National Agriculture Policy. In line with the Agriculture Sector Wide Approach (ASWAp), NAIP provides a framework for coordination and prioritization of investments by government and its partners in Agriculture. It sets guidelines for allocating resources in various investment categories within the Ministry. The table below shows allocative guideline for the five-year period that the plan covers:

Table 5. 1 Budget by Main Investment Categories (Sub-totals and share of total budget)

Intervention Areas	Share of budget	%ge
Infrastructure Irrigation, roads, market infrastructure, storage and agro processing,	906,500,000	28
Farm level investments Perennial crops, livestock farm level storage, FNS (homestead gardens)	478,200,000	15
Institutional strengthening hardware, systems and training of key institutions and coordination mechanisms	365,400,000	11
Seasonal inputs Seeds, fertiliser, pesticides, fingerlings	304,200,000	9
Training and sensitisation Awareness creation and training of private AFS actors (farmers, processors and FOs).	186,600,000	6
Research programmes and HR strengthening	89.6	3
Equipment and machinery Farm-level and downstream equipment and implements	46.2	1
Other	19	27

Source: NAIP 2017/18- 2022/23.

From the allocation above, FISP is supposed to take around 9 percent of the total budget for the main investment areas. The first and second year after the signing of the NAIP document efforts on compliance with the guideline are yet to be observed. Allocation for FISP in the 2018/19 financial year was K41.5 billion, an increase from the revised 2017/8 figure of K33.2 billion. The targeted farmers rose from 900,000 to 1 Million (FISP annual reports 2016/17 and 2017/18). With a total expenditure of K78 billion, the FISP budget represented 53% of the Agriculture budget as compared to the NAIP's recommended 9%. 2019/20 allocation was K35.5 billion and targeted 900,000 (2019/20 Budget). Although numerically the figure would appear within the normal column, the percentage to the development budget in agriculture was still high at 22% of the total budget. The figure would obviously rise considering that the 2018/19 budget had risen from K41.5 Billion allocated to K78 billion actual expenditure.

Tanzania formulated the NAIVS program with heavy reliance on the World Bank who contributed over 60% of the budget. The first year of FISP implementation got no

support from donors as they criticized the programme for undermining the long-term effort to reform and liberalise the agriculture sector (Chinsinga, 2008). Success of the project in the first years forced the donors to support some of the areas such as logistics but the significant portion still came from the government resources. The expenditure on NAIVS was 40% of the agricultural budget. Government portion of subsidy has consistently been at 50% while beneficiaries meet the other 50% of the price. In the case of Malawi, Government portion of subsidy varies between 64 and 95% on a bag of fertilizer and other inputs.

Table 5. 2 A comparison of Malawi and Tanzania on the share of subsidy budgets with other national expenditures between years 2006 to 2013

Share of input Subsidies 2006-2013	Malawi %	Tanzania %
Share of input subsidies in GDP	2.6	0.3
Share of input subsidies in agricultural GDP	9	1
Share of input subsidies in agriculture-specific expenditures	69	40

Source: Ghins et al. 2017

Heavy allocations to FISP have raised much concern among stakeholders. The 2018/19 FISP allocation caused a lot of concern from different stakeholders like the Parliamentary Committee. The co-chairperson of the committee on Agriculture and Natural Resources was quoted as saying:

Our stand as a committee is that the allocations for this programme should decrease. Last year, K33 billion was allocated to benefit 900 000 farmers. We have been lobbying for a reduction of this, but we are surprised that this year the number of beneficiaries and the allocation has increased. We think the programme has outlived its life.

Joseph Chidanti Malunga., The Nation, May 24, 2018.

UNDP, in its brief on the 2018/19 budget statement (www.undp.org) also expressed concern for government's failure to align the budget to the NAIP. The Nation newspaper reported that stakeholders including the president of Farmers Union of

Malawi had described the increase in the 2018/19 FISP allocation as a campaign strategy for elections scheduled for May 2019. After being asked whether the increase in the budget was aimed at seeking votes as it was an election year, the Minister of Agriculture Hon. Goodall Gondwe replied as follows:

there is nothing wrong with giving people more to eat in the campaign year

The Malawi Nation, May, 29, 2018.

The concern from different stakeholders should under normal circumstances trigger a reaction from government however, the reply from the minister demonstrates defiance to both their own policy, the NAIP, and that category of critics. The increased allocations are calculative such that what matters becomes the targeted population and not the ‘rational’ group of critics. To show the extent of the challenge a respondent in EP&D disclosed that Farm Input Subsidy Programme (FISP) is not part of the Public Sector Investment Programme (PSIP), a tool for enhancing proper programming of development projects in Malawi.

FISP used to be in the PSIP when its budget was still reasonable but later as the needs of the programme increased, it was removed and is purely managed within the Agricultural Ministry.

Capitol Hill, 23 September, 2018

Removal of FISP was a deliberate ploy as each ministry has a limit on the government funding they get for the projects. Where the budgets are supplemented by donor funds, the situation is bearable, however, the amount that is allocated to FISP inflates total allocation to Ministry of Agriculture beyond allowable limits. This becomes a concern especially as it affects the entire budget and raises similar to those of Wiggins & Brooks (2010) who observed that there is tendency for input subsidies to become a recurrent expenditure instead of being a short-term measure to solve the food crises and stabilize agriculture. Where budget constraints are a concern, such myopic tendencies worsen economic crises.

Whereas most respondents from the civil service and the opposition politicians criticized the project as a safety net without any productivity orientation, ministry of

Agriculture and the ruling party respondents defended it claiming that the programme is productivity oriented. Such developments have led some stakeholders to conclude that bureaucratic interest has been one of the factors that have influenced the maintenance of the programme in its current form. The Bureaucratic Politics Model (BPM) highlights the impact of bureaucratic interests in policy making. While policy agenda may be set by the politicians seeking office, the proposed policies have to undergo adoption processes and therefore bureaucrats act as reference points by both the executive and legislature to get their expert input. As most policies will have elements that affect different agencies, oftentimes competing preferences of bureaucratic actors will clash in the political bargaining processes as agencies seek to maintain or even increase the influence of their organization (Birkland, 2015). Benefits have come to the ministry in form of raising the profile of the Ministry (aggrandizement) and direct benefits like daily subsistence allowance in the implementation of the programme, as observed by MCP and EP and D. MCP Further observed the following:

Ministry of Agriculture had been dormant after one party system when UDF government demoted agriculture on the pecking order in preference to promotion of business growth till Bingu introduced FISP.

Lilongwe, 16 January, 2019

EPD Economic Policy directorate and Office of the President and Cabinet (OPC) respondents observed that inputs have been supplied every year yet government still hands out food to the same poor population. They singled out the lack of coordination of subsidy programmes as the main challenge that results in double dipping as same beneficiaries are targeted by different subsidies and welfare interventions.

NAIVS has been criticized for loopholes in the service delivery such as land criterion, affordability beneficiary identification and weak agricultural extension services (Malhotra, 2013, World Bank, 2014). The programme has also received some credit in several areas. African Centre for Biodiversity (ACBIO, 2018) observed that NAIVS produced various benefits including: increased yields, and this was more apparent in maize than rice; demonstration effect, whereby beneficiaries' fields provided a view of

the benefits of using improved inputs. A significant number of farmer graduates from the scheme continued using improved inputs. (ACBIO, 2018).

Due to exit logistics, World Bank reports that the programme period was extended up to 2014 hence extending the implementation period from three to five years. (World Bank 2014). The Government of Tanzania, thereafter, planned to continue to avail inputs through loans provided to farmer groups and cooperatives. This took effect in the 2014/15 farming season, however, due to disorganization of farmer groups, the voucher system returned in 2015/16 (ACBIO, 2018). The government effected some changes including sidelining of suppliers suspected of fraud and embezzlement in the programme. Most of the subsidies provided were on seed and less on fertilizer. Government efforts on making fertilizer available and affordable later shifted from private sector procurement towards bulk procurement using the public enterprise. This has resulted in reduction of the price of fertiliser. The development has however, set the government on collision course with suppliers who made substantive investment in the input market as they fear that competitive prices might deprive them of recouping their investment. (ibid).

5.5 Links with the Wider Policy Framework

According to Meuleman (2018), the logical consistency across all dimensions of policy development and implementation is called policy coherence. The need for coherent action through mutually supportive policies is integral to development and medium and long term development frameworks place importance on this coherence vertically, within sectors, and horizontally, across sectors (Hai, 2012; Curran et al, 2018). Good linkages of policies within a polity ensures that development challenges are tackled holistically and that the policies themselves are formulated in a mutually reinforcing manner within and across all relevant sectors. And in the area of agriculture and food security, Banik and Chasukwa (2019) note that policy coordination assists in finding solutions to food insecurity. A scan on policy coherence in Malawi and Tanzania below illustrates how serious this aspect has been considered in the formulation of input subsidy policies.

5.5.1 Policy Linkages in Malawi

In chapter 2, Professor Du Hai (2012), advances the argument that the economic development of a country depends on the quality of its policy framework among other factors. The need for policy coherence is recognized by Malawi's National Agriculture Policy and the importance of policy coherence at both vertical and horizontal dimensions gets illustrated as one flips through almost every government policy as they always make effort to illustrate linkages with different policies. An example is in the following statement from the National Agriculture Policy:

.. this policy links to the broader development goals and vision for Malawi as stated in the country's Vision 2020 document and the second Malawi Growth and Development Strategy (MGDS II). It is also in line with other sub-sectoral and cross-sectoral policies and strategic documents of the government of Malawi, such as the National Export Strategy (2012); the Agricultural Extension Policy (2000)

NAP, 2016 P.1

The Malawi Government developed the National Agriculture Policy (NAP) in 2016 to provide clear and comprehensive policy guidance in agricultural development. The policy provides direction and guides all players towards addressing challenges in the agriculture sector and increasing production, productivity and farm incomes. Farm inputs have been highlighted in the policy through priority area no. 1 on sustainable agricultural production and productivity with the following commitment:

to facilitate timely and equitable access for farmers to high quality farm inputs, including inorganic and organic fertilizer, improved seed and livestock breeds, and fish fingerlings.

NAP, 2016

In the specific strategies the government does not commit to subsidizing inputs but assumes the responsibility of facilitating access to finance for supply and purchase of farm inputs with a special mention of the private sector-led agricultural input supply system and promotion of supply through contract farming arrangements. More apparent in this policy is the agricultural transformation agenda from subsistence-oriented towards more specialized and market-oriented production.

The National Agriculture Investment Plan (NAIP) was developed to operationalize the NAP by guiding investment focus in the sector to accelerate agriculture transformation, economic growth and poverty reduction (GoM., 2018). As has been claimed in the illustration above, the NAP has been aligned to Malawi's Vision 2020 and the Malawi Growth and Development Strategy III, which are the overarching long-term and medium-term development strategies, respectively (Government of Malawi, 2016 b). However, there was no commitment to input subsidies in vision 2020. The 2020 vision acknowledges that yields are low owing partly to the fact that a small proportion of farmers use fertilizer. The recommendation has been made to promote area specific fertilizer, but there are no specific recommendations on subsidizing fertilizer (National Economic Council, 2000).

In Malawi Growth and Development Strategy (MGDS I) food insecurity is attributed to over-dependence on rain-fed agriculture, and therefore most recommendations are on improving irrigation (see table 5.2 below). The MGDS II was formulated after the FISP had already been introduced and its success internationally recognized. The MGDS II therefore recognized the value of investing in food crops as a contribution towards sustained economic growth and poverty reduction. Therefore, government committed to enhance efficiency, effectiveness and sustainability in implementing FISP. This was an acknowledgement of apparent inefficiencies that surrounded the implementation of the programme (Government of Malawi, 2012). MGDS III adopts the NAP theme on 'promoting reforms of agricultural institutions to make them more sustainable and cost-effective' (Government of Malawi, 2017). Specific activities on farm inputs therefore concern the review of FISP to improve efficiencies, private sector participation, manufacturing or blending of fertilizers to reduce cost. It can therefore be observed that policy and development frameworks have avoided encouraging the subsidy programmes but sought to propose other measures to achieving the same outcome of improving productivity. Where FISP has been mentioned, the subject was on reforming the programme to improve efficiency and find more sustainable means of access to input than subsidizing.

The NAP also links with other sub-sectoral and cross-sectoral policies and strategic documents of the government of Malawi, such as the National Export Strategy (2012); the Agricultural Extension Policy (2000), the National Nutrition Policy and Strategic

Plan (2007); the National Gender Policy (2015), the National Youth Policy (2013), the National Land Use Planning and Management Policy (2005); and the National Climate Change Policy (2012); among others. Within the agriculture sector, the NAP is linked to the Agriculture Sector Wide Approach (ASWAp) investment plan and all sub-sectoral policies.

Existence of many policies with linkage to the agriculture sector presents a great opportunity for a comprehensive framework that works to enhance agriculture productivity. Grounding of FISP within this framework would also support the continuity and sustainability of the programme. Weaknesses in both linkages with wider policy network and grounding of FISP can clearly be identified. The biggest component of FISP is fertilizer. The African Fertiliser and Agribusiness Partnership (AFAP) advocates for national fertiliser policies for clarification on the roles of different stakeholders including government and the private sector (AFAP, 2016). Roles include governance and regulation of fertilizer markets and development of the sector the goal of such regulation is to ensure quality fertilizer is availed to the farmers in good time and at affordable prices.

Issues of distribution, institutional support such as extension services, research and development to assist identify soil specific fertiliser blends for different geographical areas and even domestic production are also catered for in such policies. AFAP study conducted in 2016 recognized the absence of a fertilizer policy in Malawi. After the initiation of the programme 14 years have passed without strong guidelines on the outlined issues and this may imply lack of seriousness on direction of the programme and on the need to attain desired results. Input subsidies are not well grounded in medium and long term development frameworks, the vision 2020 and MGDS I. Subsequent versions of MGDS have come after the success of FISP was already documented. They have thus focused on correcting errors of the FISP. This raises questions on the sustainability of the programme and commitment to achievement of strategic objectives of the programme.

5.5.2 Policy Linkages in Tanzania

Just like Malawi, Tanzania recognizes the importance of complementarity of different policies for better implementation and attainment of policy goals. The National Agriculture Policy of 2013 illustrates this view through the following statement on the formulation process:

A review of the NALP 1997 has taken cognizance of different policy changes taking place at the global, regional and national levels that have impact on the development of the agricultural sector. In formulating the National Agriculture Policy of 2013, all related policies in the development of agriculture have been linked.

Tanzania NAP, 2013, p.2

The vision 2025 highlights the role of agricultural sector as a key driver in national economic growth and development. National Strategies for Growth and Reduction of Poverty (Mkukutas) served as medium term development strategies until Five Year Development Plans were adopted for the fulfilment of the long-term vision. Both strategies have reinforced commitments by the country to attain growth and poverty reduction. Agricultural Sector Development Programme (ASDP, 2006-2013) was the main agricultural policy initiative developed to strengthen institutional framework and create an enabling environment for commercialization of agriculture. Later (2011) the country developed the Tanzania Agriculture and Food Security Investment Plan (TAFSIP) that outlined the levels of investments for agricultural development. (FAPDA, 2014).

Following the increase of fertilizer, Tanzania launched the Accelerated Food Security Project (AFSP) in 2008 under the ASDP. The main component of AFSP was the National Inputs Voucher Scheme (NAIVS). The main aim of NAIVS which was ‘raising maize and rice production for national and household food security’ is in tandem with principles of the country’s guiding vision 2025: High productivity, food security and self-sufficiency (Cooksey, 2012).

Many stakeholders, including technocrats and opposition politicians interviewed in this study have expressed dissatisfaction on comprehensiveness of policy framework

supporting growth in the agricultural sector as well as consistency and policy coherence in the sector. They compare investment in the sector with other areas such as infrastructure and industrialization and conclude that in the agriculture, rhetoric does not match investment and feel that government talks about raising agriculture to convince rural masses struggling with food security that they are doing something to reduce suffering.

In Tanzania we have elitist policies as only bureaucrats and politicians participate in the process. Policies may not reflect what people really think. Policies in agriculture have not been consistent as they depend on who comes as a leader. Each leader comes with different slogans like Ujama (socialism, 1967), Kilimo Kwanza (Agriculture first, 2009) and so on.

Academic from University in Dar es Salam, July 2019.

However, comparative studies of the Eastern African Region by Ending Rural Hunger that have looked at agricultural economic policies encouraging rural investment, crop pricing, research and extension and political prioritization have scored Tanzania better than the rest at the score of 49 out of 100. They are ranked 64th in the developing world. (Alphonse, 2017). The 2016 AFAP comparative study on study fertilizer policy scored Tanzania highly in fertilizer quality due to the existence of the Tanzania Fertiliser Regulatory Authority that assists to contain incidences of adulterated fertilisers. They were the only country with such a functional institution among the four countries compared that also included Malawi, Ethiopia and Mozambique. Tanzania also did well in institutional support that includes extension services but fell short in research and development. 2020 FAO figures still put Malawi's input subsidy cost as a share of public agricultural spending at 44.5% while that of Tanzania is at 12.8%. Average fertilizer application growth rate is at 0% for Malawi and 10% for Tanzania.

The table below presents a comparative view between the two countries under study.

Table 5. 3 Policy Indicator Matrix

Indicator	Malawi %	Remark	Tanzania %	Remark
Research and Development	0	pockets of soil mapping and testing to inform the development of soil specific fertilizer blends	0	no comprehensive soil map,
Fertilizer Quality	0	limited enforcement capacity	100	dedicated institution which deals with fertilizers.
Market Access	29	Onerous fertilizer registration requirements	43	
Institutional support and Service to Smallholder Farmers	25	Malawi's extensions services are weak	75	allows farmers' accessibility by smaller packs of less than 50kg,
Fertilizer Policy and Regulations	0	no fertilizer policy	50	has a fertilizer law enacted in 2009.
Overall Fertilizer Policy Indicator	14		55	

Source: Survey results (AFAP 2016),

The absence of fertilizer policy in Malawi has exposed its policy framework for guiding the FISP. Roles of government and other stakeholders including private sector are blurred. Such roles would be on governance and regulation of fertilizer markets and development of the sector ensure quality fertilizer is availed to the farmers in good time and at affordable prices. This raises much concern on the smartness of the subsidy. Weaknesses in both linkages with wider policy network and grounding of FISP in medium and long-term frameworks have been identified. It has been observed that policy and development frameworks have avoided encouraging the subsidy programmes but sought to propose other measures to achieving the same outcome of improving productivity. Subsidy policies have therefore been formulated in isolation of the longer term policies that would have grounded them. Gashaw et al. (2020) observe that over the past decade, much evidence emerged that fertilizer subsidies alone cannot effectively increase the supply of food without other complimenting policies like on investments in development of agricultural commodity markets, extension services irrigation, roads infrastructure and others.

5.6 Political Mandates and Agriculture subsidy policies

Alonso, Volkens, Cabeza, Gómez (2012) describe saliency theory in terms of increasing visibility of issues from which parties expect to gain advantage in their campaign for votes. To sum up, the saliency theory argues that “the key difference between parties is the varying extent to which they mention one-position issues” (Budge 2001a, p. 52; see also Volkens 2002b). Issue saliency is best determined from the party documents and more specifically, policy documents and party manifestos during elections as parties try to sell their policies to potential voters.

5.6.1 Political Mandates and Agriculture subsidy policies in Malawi

Food has always played a big role in Malawi’s politics. Amongst the most important problems facing the country, food shortage was mentioned ahead of all other problems in 2005 (49%), 2008 (37%), 2012 (14%) and 2014 (27) Afrobarometer studies. 2002 and 2006 famines and the successful introduction of the input subsidy, thereafter, have been mentioned as some of the factors that contributed to Mutharika’s significant electoral victory in 2009 amassing 67% of the vote, despite competition from an alliance of the other two most influential opposition parties MCP and UDF. This was almost twice as much as he got when he won first elections under the UDF party ticket in 2004 (Dionne & Horowitz, 2016). Thereafter, political parties have competed in their promises for better input subsidy.

It has been difficult for parties in Malawi to speak against subsidies especially on agricultural inputs at platforms like parliament despite holding different views on their effectiveness. They have therefore only put emphasis on finding better ways of implementing the same. The following matrix gives a picture of how manifestos for the two biggest parties DPP and MCP have covered the agricultural productivity issues including input subsidies. These are compared with coverage of similar issues in the medium term development frameworks, the MGDS.

Table 5. 4 Agriculture Policy Contents: MGDS vs Political Party Manifestos for Malawi's Leading Political Parties

	MGDS 2006- 2011	DPP Manifesto 2009	MCP Manifesto 2009
1	• Provide effective extension services with more decentralized service delivery for agribusiness skills, • Link farmers to markets by connecting rural communities, targeting rural roads and developing farmer organizations and market information, • Encouraging the expansion and intensification of staple food production by smallholders, • Promoting irrigation farming; • Ensuring land rights recognition and security • Encouraging and expansion of horticultural crop production for agro-processing	• Providing more farm inputs to the poor in order to increase yields and guarantee food security. • Reduction of the price of fertilizer, seeds and other agricultural chemicals, to make them affordable to poor rural farmers; and • Facilitating the establishment of credit co-operatives or village banks and providing financial support for capitalization of village based credit schemes. • Research on climate change to protect agriculture from the adverse weather changes. • Linking farmers with industry to improve agro-processing. • Develop the "Green Belt" that will stretch land for irrigation	• Making farm inputs as affordable as possible through institutional frameworks such as farmer clubs, associations and cooperatives. • Introducing soft loans and low interest agricultural credit for smallholders through the involvement of micro-finance institutions (MFIs) and other non • Abolish the coupon system. • The MCP has always advocated for a Universal Fertiliser Subsidy Programme channeled through Farmers' Clubs. • Implementation of input safety net programme for low resource farmers (50 KGs urea and 5 KGs improved maize seed).
2	MGDS 2011 - 2016 • Providing effective extension services; • Strengthening linkages of farmers to input and output markets; • Enhancing livestock and fisheries productivity; • Promoting appropriate technology	DPP Manifesto 2014 • To continue with the fertilizer subsidy for maize production. • Abolish the coupon system and make the subsidized fertilizer available to all subsistence maize farmers that need it. • Balance between resources spent on FISP and budget	MCP Manifesto 2014 • Reorganize an agricultural input distributional system to make it easily accessible under our universal subsidy approach. • Develop accessible financing mechanisms for agriculture • Develop organized agricultural systems that categorizes and

	development, transfer and absorption; • Improving access to inputs; • Promoting contract farming arrangements; • Promoting irrigation farming; • Promoting production of non-traditional crops; • Improving agricultural production for both domestic and export markets; • Strengthening farmer institutions; and • Promoting soil and water conservation techniques	allocations to real productive sectors in agriculture such as agriculture extension, livestock production, research, and others. • Reduce inefficiencies associated with FISP eg. loss and theft of fertilizer bags, sand filled fertilizer bags • Improve the FISP governance systems.	recognizes various sub-groups to effectively contribute to national development • Develop a focused, specialized and diversified approach to different sub-sectors of agriculture • Improve agricultural productivity through adoption of appropriate technologies, such as irrigation and farm mechanization • Develop accessible financing mechanisms for agriculture
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2019	MGDS 2017- 2022 • Promoting and strengthening agricultural extension and rural advisory services • Supporting inclusive agricultural innovation systems for research, technology generation, and dissemination • Increasing agricultural mechanisation • Promoting infrastructure investments for large scale irrigation schemes • Facilitating and supporting improved coordination and capacity as well as infrastructural development for improved agricultural service delivery • Promoting reforms of agricultural institutions and programmes to make them more sustainable and cost effective	DPP Manifesto 2019 • Reform the current FISP program into three units: a. Universally reduce the price of fertilisers for maize production for all. b. Give inputs for free to the poor that have land and ability to farm, these will be on graduation terms. c. Give social cash transfer to the poor who have no land or ability to farm government. d. To cut administrative costs by 60 percent. • Promote irrigation, water harvesting, and construction of dykes • Promote and develop skills and linkages to outgrowers schemes and cooperatives • Link agricultural production with industry to support our agro processing industries.	MCP Manifesto 2019 • Universal fertilizer subsidy • access to affordable agricultural inputs such as fertilizers, chemicals and pesticides, and machinery working closely with the private sector through a supportive business environment • Establish agro-input manufacturing industries in partnership with the private sector to produce seed, fertilizer, implements such as ploughs and tractors, pesticides and hydroponics. • Provide targeted farm input packages through pass-on programmes, to vulnerable groups of small-scale farmers. • Enhance agricultural diversification away • Reassess the existing agro-ecological zones to determine the best locally suited crops
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Sources: GoM, 2006, 2012, 2016; DPP, 2009, 2014 and 2019; MCP, 2009, 2014, 2019

In 2009, DPP promises included directly subsidizing inputs through FISP, subsidizing consumption through removal of taxes on food items and formation of credit cooperatives as a source for financing agriculture investments. Issue of abolishing coupon system, first raised by the MCP manifesto in 2009, was adopted by the DPP in 2014, as they blamed the then ruling People's Party (PP) government for abusing the system, cheating the beneficiaries by filling fertilizer bags with sand (DPP 2014

Manifesto p. 28). They promised to reduce theft and loss of fertilizer. Having run the programme from 2006 with a break in 2012-2014 when PP ruled and continuing from 2014 to 2019, DPP itself has admitted gross inefficiencies in its administration. They have at times temporarily suspended the implementation.

The 2019 manifesto carries messages on the need to reform FISP. This is in line with agriculture policy of 2016 and MGDS III but the manifesto goes further to propose breaking it into three units of (i) universal subsidy, (ii) free input for the poor who have the potential to produce, and (iii) safety net for those who cannot farm. Such a proposal came up as well during political rallies for the same party in 2014, but it was never implemented. 2014 manifesto recognizes the need for a balance between resources spent on FISP and budget allocations to real productive sectors in agriculture such as agriculture extension, livestock production, research, and others. This proposal reinforces the observation by Ghins et al. (2017) cited above that claims that hefty expenditures on input subsidy in Malawi lead into crowding out other budget expenditures. In general, DPP has from 2009 flagged the targeted input subsidy (FISP) as one of the most important issues on its policy menus despite admitting setbacks in the programme.

While input subsidy dominates agricultural policy in DPP manifestos, MCP's manifestos have relatively wider areas of investment in the area of agricultural productivity. These include use of technologies, diversification and irrigation. MGDS carries similar policies to an extent. But departing from the MGDS and DPP documents, MCP has from 2004 consistently proposed universal subsidy. As alluded to in chapter 2, universalism in issuing out subsidies has often been associated with poverty eradication while building the nation and ensuring better citizenship and social cohesion (Mkandawire, 2005). In defending its position on preference for universal subsidy, MCP sees itself as a conservative party with preference for protectionism.

As a conservative party we are protectionists. We would rather subsidise the companies that produce resources used in the subsidy programmes and protect the industry to grow and benefit more and invest more in research and Development.

MCP Central Executive Member, Lilongwe, 16 January, 2019

Their other wish was to cut on middle men in the sale of commodities. In a young economy like Malawi, MCP thought targeting the poor could only be justified politically as the poor still sell inputs received to the rich. Though universalism is criticized for elite capture and its practicality (Mkandawire), they believe, subsidy can benefit the economy if capable people are subsidized and with R&D the economy can grow and benefit even the poor through availability of food at affordable prices. MCP's proposed subsidy programme therefore has been more contextualized within institutional frameworks that involve farmer clubs, associations and cooperatives. Targeted subsidies appear in MCP's 2009 manifesto as a safety net for the very poor but the succeeding versions have not included this.

The saliency theory argues that "the key difference between parties is the varying extent to which they mention one-position issues" (Budge 2001a, p. 52; see also Volkens 2002b). Much as MCP seems to tow the developmental line with their persistence on R&D and the development of the home industry to provide cheaper input, their position on input has been unclear especially on how they would implement the universal subsidy. Clarification by the respondent to this study above seems to be a position known by a privileged few within the party and contrary to the universal subsidy claims, MCP led coalition government adopted the very same targeted input programme increasing targeted farmers to 3.5 million from 1 million in the previous year.

UDF, PP, DPP and now MCP have all been at the helm of power in the recent past. Though their electoral victories can be attributed to mandate policies, the overwhelming victory of Bingu's DPP in 2009 was more directly associated with the introduction of FISP and its success amidst perennial hunger experienced prior to its introduction. Parties admit that design of their agricultural policies thereafter have been influenced by Bingu's 2009 electoral victory.

5.6.2 Political Mandates and Agriculture subsidy policies in Tanzania

Poulton (2018) observes that CCM's domination since independence has been a defining feature of Tanzania's political system. Led by the founding president Nyerere in the first two decades Tanzania was defined as a disciplined socialist country. Dynamics within the party changed with the imposition of the neoliberal ideas following the 1980s economic crisis. There have been some pendulum movements as

different successors to Nyerere embraced various levels of the neoliberal ideas. Most recent leaderships by Kikwete and successor Magufuli offer some extreme examples of the pendulum movements in terms of the party and government policy. Kikwete's reign displayed some significant departure from Nyerere's socialist thinking with what Poulton has described as 'pragmatism' as CCM opened itself to the private sector more.

Kikwete opened the democratic space and liberalization increased. But corruption also increased during his era.

Former civil servant in Tanzania Civil service, Dar es Salam, July 2019

Kikwete was however, faced with the dilemma of pleasing both the private sector and the peasants. At the same time competition with the opposition weighed heavily on the ruling party such that marriage with the private sector became more attractive as it brought contributions to the party for elections. (Poulton, 2018). The party's transitions explain the pathways traveled by the subsidy programmes. Much as the programme raised much expectation among the poor, the targeted were not the poorest as beneficiaries were supposed to contribute 50% to the price of the subsidized inputs. This can be compared to Malawi's FISP where the Government could subsidise as much as 95% of the price of fertiliser. World Bank's stress on smart subsidies in Tanzania meant utilization of private sector channels for distribution of the inputs who have mostly been external companies hence minimizing further the benefits for the poor. (ACBIO, 2018).

In studying the political economy issues on input subsidies where beneficiaries are farmers, attention needs to be paid to the power that these farmers as actors possess. Do they constitute a threat to the ruling elites or not? (Booth et al., 2014). In the Tanzanian case CCM remains the only institutionalized party as demonstrated in chapter 4. They have been able to command a majority of following without troubles. During the Kikwete era, however, internal fragmentation, corruption and a departure from the founding ideologies led to threats on CCM's grip on power as opposition gained ground in rural areas. One respondent had the following observation:

Kikwete's many promises on uplifting lives of the poor proved difficult to actualize.

Political analyst, Dar es Salam, July, 2019

In agreement to this observation, Cooksey (2012) cites an ambitious target of one million hectares of rice for irrigation that Kikwete set, which was five times more than the ASDP target, yet irrigation had not been high among salient issues in the run up to the 2005 elections but it found its way into the manifesto. This has been cited as an example where medium term plans drawn through a long process of consultations and negotiations can be undermined by hastily drawn mandate policies with the sole intention of gaining popularity. Following the election of Magufuli as president, the party has been undergoing reshaping in discipline and ideology as old economic nationalism and power recentralization were effected. The review of the national vision and development of five-year development plans meant that national priorities have to follow the FYDP dictates.

In 2015 Magufuli campaigned on promotion of industrialization in order to generate jobs and for domestic production expansion. Given the long standing relationship between CCM and traders, this would prove to be risk politically. (APRA, 2018). Notwithstanding this risk, Magufuli prioritized industrialization and infrastructure and according to the 2018/19 budget, though agriculture was cited as the top priority, its allocation was only 0.85 of the national budget. On his promise on tackling corruption, the subsidy programme has been one of the targeted areas, as suppliers suspected of fraud and embezzlement have been sidelined. Centralisation policy has made it possible for Government to shift efforts on making fertilizer available and affordable from pure subsidies towards bulk procurement using the public enterprise. This has resulted in reduction of the price of fertilizer.

Table 5. 5 Agriculture Policy Contents: FYDP vs Political Party Manifestos for Tanzania's Leading Political Parties

YEARS	FYDP	CCM	CHADEMA
2011-2015	• Expand and improve irrigation infrastructure; • Ease availability and enhance utilisation of modern agricultural inputs and mechanisation; • Improve and strengthen availability of scientific production methodologies through research, training, and provision of extension services; • Improve market access; • Promote agro-processing and value addition activities; • Climate-compatible agriculture	• Establish a strong agricultural bank for loans to small farmers and agricultural loans for agricultural tools from the Input Fund on reasonable terms. • Increase the availability and utilization of agricultural inputs, ensure access to those inputs. • Strengthening state seed production and distribution • To improve irrigation agriculture in the appropriate areas • Strengthen extension services by speeding up the training and recruitment of specialists, • Value addition • Strengthening cooperatives • Produce bulk fertilizers and encourage bulk importation to meet the demand	• Encourage use of organic manure and compost • Partnerships with international institutions of agro-agriculture. • Encourage agricultural training in Schools for organic farming as well as training and research • Look for reliable markets for those organic products • Emphasis on the cultivation of commodities that are reasonably priced in domestic and international markets and at low production costs.
2016-2020	• Increased use of modern technologies including ICT and extension services in order to increase productivity; • Lengthening and deepening value chains; • Skills promotion along the value chains; • Commercialization; • Quality and standards;	• Enhancing access to agricultural inputs especially in improving subsidies and modern technologies and link farmers to financial institutions; • Increasing the number of extension officers • Strengthen irrigation to reduce rainfall dependency	• Timely availability of input; • Access to long term loans and support farmers to form cooperatives • Education and modern technology to free the farmer from hand hoe; • Provide extension officers with market information

	• R&D and innovation; • Promotion of producer groups; • Alternative products and promoting marketing; • Improved access to financial services;	• Improve the agricultural research system • Facilitate access to the Agricultural Crop Market • Encourage agricultural processing.	- for production according to market; • Strengthen and enhance research centres and commercialize their products
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Source: URT, 2011, 2016; CCM, 2010, 2015; CHADEMA, 2010, 2015

Tanzania's first Five Year Development Plan (2011/12 – 2015/16) following the review of the long term vision was entitled 'Unleashing Tanzania's Latent Growth Potentials'. It aimed at propelling the economy for 'take-off'. It laid the foundation for helping the country to attain development goals outlined in Vision 2025. As a foundation, the plan was more generic and priority areas included infrastructure, agriculture, industrial development, human capital and skills development, tourism, trade and financial services. Inputs availability and utilization was one of the areas along with irrigation, research, market access, agro processing and others.

Party manifestos have not departed much from the FYDP in the area of agriculture productivity except the varying salience of the issue of inputs. CCM manifesto stressed on agricultural inputs with bulk procurement and seed production as strategies to avail the inputs. In keeping with saliency theory (Alonso et al., 2012), that says a party will ignore an issue where it has the opposite stance and instead emphasize its own priorities, CHADEMA's manifesto only mentioned the use of manure and compost but there is nothing on seed and inorganic fertilizer. The documents are silent on subsidizing the inputs much as NAIVS was still under implementation during the period.

The successor FYDP 2016/17 – 2020/21 is entitled "Nurturing Industrialization for Economic Transformation and Human Development". Technologies, value chains, research and development, quality and standards are some of the elements that are featuring more and in line with the industrialization theme. FYDP II is silent on inputs but both CCM and CHADEMA mentioned inputs in single sentences while tallying with the FYDP in the other areas of agriculture productivity. Just like Malawi, public perception on subsidy programmes in Tanzania attach subsidy programmes to vote buying.

In the multiparty era subsidies are provided as governments seeks votes from local population. Poor people have no information and they do not demand for such services.

An academician with University of Dar es Salam, July, 2019

He also accuses the ruling party of domination over the programme and rewarding those affiliated to the ruling party. A political researcher concurs with this observation.

The presence of the ruling party in the local structures is so apparent that those who lead village to district committees are often associated with CCM creating higher chances of recognizing beneficiaries who are active party members.

Political Researcher, Dar es Salam, July 2019.

This view is in line with Kjær & Therkildsen (2013) who observed that the vote winning (and patronage) potential of this arrangement are obvious, raising concern among the opposition. Other respondents including a UNDP representative and former civil servant saw fertilizer subsidy not as a strategy to gain votes but part of social policy especially for the maize growing areas and commended the government for the focused approach to development.

5.6.3 Political Mandates and Agriculture Subsidy Policies: A comparative Analysis of the Two Countries

A scan of the medium term development frameworks from the two polities shows that there is very little or nothing specific on agriculture input subsidies. Party manifestos tell a different story however,. Tanzania's ruling party manifestos have included subsidies on agricultural inputs but maintained most of the issues covered by FYDP while opposition CHADEMA also maintains most issues from FYDP and subsidy issues have been confined to almost one sentence. Both Malawi's ruling party during the period of the research, DPP, and the opposition Malawi Congress Party allocated much space for the input subsidy programmes only differing in the approach. The DPP maintained the targeted programme while MCP promised universal subsidy programme. Tanzania has therefore leaned more on the technocratic approach to policy while as observed by Chirwa and Munthali (2002), Malawi "straddles between Technocratic and populist" approaches and more often populism dominates policy.

Institutional strength of the ruling political party and the weakness of the opposition in Tanzania places the elite in a better position to make policies under secure environment while fragmentation in Malawi's politics makes any party a potential rival of the ruling. Fragmented party systems are likely to have more veto players making the policy space unstable and the ruling elite insecure (Niles, 1999). This insecurity places the farmer and other interest groups at an advantage to threaten regimes.

An important question on the influence of politics in input subsidy programmes is on whether farmers as actors in the power circles constitute a threat to the ruling elites in the two countries. Many respondents and studies have strongly opined that the successful introduction of the input subsidy in 1995 contributed to Mutharika's significant electoral victory in 2009 (Dionne and Horowitz, 2016; Cooksey, 2012; Ferree & Horowitz, 2010), though the same may not be securely attributed to victories of succeeding regimes.

In the Tanzania, CCM remains the only institutionalized party as demonstrated in chapter 4. They have been able to command a majority following without problems. During the Kikwete era, however, internal fragmentation, corruption and a departure from the founding ideologies led to threats on CCM's grip on power as opposition gained ground in rural areas. Magufuli's reign however, has recentralized government operations and strengthened the ideological position of the CCM factors that have played a part in the fight against corruption even on the NAIVS programme. These moves have reversed the dynamics of grassroots support in favour of the ruling party once more as can be observed from the 2020 electoral results.

Chapter 4 showed that competition at elections in Malawi is very stiff and as such this chapter has demonstrated that party manifestos have many promises of subsidy policies despite FYDPs carrying different solutions to food security. Specifically, FYDPs in both countries propose more permanent solutions in the field of agriculture like provision of extension services, linking farmers to markets, developing farmer organizations and market information, promoting irrigation farming; land rights recognition and security technology development, transfer and absorption, improving access to inputs, increasing agricultural mechanization.

Most of the are areas where Ghins and others (2013) recommended as areas that subsidy programmes should assist develop. Party manifestos in Tanzania reflect some of these area with additions on issues like establishing a strong agricultural bank for loans to small farmers and agricultural loans for agricultural tools from the Input Fund on reasonable terms, increase the availability and utilization of agricultural inputs, ensure access to those inputs strengthening state seed production and distribution, producing bulk fertilizers and encourage bulk importation.

Malawi's party manifestos also carry some of the areas in the FYDPs plus many issues on input subsidies such as; providing more farm inputs to the poor, reduction of the price of fertilizer, seeds and other agricultural chemicals, to make them affordable to poor rural farmers abolish the coupon system and make the subsidized fertilizer available to all subsistence maize farmers that need it. The lack of clear mechanisms that feature subsidies as part of the longer-term solution to food insecurity and poverty eradication in general portrays these subsidies as short term policies. The prediction by Niles matrix (1999) that fragmented party systems will vie for short term horizon policies is therefore demonstrated in these comparative matrices.

Another interesting promise made by the DPP that had been in power when NAIP was formulated was to bring:

Balance between resources spent on FISP and budget allocations to real productive sectors in agriculture such as agriculture extension, livestock production, research, and others.

DPP, 2019 manifesto

This promise signifies that they knew the existence of the imbalance in the agriculture budget. Ghins et al. (2017) found that the proportion of input subsidies against agriculture budget averaged 35% in nine (9) African countries namely Ethiopia, Kenya and Uganda, Burkina Faso, Ghana, Mali, Mozambique and the United Republic of Tanzania and Malawi. But Malawi was presented as an outlier high spender with a 'staggering' 69% share. Malawi's Agriculture plan, NAIP, recommended a 9% share by NAIP (MG., 2018). This study confirmed that the same government kept it above 50% for two years prior to elections in 2019. The 2019 DPP manifesto further pledged

to abolish the coupon system and make available inputs to all subsistence farmers who needed them.

Most farmers are in this category and a pledge to make inputs available to them goes against the pledge to balance the expenditures as most rural dwellers in Malawi are farmers. Such a pledge would be almost as promising universal subsidy programme. Perhaps the promise was meant to match the opposition MCP who at the same time promised Universal Fertiliser Subsidy Programme that was abandoned in the 1980s due to the burden on budget resources. The equivocation in these manifestos on reforming the subsidy programme while at the same time advocating for its expansion is by no means an accident. It simply means politicians are not ready for the reforms in this area. It is in line with Keefer and Khemani's (2003) 'political' rational actor who allocates resources to the constituency that can retain them in office. It is also in line with arguments by Harding and Stasavage (2014) that voters are more likely to prefer incumbent leaders for programmes directly attributed to those politicians.

5.7 Challenges Encountered by Input subsidy programmes in Malawi and Tanzania

Challenges to the subsidy programmes have been mentioned by many reviews to the subsidy programmes including the annual reviews (WB, 2014; Aloyce et al., 2014; Chirwa et al., 2016). Anomalies have also been cited in most of these annual reports and they include: delays in distribution of coupons, corruption in identification of beneficiaries, cheating in the process of selling the commodity by suppliers and selling the inputs at a higher price than government set prices. The presence of many challenges to the programme has also been acknowledged in both the 2014 and 2019 DPP manifestos as in the following statements:

...the inefficiencies associated with the recent FISP where cases of loss and theft of fertilizer bags have been common. The phenomenon of sand filled fertilizer bags is a scandal and a mockery to the tax payer.

DPP 2014 Manifesto p. 28

MCP also indicated that suppliers of inputs, especially fertilizer, are some of big winners in the subsidy programme.

Increased donor support for subsidies in the agricultural sector saw an introduction of some new concepts to ensure that market policies are not undermined by the subsidies. One such concept is ‘smart subsidies’ and being smart means they were supposed to: target farmers who do not apply fertilizer due to poverty and other vulnerability reasons; utilize and support private supply networks that exist already; devise exit strategies with time limit on the support (Dorward et al., 2008). These characteristics would ensure that commercial input sales would still exist while promoting pro-poor growth.

Non-governmental supply networks would enhance efficiency and sustainability while the exit strategies would reduce the risk of capture by politicians. (Minde et al; 2008: Tiba, 2009, cited in Baltzer K. & Hansen H., 2012). Issues of targeting have posed many challenges as everyone in the rural setting identifies with poverty. The inclusion of the private sector has increased fraud and corruption as ruling elite collude with private traders to undersupply or supply low quality products. Issues of exit strategies have met much resistance in Tanzania while Malawi has rarely mentioned nor planned for any exit strategies for categories of beneficiaries.

In Grindle’s (2010) elaboration of the theory of politics as a market place, presented in chapter two, parties competing for power will often benefit from funding from certain groups and in exchange introduce policies that benefit these pressure groups in form of contracts, jobs, direct subsidies and more. FISP annual reports from the Ministry of Agriculture reveal the names of suppliers for inputs. On the list of regular suppliers, 13 out of 28 suppliers awarded contracts in the year 2016/17 were known ruling DPP members or people with connection to the party (refer to Annex 1). DPP executive member indicated that the interference in the programme by politicians has been noted by government and several times the head of state has had to appeal to the party leaders to stop the vice.

The party has heard and has several times involved the president in appealing to the party gurus not to interfere.

DPP respondent, Lilongwe, January, 2019

News items like the one below have been common during implementation of FISP

Ministry of Agriculture, Irrigation and Water Development has suspended the 2018/19 Farm Input Subsidy Programme (Fisp) citing anomalies in the distribution chain and redemption of beneficiary coupons.

Archibald Kasakura, Malawi Nation online, November 8, 2018.

The subsidy programme in Tanzania has had other criticisms apart from the political interference. The 2014 Public Expenditure Report summarises most common complaints and shortcomings received from targeted groups, non-targeted, logistics officers, suppliers and other officials in government (WB., 2014). As expected in targeting programmes the complaint of inadequacy of vouchers was prominent as people in the benefiting areas would share the inputs once purchased just like the case in Malawi's FISP. This defeated the purpose of targeting. The report also says that most beneficiaries were not comfortable with the graduation period of three years stating that it was too short. One of the most important aims of the programme was to introduce new inputs to the farmers and inculcate the practice of continued use of these inputs. This was difficult to maintain after graduation period because of the continued rise of the cost of inputs. Delays in voucher distribution was another common complaint making the programme miss the planting periods. Failure by agro-dealers to raise enough capital for procurement of the inputs made the issue of delayed supplies worse. An academic from the University had the following to say on the NAIVS programme:

Input subsidy is not open on who gets the voucher. The programme is supposed to benefit small farmers but benefits go to big farmers or businessmen. Also getting the voucher depends on one's political affiliation.

Academician, Dar es Salam July, 2019

Input subsidy programmes in both countries have faced numerous challenges. While Tanzania has made adjustments to the programme over the years, Malawi's FISP remained intact and suppliers who were suspected of fraud were never disciplined but maintained on the suppliers' list. This chapter has further demonstrated that most of the suppliers on the list were members of the ruling party which arouses suspicions of linkages of this inaction to party funding. Keefer and Khemani (2003) contend that

other than just their wish to retain office, politicians have to keep revenue for their own use (rents). The possibility of sharing the rents with suppliers exists but a further possibility is that of using rents to fund party campaigns for elections. Malawi has a law, The Political Parties Act (2018) on disclosing sources of funding for the party but the law has never punished any party on this offence. Hence it is difficult to know how this angle of rent maximization is being exploited.

The ‘political’ rational actors also try to convince the rural populace through the provision of subsidies. The interests of these rural dwellers do not go beyond benefiting from the inputs to examine the opportunity cost of expenditures on the same. The politicians maximize on the imperfections of this type of political market marked by low levels of education, information unavailability and attachments of parties to home of origins to woo voters through clientelism as explained in chapters above (Baron, 1994; Grossman & Helpman, 1996). Voters will be wooed by among others Manifesto policies on subsidies. Input subsidy policies are said to be a highly demonstrable way for politicians to show their support to constituents as apparent beneficiaries are clearly identifiable though real losers are not, constituents are not told the real cost of the subsidy programme in terms of tax resources (Jayne & Rashid, 2013).

As Huntington (1968) and Huntington and Dominguez (1975) observe, democracies, owing to their need to cater to a broad electoral base, will have more extensive social policy commitments. This thesis, however, goes beyond the general description of democracy but specifies the type of democracy that promotes this behaviour namely fragmented or fluid democracies described in more detail in chapter 2. Dominant party and Competitive democracy within perfect ‘market’ where institutions are strong has the potential to deliver better policies (Niles, 1999; Sartori 1976: 119-216; Linz and Stepan 1978: 24-27).

More institutional weaknesses in a fragmented party system have been demonstrated through an analysis of policy coherence in the two polities. Weaknesses in both linkages with wider policy network and grounding of FISP can clearly be identified. Input subsidies are not well grounded in medium and long term development frameworks, the vision 2020 and MGDS I. The biggest component of FISP being fertilizer, the absence of a fertilizer policy in Malawi is very conspicuous. Such a policy

would enhance clarification of the roles of different stakeholders in governance and regulation of fertilizer markets, distribution, institutional support such as extension services, research and development to assist identify soil specific fertiliser blends for different geographical areas and even domestic production.

Tanzania has scored better on agricultural policy frameworks in other studies elaborated above. Some of the merits identified are the existence of the fertilizer policy and Tanzania Fertiliser Regulatory Authority (TFRA) that helps to regulate and coordinate fertilizer availability and standards. Vibrancy in the research and development has attracted much support leading to a search for options for reducing fertilizer prices and with the leadership of TFRA, bulk procurement system was implemented from 2017 as the NAIVS got scaled down. Good linkages of policies within a polity ensures that development challenges are tackled holistically and that the policies themselves are formulated in a mutually reinforcing manner within and across all relevant sectors.

5.8 Reform Initiatives in Malawi and Tanzania

Despite all incentives to increase subsidy programmes, Kelman (2004), observes that increasing fiscal constraints have put governments under increasing pressure to change course. Kelman (ibid) adds that government intervention through subsidy should occur only in two exceptional cases where such support targets low income citizens that truly cannot pay for the service and where the community as a whole, benefits. But Pearce et al (1999) observe that reforming subsidy regimes can be complex as issues of rent seeking and corruption are involved as special interest groups come in to influence policy making to gain resources that in turn reinforce their privileged positions.

In Tanzania, the 2014 public expenditure review highlighted that National Audit Office tackled numerous problems of voucher administration but found ‘no serious cases of corruption’ and these suspected flows were referred to police and courts. A number of officers from Ministry of Agriculture suspected of fraud lost their jobs and others were even jailed. Action taken on the different cases is presented on Appendix 5.1: ‘Allegations of corruption on the part of suppliers’, have often emerged, however, there are reports of crackdowns on alleged corruption during both Kikwete and Magufuli’s regimes. Cagley et al. (2009) observe efforts at strengthening the programme.

Government for instance, designed Tanzania Agro dealer Strengthening Program (TASP) to build their capacities and improve the input distribution systems.

In Malawi, the need for reforms has been felt even by the party that initiated the FISP, the DPP, as they made the following observations and proposals for reforms in both 2014 and 2019 manifestos:

The DPP economic policy will ensure honesty and integrity and deliver benefits to the people in an accountable manner. DPP will improve the governance systems associated with the management of the FISP based on the Party's good track record and experience in managing the program.

DPP 2014 Manifesto p. 28

And...

... we have learned a lot that we are now ready to make informed reforms to the support to be provided to our subsistence farmers. Among the changes to be made are relocation of budget resources to real productive sectors in agriculture such as irrigation, agriculture extension, livestock production, and research.

DPP 2019 Manifesto, P. 29

However, despite the beautiful promises, changes have not been effected. Fraud and corruption reported over the years without tangible measures to punish the culprits shows some level of tolerance for those acts. The indication that the culprits are administrators and suppliers and that most of the suppliers are known ruling party members and furthermore the admission of interference by the ruling party representative can lead one to link the rents from the programme with the ruling elite as utilisers.

Subsidy policy in Tanzania has however, undergone several changes and was even stopped in 2014/15. The current centralisation policy has made it possible for Government to shift efforts on making fertilizer available and affordable from privately sourced subsidies towards bulk procurement using the public enterprise. This has resulted in reduction of the price of fertilizer. Bulk procurement system has according to Tanzania Daily news (20 May, 2020) ensured timely supply and strengthened the

distribution system and boosted business capital among traders. Beneficiary crops go beyond maize and rice that NAIVS subsidized to strategic cash crops like coffee.

This is apparently a move away from market biased smart subsidy approach. This bulk procurement system requires more state control of the processes and was adopted following successes in bulk procurement of fuels in Tanzania and such systems rely on better institutions and capacities of the state. Implementation of smart subsidies also relies on strong institutions if the issue of corruption should be avoided. Malawi still grapples with issues of inefficiencies even with the involvement of private sector. These occurrences attract the question on what reforms will work in the context of young democracies faced with immature institutions. And having witnessed Tanzania's downscaling of the smart subsidy concept, what reforms would be appropriate to make smart subsidies work in Malawi's fragmented political system?

While subsidy policies in both countries have met many challenges efforts to find solutions and reverse some of the policies in Tanzania have regulated and refined some practices that increased wastage and derailed implementation of NAIVS. Similarly, more efforts and investment have gone into exploration of alternative means of improving availability of inputs to the rural farmers. Malawi has lacked such efforts and reforms have been frustrated.

As information on the challenges and causes of the same is available one cannot avoid to conclude that authorities have taken a deliberate decision not to tamper with the status quo as it benefits them in various ways. Institutions are meant to restrain some tendencies towards policies that encourage rent maximization and while such institutions have worked to some extent in the dominant party system of Tanzania, the fragmented party system characterizing the Malawi polity seems to operate with short time policy horizons in accordance to scholars' prediction and displays signs that "...even if a reform politician/party wanted to initiate social sector reform, the capacity to do so ..." would be limited due to insecurity caused by weak institutional frameworks (Nile, 1999).

5.9 Conclusion

Chapter 4 showed that Malawi and Tanzania have different regime types and these have implications on the regulation of policy for development. This chapter has attempted to demonstrate the influence mandate policies have on agriculture subsidy policies under different regimes through an examination of input subsidies in the two polities. An examination of the structure, content and institutional framework used to implement input subsidy programmes in the two countries demonstrate purpose or lack of it.

The reintroduction of subsidies after in the mid-2000s meant that governments had to carefully design programmes to prevent wastage experienced during the post-independence era. The successful reintroduction of the input subsidies in Malawi from 2004 despite lack of donor support, popularized the programme in a region that was infested by famines. The donors rendered some support and supported other countries like Tanzania on a larger scale. The larger assistance may have forced the country to adhere to regulations agreed on with donors till the end of their funding phase in 2014. Thereafter Tanzania provided input through loans to farmer groups and cooperatives. Later efforts to avail inputs have turned to bulk procurement using the public enterprise. The continued efforts at improving the input programmes in Tanzania implies that there exist other incentives driving the search for optimal results than the donor requirements mentioned above.

One of the issues the study compared in the input subsidy programmes of the two countries is the content in terms of share of the budget and government contribution against what the beneficiary farmer would put in. The FISP has been an outlier spender in this part of Africa defying the 9% share of the agriculture budget recommended by NAIP and getting allocated more than 50% of the resources. In Tanzania, NAIVS has been categorized as a medium spender with the proportion of expenditure of the input subsidy against the total agriculture expenditure being 33.9% in 2008/9 and lowest at 8.4%. Contribution by World Bank has been substantive (World Bank, 2014).

Malawi Government portion of subsidy to beneficiary farmers has varied between 64 and 95% on a bag of fertilizer and other inputs while Tanzania's portion of subsidy has consistently been at 50% with beneficiaries meeting the other 50% of the price. Graduation of subsidy beneficiaries has met challenges in both countries with Tanzania

graduate some beneficiaries while Malawi has no such record in the period FISP was implemented. Lack of graduation from the programme may mean that the targeted population has not received genuine benefits to uplift them from poverty or even lack of purpose and direction for the programme.

Weaknesses in both linkages with wider policy network and grounding of FISP can clearly be identified. Input subsidies are not well grounded in medium and long term development frameworks, the vision 2020 and MGDS I. The biggest component of FISP being fertilizer, the absence of a fertilizer policy in Malawi is very conspicuous. Such a policy would enhance clarification of the roles of different stakeholders in governance and regulation of fertilizer markets, distribution, institutional support such as extension services, research and development to assist identify soil specific fertiliser blends for different geographical areas and even domestic production.

Tanzania has scored better on agricultural policy frameworks in other studies. Some of the merits identified are the existence of the fertilizer policy and Tanzania Fertiliser Regulatory Authority (TFRA) that helps to regulate and coordinate fertilizer availability and standards. Vibrancy in the research and development has attracted much support leading to a search for options for reducing fertilizer prices and with the leadership of TFRA, bulk procurement system was implemented from 2017 as the NAIVS got scaled down. Good linkages of policies within a polity ensures that development challenges are tackled holistically and that the policies themselves are formulated in a mutually reinforcing manner within and across all relevant sectors.

This study further examined the linkages between development frameworks and mandate policies in the two countries in the areas of agriculture to determine whether they correspond or work in isolation. Both Malawi and Tanzania's medium and long-term development frameworks have not explicitly encouraged subsidy programmes but proposed measures enabling productivity and social welfare in the area of agriculture. The direction of mandate policies has however, been different. In Malawi, all parties have prioritized input subsidy policies in their manifestos and increased the scale of the programme once in government. Opposition MCP's manifestos have relatively wider areas of investment in the area of agricultural productivity including use of technologies, diversification and irrigation.

Implementation of a subsidy programme in Tanzania seemed to attract political attention during the Kikwete regime when NAIVS was conceptualized. However, the programme has not attracted similar reaction to Malawi and politics has not prevented reforms on NAIVS in response to challenges encountered.

Both countries have encountered numerous challenges in the implementation of input subsidies programme including inefficient targeting of subsidies and the rent-seeking opportunities. Deviation from the expected practice has been appropriately punished in Tanzania whereas such practices have been noted and warnings issued in Malawi but without punitive measures applied.

While the need for reforms has been sounded at every review of the programme, Malawi's input subsidy programme has not adequately responded to this call. Tanzania has shown traces of efforts to improve on implementation, balancing budgets for subsidies with other essential obligations, graduation of recipients and punishment for corrupt behavior by various actors in the programmes.

The need for subsidies in the area of agriculture has been felt in the SSA region as a result of food insecurity. Solutions to the need have varied and so have been approaches to subsidy programmes. Both the social and political contexts have had a share of influence on the programmes, positive and negative. Persistence to continue implementing the programme despite calls to reforms points to the likelihood of benefits of the status quo to the ruling regimes.

CHAPTER 6

MANDATE POLICIES AND HOUSING SUBSIDY POLICIES IN MALAWI AND TANZANIA

6.1 Introduction and Background

Chapter 5 took a comparative scan of subsidy policies in the agricultural sector for Malawi and Tanzania. This chapter examines policies and programmes on subsidies in the area of housing in the two countries. It explores the background to the introduction of these policies, linkages with wider policy framework and implementation modalities. The chapter further examines the role of political mandates in influencing these housing subsidy policies and programmes. The two countries under study have housing financing policies and programmes, Malawi has gone further ahead and introduced specific housing subsidy programmes in two electoral cycles. This study has in addition to comparing housing policies in the two countries, taken a special interest to investigate the motivation for introducing and maintaining the seemingly ‘outlier’ housing project, the Decent and Affordable Housing Subsidy Program (DAHSP).

This chapter further highlights the concept, implementation issues as well as politics surrounding adoption and implementation of the DAHSP program. The conceptual part includes the design, objectives and criteria for selection of beneficiaries. The implementation section has two parts: rural and urban implementation modalities. Political issues are presented at conceptualization, adoption and implementation stages of the programme. Within the presentation of political issues, a political economy analysis has been employed examining roles by different actors at the central and local levels to reflect interests of different actors on the design and implementation of the programme. Finally, DAHSP as a mandate policy is assessed on its convergence with or divergence from normal policy practices in Malawi and elsewhere.

6.2 Policies and Subsidies in Housing – Malawi and Tanzania

The importance of housing has been acknowledged as a basic need and focus of social concern (Mayo, 1999), a provider of privacy and security (Sheng and Mehta, 2008). According to Sen (1999) increasing the ability of people to realize their rights is critical to economic growth. OHCHR admits that there has been a tendency to rate civil and political rights higher than economic social cultural rights (ESCR), to which housing belongs. But the office refutes this. However, OHCHR acknowledges that ESCR often require high levels of investment (United Nations, 1991). As an economic and social right, housing finds itself at the centre of controversy in terms of its position on the priority list of countries' needs.

Developing countries face enormous challenges in view of competing areas for government interventions and in the face of limited resources. Such challenges are further aggravated by informality of the economies causing challenges in data availability as well as increased unauthorized housing structures that make the regulatory state less willing to support these unless slum upgrading precedes or is part of the support (Arnott, 2008; World Bank Group, 2015). Arnott (2008) therefore observes that most economists have argued for less government intervention in the housing sector based on these challenges among others.

Housing situation in Malawi is so poor that by the time Malawi conducted its Fourth Integrated Household Survey between 2016 and 2017, 38 percent of the main dwelling units were traditional structures, 36 percent, semi-permanent structures and 27 percent were permanent (IHS 2017). Traditional structures are made from mud bricks and are grass thatched, semi-permanent structures may have mud bricks with iron sheets covering the roof. These are a mix of permanent and traditional building materials. While iron sheet roof, burnt bricks wall and concrete floor describe the permanent structures in Malawi. As at 2010, solving the housing challenge in Malawi required that 21,000 houses be constructed annually (Malawi Urban Housing Sector Profile, 2010).

Just like Malawi and other SSA countries, the housing situation in Tanzania is dire with a deficit of 3 million as reported in 2010 and a growing annual demand of 200,000 (NHC, 2010; Shelter Afrique, 2012). Over 70 percent of the urban dwellers lived in

unplanned and unserviced informal settlements by 2018. Growing population, from 1.3 million in 1967 to almost 59 million in 2018 has been behind the increase in the need for housing (CALF Yearbook, 2018). Urban migration growing by 5 percent annually has made the challenge of urban poverty worse. Shelter Afrique (2012) reported that households with electricity in the mainland accounted for 15 percent, those with cement flooring, 30% and 67 percent live in houses with earth, sand and dung flooring.

According to the one of the programme coordinators in Malawi's Housing department, housing is at the centre of development most of infrastructure that connotes development of an area, city or country comes in form of buildings. A housing expert working with UN Habitat concurs that

Housing is often used to prompt growth as construction boom is often a sign of growth. Housing provides employment. The growth of Malawi's economy in the 1970s was partially propelled by the construction industry.

UN Habitat Official, Lilongwe, February, 2018

The two respondents, a housing coordinator and respondent in EP&D, concur in observing that housing becomes the biggest casualty in disasters. The facts provided in the Integrated House-hold Survey above, that Malawi's housing situation is mainly dominated by traditional and semi-permanent structures, attests to this reality. Housing expert elaborates this vulnerability by citing heavy damage caused by cyclone Idai's heavy rains in the 2018/19 rainy season in rural and semi urban Malawi which are dominated by traditional and semi-permanent structures.

While food security has been high on the priority lists for a common Malawian, housing has not enjoyed similar status on Afrobarometer studies for 2005, 2009, 2012 and 2014 on Malawians' expectations from their Government. Respondents in this study consistently mentioned food security, water supply, poverty reduction, management of economy, road infrastructure, wages, incomes and salaries and health as their priority areas. In all these years, on the list of important challenges that the government should focus on, housing scored 0%. (Afrobarometer Summary of Results 2005, 2008, 2012 and 2014). Housing and economic experts have cited the multiplicity of needs facing the Malawi population, as the reason for not regarding housing as a priority for

government assistance. However, the 0% response shows that the structures they have may not be considered one of the highest problems on their pecking order.

Housing situation will be described differently in rural and urban areas. The housing expert considers 'quality' as the dominant housing challenge facing rural inhabitants.

Everyone has shelter and there are basically no homeless people except during disaster periods. Land is not much of an issue as they build on customary land.

Lilongwe, February, 2018

The 0% response in the afrobarometer surveys above could be explained partially because of this rural description as most respondents come from rural areas. In the urban areas, however, both qualitative and quantitative deficiencies exist.

In line with the observation above on the comparative rating between housing and food security, subsidies are easier to justify under the food security banner where by its shortage causes loss to lives, than housing subsidies in light of government's fiscal constraints in most Sub-Saharan Africa. And Mayo (1999) observes deciding the correct type and amount to accomplish government goals is another challenge. Subsidies in housing have taken different forms since independence. Most of subsidies have come in form of restricted levels of rent, price subsidies, targeted capital subsidy scheme, income tax relief on mortgage payments (Gilbert, 2012).

According to the Department of Housing in Malawi, housing policy has been biased towards rural housing provision over the years. Kamuzu had Rural Housing project that had well-articulated institutional structures within the Ministry. The project ended in 1992 as donors pulled out on sustainability grounds. Muluzi had Village Housing Scheme which had no government structures as it was managed straight from the Office of the President and Cabinet (OPC) with project staff who were neither attached to the civil service nor Ministry of Lands and Housing. Bingu is the only president who never had a distinct housing project. Joyce Banda had Mudzi Transformational Trust run by OPC and just like Muluzi's housing scheme, it had separate structures and never used government housing structures. Peter Mutharika had the DAHSP. All these programmes had a rural bias.

The Tanzania challenge in the area of human habitation could be considered a little different from Malawi's challenges. The adoption of socialist ideology in Tanzania redefined the issue of property rights as all land was now considered public with the president as a trustee. The victims in the new policy environment were chieftaincies and individual rights as land previously considered customary would be owned by government. Nationalization of buildings was backed by the acquisition of Buildings Act of 1971 and this discouraged private investment in the housing sector (URT, 2000). A large population (75%) was affected once villagisation (gathering people in communal villages) took effect under Ujamaa system. The change of the government system in the 1980s meant the reversal of the Ujamaa policy and customary law and individual rights were reinstituted by 1995 (Shelter Afrique, 2012). There was confusion as many people wanting to settle back in original villages found that they were occupied. Hence much of the focus in the area of human settlement has been in supply of land rather than actual housing until recently.

From the time Tanzania gained independence, the Rent Restriction Act of 1962 determined the levels of rent chargeable against tenants. Higher income employees were charged more to fund the subsidies on lower income workers. Government led in the provision of houses and most beneficiaries were those in paid jobs. Public corporations assisted government in the provision of housing with affordable rentals. Employers were allocated land and encouraged to develop housing estates. National Housing Corporation, created in 1962 was as well at the centre of provision of affordable housing for rent and sale. To encourage investment through mortgaging the Tanzania Housing Bank (THB) was established in 1973, but still private investors sourced most of their funds from own savings and informal loans. With the change of policy for more liberal reforms in the 1980s, new financial institutions were born as the THB faced management challenges just like many of the public corporations and got liquidated in 1995. The new financial institutions were supplemented by cooperatives that assisted low income families finance construction (Komu, 2011; Nnkya, 2014).

Unlike Malawi, Tanzania has not had a clear-cut subsidy program on housing but preferred enabling structures such as housing financing institutions. There are several programmes aimed at improving provision of affordable housing in Tanzania. The lands ministry has a Housing Assistance Program that provides loans through a

revolving fund and there is a House Construction Program run by the Tanzania Building Agency. Tanzania Public Servants Housing scheme is another program aiming to ease housing shortages for public servants. A Dar es Salam based housing expert confirms existence of assistance on housing but stresses that it has only targeted civil servants.

... on housing subsidy, yes it exists, but to civil servants who have been given houses with a contract to convert them into their property after some years. Nothing for rural communities

Dar es Salam, July, 2019.

Rural areas continue to be neglected in main government schemes leaving the NGOs to manage housing micro-financing. Multiplicity of government efforts and encouragement of other players' participation in the housing industry is geared at influencing the structure of the housing market to make houses relatively cheaper for affordability (Komu, 2011).

6.3 Housing Policy and linkage with the wider policy framework

Malawi has not had a housing policy for a long time. The housing expert revealed that during the one party period, Development Policy (Devpol) just carried one paragraph on the issue of housing and that following the 1996 Second UN Conference on Human Settlement (Istanbul). UN HABITAT Malawi office was engaged in efforts to support government to produce a draft policy. A Government review of past policies in 2008 and 2009 assisted by UN-HABITAT showed that, other than rural housing projects, past policies on housing provision only focused on civil servants' housing. The housing expert revealed that the UN-HABITAT recommended an x-ray of the housing situation, looking at 5 pillars: land, housing finance, infrastructure like roads, building materials; skills (labour) and legal situation, players on market. Drafting of the new policy was therefore based on these reviews and a draft was produced as early as 2010 with revised versions coming thereafter. Cabinet committee submission was however, only made in 2015/16 financial year. Approval by cabinet only came through in 2019. The reason for the delay is given as lack of adequate interest for the area of housing. The housing expert observed that:

Housing is not prioritized and the organization of ministry contributes to this as Ministry of Lands and Housing has no strong partners to influence the fast tracking of the policy approval process.

Lilongwe, February, 2018

A respondent in the housing department observed that policy might lead public officials to commit to certain *modus operandi* that might at the end limit their areas of maneuver. Hence the lack of policy had left them with much space to implement what they perceived as beneficial programmes for their political and administrative careers.

As regards linkage of the housing area with the wider policy framework, housing has been mentioned in some policies, however, it gets more emphasis in manifestos than the economic and development frameworks. The Malawi Urban Housing Sector profile 2010 mentions the access for all to 'housing that does not leak' as one of the three priority areas that marked Banda's speeches after independence. The report therefore links this priority to the Traditional Housing Areas (THAs) projects that targeted the poor majority. In the multiparty era, there has not been much mention of this policy.

The long term vision (2020) mentions 'promotion of better and affordable housing for low-income segments of the population' as a strategic challenge to improving housing and the proposed solution is reducing cost of building materials. According to the observation of the Urban Housing Sector Profile (2010), this would best be done using the local assemblies under the guidance of National Decentralisation Policy. However, despite the coming into force of the Local Government Act in 1998, no effective devolution has taken place as the central government retains the control of lion's share of resources. Poverty Reduction Strategy Papers clearly missed out on housing. The first Malawi Growth and Development Strategy (MGDS) did mention the need for improving housing delivery systems, processes, procedures, and services with particular focus on vulnerable and low income groups in the summary matrix, however, housing was missing in the actual text instead the focus was on the following:

Provision of adequate and conducive framework for improved access; ensure tenure security and equitable access to land for the attainment of broad-based social and economic development.

MGDS, 2006, P 92.

In keeping with this trend, Bingu's tenure of office had no specific housing programme. The next medium term frameworks had substantial amount of statements on housing. MGDS II under Sub-Theme 5 on Housing and Urban Development sought to 'increase access to decent housing with particular attention to low income households' and specifically 'increased availability of affordable and decent houses' was on the cards. Key strategies to be used included building of institutions and structures as enablers including decentralized structures, Public Private Partnerships (PPPs), financing mechanisms. MGDS III under sub theme 'Human Settlement and Physical Planning has 'Increased access and availability of affordable and decent houses' as well. However, the role for government is mainly on policy and direction and where direct housing was planned, the target were public servants. Issues of subsidising housing for the general public surfaced in the political party manifestos from 2014 to 2019 and this is covered under political mandates section below.

Tanzania has not had a housing policy since independence and neither did it inherit any. Efforts were made to formulate one in the 1980s. However, with the change in the policy from socialism, previous drafts of the policy were found to be irrelevant and the process became dormant. Tanzania has been using the National Human Settlements Development Policy (NHSDP) of 2000 that aimed to make serviced land available for shelter as part of the land reforms following the end of socialism. The policy, however, does not cover housing issues adequately and efforts are still underway to come up with a housing policy. (Shelter Afrique, 2012).

Other than the NHSDP, housing is supported by other policy and regulatory frameworks including long term to medium term frameworks, vision 2025, and FYDPs. But as will be observed from table 6.2 below, key interventions for both the FYDPs remain plot formalization, land management and revenue generation with less or no mention of housing assistance schemes.

Other legislations that regulate the housing sector include: The Land Act of 1999, Land Amendment Act, 2004. (CAHF, 2019). Housing financing is regulated by the Mortgage Finance (special Provisions) Act of 2008 and the Banking and Financial Institutions (Tanzania Mortgage Finance Regulations) of 2015. Microfinancing is regulated by The National Microfinance Policy adopted in 2000 and revised in 2017. (CAHF, 2018).

An analysis of both sectoral policies and medium to long term development frameworks in both Tanzania and Malawi shows that much as issues on human settlement have been part of policy and frameworks, the area that both mention is that of land management. Little has been mentioned on housing and the absence of housing policy for a larger part of post independence period for both countries confirm Arnott's (2008) observation that due to resource constraints developing countries have not put much emphasis on addressing housing challenges.

6.4 Political Mandates and Housing Subsidy Policies

The 2006, world trade report featured the subject of 'the political economy of subsidies'. This concept considered allocation of subsidies and determination of their removal within the context of electoral democracy and where political process has to consider the heterogeneity of interests in society. The central question used was whether such context would ensure the optimum use of subsidies. Most studies pointed to the fact that allocation would rely on the potential voters (Gardner, 1996; Anderson, 1995; Fernandez & Rogerson, 1994; Kemnitz, 1999).

Beneficiaries of subsidies were likely to support the programme and non-beneficiaries were unlikely to support it not only because they do not benefit but also due to the fact that they are losers due to taxes they pay that are used to run the programme. Hence, political support would be maintained if the majority voters benefit from the programme. This would however, imply that most of such subsidies would be on public goods but this is not often the case. B"orner's (2005) observation in chapter 2 that politicians' choices would not always tally with efficient policy choices as they may not be 'politically viable' is one of those that complicates the predictability of political choices under different conditions. Housing subsidy policies are therefore examined below within varying democratic contexts.

6.4.1 Political Mandates and Housing Subsidy Policies in Malawi

Following the failure of the housing programme during Muluzi era, Joyce Banda was the next to introduce a housing programme that was going to be subsidized. Although 'the Economic Recovery Plan', a framework that guided Joyce Banda's policy formulated in 2012, did not prioritise any housing projects, Joyce Banda launched the housing project in May, 2013. According to the official government mouthpiece,

Malawi News Agency of 18 August, 2013, the project was aimed at creating ‘ideal villages which will have portable water, good houses, food, good access road and a growing social economic status’. Though government agencies like OPC and Malawi News Agency (MANA) were involved in the project activities, sourcing of funds and implementation of the project were in the hands of the president’s private trust, Mudzi Transformation Trust (MTT). Claims were made (Mana, August 18, 2013) that funding came from the president and well-wishers while donors were also invited to make their contributions. Traditional leaders formed district committees to oversee the implementation at community level.

The project sought to construct 66,000 houses by the end of five years but only managed to complete 22,440 houses (The Malawi Nation, 18 June, 2021; Daily Times, 8 October 2021). The project became dormant after Joyce Banda lost elections and in 2018, the Trust was dragged to court for not paying South African Suppliers for building materials. These events strengthen critics’ suspicions that during its active phase, the project thrived on government resources and the real motive was beyond improving people’s livelihoods. Amongst the most vocal critics of the project were opposition political parties DPP and MCP.

Mudzi Transformation Trust’s housing project became one of the top subjects of PP’s campaign for the 2014 elections. Campaign meetings showcased this as one of the successes of the Banda regime within the 2 years of its reign. The manifesto carried pictures of houses constructed under the project although the MTT was not clearly linked with the rest of government initiatives. The housing section would have been expected to make this connection more vivid, however, no mention of the trust or project is made and the planned housing project was captured in the following statement:

Introduce a social housing scheme that will empower councils to construct low cost houses from government guaranteed loans

2014 Peoples’ Party Manifesto, p 64

Surprisingly, despite the many criticisms that the opposition DPP poured on the ruling PP for initiating the housing scheme, one of the project they dangled to the electorate

to woo their votes was a housing scheme, promising to subsidise cement, iron sheets and other building materials. For instance, one of the DPP's national executive members described the Mudzi Transformation Trust (that built people houses) as merely a political rhetoric meant as a political tool. Another member is quoted criticizing the housing scheme during Joyce Banda's regime as follows:

We will subsidize the price of cement and empower Malawians to build what they want by themselves, not apa mbofyo, apa mbofyo! (translated as small houses, scattered in disorganized manner to cheat voters).

Mr Goodall Gondwe, The Malawi Oracle Times, cited in Hamer, 2016.

And once in power, from mid-2014, the DPP hastily adopted and implemented the Decent and Affordable Housing Subsidy Project (DAHSP). This behaviour is a direct testimony to B"orner's (2005) observation, as illustrated in Chapter Two, that final policy choices by politicians, despite expert advice, differ substantially from what economic theory would suggest as the optimal solutions. The reason given is: 'the efficient policy would not be politically viable'. Political viability considers incentive structure that drive them towards their preferred policies. In electoral democracies incentives that lead manifestos' leanings are mostly votes. When politicians are interested in election or re-election, they might have a time-horizon that is too short to embark on substantial reforms of the political institutions.

The Housing expert observed that though advice was offered by UN habitat on putting up strong infrastructure for the success of the project to avoid challenges registered under the MTT, government disregarded this for fear of fortifying the project, making it difficult to extract rents for the ruling party. Since implementation started, the project has come under heavy criticism of draining public resources as complaints from beneficiaries and non-targeted groups have been numerous. Just like in the input subsidy programme, the ruling party then acknowledged the shortfalls to the programme in the 2019 manifesto but attributed them to opposition as follows:

In 2014 we promised to implement policies aimed at removing impediments and creating more opportunities for people to acquire their own houses even at the low-income levels by subsidizing malate (iron sheets) and cement. The

program however, met a lot of challenges from the Opposition who kept denying the DPP the opportunity to substantively fund the programme. Despite the opposition, the DPP government managed to construct 22,000 houses for widows, child-headed households, extreme poor and elderly persons.

DPP

Manifesto, 2019 p79

Housing policies in Malawi have had different sources that include development frameworks and political party documents like manifestos. The table below captures the key statements on housing policies and programmes from MGDS I to III as well as DPP and MCP Manifestos for the past three electoral periods.

Table 6. 1 Housing Policy Contents: MGDS vs Political Party Manifestos for Malawi's Leading Political Parties

	Medium term framework	DPP Manifesto	MCP Manifesto
1	MGDS 2006-2010 • provision of adequate and conducive framework for improved access; ensure tenure security and equitable access to land for the attainment of broad-based social and economic development'	2009 • Construction by Government and the private sector of low-cost, durable and habitable housing to be sold to all citizens of Malawi at cost. • Privatization and reorganization of the Malawi Housing Corporation to directly assist the low-income individuals to acquire low-interest loans from building societies, commercial banks and other lending institutions.	2009 • Revive the rural growth centre programme • Encourage Malawi Housing Cooperation (MHC) and other players to embark on massive housing construction project to be sold to the public. • Identify both local and foreign funds for low cost rural housing projects. • Encourage research for low cost housing materials. • Review taxes on imported construction materials to make them readily available to more Malawians at affordable cost. • Encourage the local traditions that encourage young people to build a house first before marriage. • Draw separate elaborate physical planning and national Housing policies to address issues of access to land, housing finance, affordable building materials and management of the housing industry.
2	MGDS II 2011 -2015 • Strengthening capacity for decentralized housing delivery; • Promoting Public Private Partnerships (PPPs) in housing delivery; • Scaling up the provision of basic infrastructure and services particularly in informal settlements; • Promoting national housing financing mechanisms;	DPP Manifesto 2014 • Subsidizing the prices of iron sheets and cement for poor people to build their own houses. • Construction by Government and the private sector of low-cost, durable and habitable housing to be sold to the citizens of Malawi. • Reorganization of the Malawi Housing Corporation to directly	MCP Manifesto 2014 • Housing development Programme for low-cost, durable and habitable housing to be sold to all citizens of Malawi at affordable cost. This will enable the low income groups to acquire their own homes. • Malawi Housing Corporation will be empowered to construct

	• Promoting planning to improve quality of rural and urban housing and settlement patterns; • Providing safe and adequate space to public institutions and officers; and • Developing and promoting the use of local building materials	assist the low income individuals to acquire low-interest loans from building societies, commercial banks and other lending institutions.	houses for new entries to the labour market on mortgage.
3	MGDS III 2017 - • Provide policy direction and guidance • Develop and manage Government owned property • Enhance decentralization of housing • Building more houses • Upgrading informal settlement	DPP Manifesto 2019 • Continue with the Decent and Affordable Housing Subsidy Program (DAHSP). • Provide low-cost, durable and habitable housing for rent and sale through the Malawi Housing Corporation, • Construct houses for civil servants and uniformed forces where occupants will pay 15 percent of their salary until they buy off the house. • Support the poor to access land and tenure security for sustainable economic development. • Develop and enforce standards and guidelines of buildings.	MCP Manifesto 2019 • Provide low cost housing in all urban areas to enhance access to affordable housing especially among public sector employees. • Provision of decent housing to all personnel serving in the military, police, immigration and other emergency services.

Sources: GoM, 2006, 2012, 2016; DPP, 2009, 2014 and 2019; MCP, 2009, 2014, 2019

Throughout the three cycles the MGDS looks at broader issues on land access and housing such as conducive frameworks, policy directions and national housing financing. More specific elements include decentralization of housing, upgrade of informal settlement and promotion of public private partnerships in the provision of housing. Most of these are consistent with recommendations from the policy specialists as stated by Smit and Mayo above. MCP manifesto for 2009 proposed a rural housing programme supported by both government and donor fund in line with the one they implemented during the one party era. Other subsidy initiatives have been in the line of tax reduction for building materials and housing provision to uniformed personnel in

the Police and the Army. The manifestos also contain proposals for policy, programmes and research on local and affordable materials for low cost housing construction.

DPP manifesto for 2009 focuses on low cost housing for affordability as well as privatization of Malawi Housing Corporation (MHC) in line with minimal government interventions as advocated by the housing specialists. The 2014 manifesto for the party is a departure from this minimalist view as it proposes direct subsidies on building materials and for the MHC, the party only advocated for the review of the institution and abandoned the idea of privatization. 2019 manifesto is more on continuation of the subsidy programme and other support efforts by the government. There are less enabling proposals from the party manifestos and direct support is dominant though at varying levels between the two leading parties.

Variations in the proposals by the two frameworks portray a picture on objectives these policies are aiming to achieve. The existence of medium term development frameworks has not been adequate to persuade the parties to align their proposals with them. They employ creativity for new areas of investment and as manifestos are aimed at capturing the political market, the belief is that the more appealing the policy proposal is the better chances for winning elections. Hence the stress by the ruling DPP respondent as he unequivocally stated that:

Winning political competition is a target for the project. And Malawi Subsidy (DAHSP) will be our flagship again in 2019 elections.

Lilongwe, June, 2018

This confirms what Cook and Kabere (2009) write about political parties that they increasingly vie for power, and therefore mandates that attract more votes at elections like subsidy programmes are top in their agenda. Hence the increase in electoral competition, increases the likelihood of introducing subsidy and other social protection programmes especially in Africa's Sub-Saharan region.

6.4.2 Political Mandates and Housing Subsidy Policies in Tanzania

Lindberg and Jones (2010) observe that when existing literature on electoral and party systems talk about effective government, focus is on strong legislative majorities, accountability and coherent policy options and that such strong governments have more autonomy to facilitate economic growth without much distraction from other parties and actors. Such governments include those with dominant parties and this is echoed by Pempel, (1990), Riker, (1976) and Sartori, (1976). Such dominance has however, to be accompanied by democracy whereby government gets retained due to good and stable policy that results in economic growth. There have been different opinions as to whether Tanzania government qualifies as a democratic dominant party government. Some think dominance has been propelled by authoritarian tendencies and corruption (Lindberg & Jones, 2010), others as presented in chapter 2, think dominance has resulted from their role in spearheading the fight against apartheid and the prolonged struggle for independence involving deeper ideological commitment that cemented their grass root support and legitimized their dominance (Karume, 2004, Kuenzi & Lambright, 2001; Huntington 1968; Giliomee & Simkins, 1999). While authoritarian dominant party systems would have challenges in maintaining what is being described as effective government, an examination of Tanzania's policies and coherence or antagonism between development frameworks and mandate policies provides evidence on how effective the government can be.

Just like the other policies and development frameworks, policy documents for political parties in Tanzania lean on land allocation, dispute resolution, housing standards and financing. There is not much about direct housing subsidy programmes and promises. Assistance in the housing sector focuses on enablers for population to access housing financing. An analysis of FYDPs and campaign manifestos for two of the leading parties in Tanzania below shades more light on this.

Table 6. 2 Housing Policy Contents: FYDPs vs Political Party Manifestos for Tanzania's Leading Political Parties

YEARS	FYDP	CCM	CHADEMA
2011-2015	It was projected that half of Tanzania's population would have moved to urban centres in the next 20 years (IGC-POPC, (2011)) • Increase coverage and allocation of land that has been planned and surveyed • Institute and put into operation a land bank authority • Implementation of land use plan (framework) • Promote redevelopment schemes and establish new urban sectors • Promoting affordable housing and research on low cost housing	• Research on high quality housing materials for easy and affordable housing • Local Government to coordinate and manage land acquisition and infrastructure development for sustainable urban development • Build disability friendly public housing and government buildings • Ensure that a total of 15,000 houses are built by the National Housing Corporation (NHC) in partnership with the private sector. • To encourage the establishment of housing cooperatives for low income groups to access loans • Transform Housing Loan Fund into a Housing Loan Guarantee Fund for all public servants. • Complete the drafting of the National Housing Policy.	• Reform NHC into a National Housing and Residence Development Authority to facilitate the construction of people's homes, • New law to ban mud, and grass thatched houses by 2020 while encouraging better technology to modernize buildings. • Introduce system that compensates for the demolition of old houses • Modern construction systems that take into account space, safety and health. • Formalise all residential areas formalized • Allocate 8-10% of the total government annual budget to housing
2016-2020	• Formalization of (informal) settlements; • Increased revenue from new sources (buildings, basic infrastructure including for water and sewerage;	• Improve access to credit for the construction of decent and affordable housing; • Reduce rent on building materials for affordable housing, especially in rural areas;	• Ensure income from land and housing especially commercial ones contribute significantly to GDP. • Citizen to benefit from land and live in decent housing with dignity and honor, and well-organized cities.

	especially for LGA's own source revenue); • Implementing Integrated Land Management Information System (including establishment of land bank); • Institutionalizing Land use conflict solving framework; • Developing satellite cities including secondary townships.	• Educate the public on mortgage lending rules for accessing long-term and low-interest mortgage loans; • Mechanisms for the establishment of the National Housing Bank; • Use Public Private Partnerships to build at least 50,000 affordable housing units; • Train groups to build better houses in rural areas; and general citizenship on use of low-cost materials • Establish and strengthen affordable housing cooperatives; • Build disability friendly public housing and government buildings • Complete National Housing Policy. • Establish a Real Estate Regulatory Authority.	• Citizens to own their land and benefit from any investment above and below the property • Ensure no land disputes between farmers, and also investors and citizens. 2018 CHADEMA Policy • Housing financing facilities • Individual land ownership • Create comprehensive policies for Government ownership of land • Customary land system E • Foreign leasehold RSHIP
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Source: URT, 2011, 2016; CCM, 2010, 2015; CHADEMA, 2010, 2015

FYDPs have focused on enablers for access to land and housing financing, revenue collection, enhancing standards and systems. These are echoed by the CCM manifestos and CHADEMA 2018 policy document. CCM adds specific activities that include construction, financing as well as research on materials for affordable housing and some targets for the activities. CCM manifestos have carried promises on construction of houses but unlike Malawi where housing programmes outlined are clearly subsidy programmes, CCM is not so clear in its promise however, the clarity in the use of existing structure for such undertaking differentiates it from Malawi's programmes that have used separate structures as the Malawi Housing Corporation is starved of resources for such investments. The minister of housing was quoted in the local newspaper, The Construction Review Online,

The government would be using the already existing National Housing Corporation to construct 30,000 affordable houses in 2019 without creating parallel or additional structures.

(Reported by Kenneth Mwenda – March 27, 2019).

Resembling the promises of Malawi's parties is the CHADEMA party whose promises have varied much from revolutionary proposals in the period 2011-15 to a position that is more compliant to FYDP position in the 2016-2020 period. CHADEMA in the 2011-15 manifesto promises a law to ban mud and grass thatched houses with a compensatory package that sounds as a subsidy. The promise of an allocation of 8-10% of the annual budget on housing might also appear ambitious especially in developing countries where the scramble for resources to fulfil basic needs budgets is very high. All these revolutionary promises, however, disappear in the 2016-20 manifesto and 2018 policy document. This inconsistency in the policy proposals for the CHADEMA party is very apparent and confirms what a political analyst indicated that:

Opposition parties lack consistency in what they believe in. they will move from one idea to another depending on winds blowing and mostly to catch the vote.

Dar es Salam, July, 2019

This inconsistency in the policy proposals for the CHADEMA party could be attributed to a desperate search for the peoples' vote or looked at from a more positive angle the turnaround could signal a realization that the polity may not be so much swayed by such promises.

The 2018 policy document for CHADEMA expresses the party's stand on land that ownership contributes to development activities and helps in acquiring capital through loans from financial institutions (2018 policy document page 46). The party advances regulated housing and real estate programmes for rural residents through rural housing financing mechanism for better and descent housing. The use of deeds as collateral for obtaining bank loans is echoed by CCM in the opening statements of the 2016-20 manifesto while housing is listed among the social services to be looked into.

Unlike Malawi, Tanzania's CCM party manifesto policies on housing have not departed much from the FYDPs. One would be tempted to attribute this to the fact that it is the same ruling party that leads in the formulation of the FYDP. But FYDPs for Malawi

have also been formulated during reigns of parties that compete in subsequent elections but manifestos of those ruling parties appear to be blind to existence of the development plans and propose many short term projects. Lindberg and Jones (2010) observation that effectiveness of dominant party systems results from more autonomy to facilitate economic growth without much distraction from other parties and actors seems more grounded as fragmented systems seem to focus more on winning elections.

6.5 Housing Subsidies: Influences and Dilemmas in Malawi and Tanzania

Hoek-Smit (2008) observes that while most governments want to provide decent houses to all households for a better and health living environment, such broad objective does little to guide policymakers who have to deal with concerns and pressures from society and balance the same with the need for growth and stability of the economy. Hoek-Smit observes further that the unfortunate thing in the emerging economies is that political pressures often lead to the drawing up of subsidy programmes without due consideration of how these relate to broader housing policy goals and other programmes. A scan of development frameworks and mandate policies for the two countries under study confirms Hoek-Smit's observation. However, the responses to pressures will be different based on different factors that this thesis has been attempting to unveil. Whereas much focus in the area of human settlements has gone to finding solutions to land issues in Tanzania, Malawi has attempted to provide solutions to both land and housing challenges.

During interviews, different actors provided varying appreciation of Malawi's housing subsidy programmes. Practitioners within the housing industry and ministry gave all the support towards the issue of housing as an important element in the development discourse. A housing expert and officials within the Ministry of Lands and Housing hailed housing as a factor that is used to prompt growth since construction boom is often seen as a sign of growth. Additionally, housing construction provides employment. Economies in Africa grew in 1970s partially due to construction led by the state corporations.

Respondents in the Economic Planning and Development Department were the biggest critics on housing programmes in Malawi. Although they admit that categorization of projects and programmes in Malawi is a challenge, they regard these among social

welfare programmes as cost benefit analyses on these projects do not produce results that would fit them amongst development projects.

Most of politically introduced programmes fall into the same fate and that is why they do not find their way into the Public Sector Investment Programming framework. Amongst criteria they consider in PSIP is sustainability and the rushed up programmes do not meet this criterion.

EP&D, Capitol Hill, 22 September, 2018

EP&D respondents preferred issuance of cash transfers to solve such basic needs as recipients would have discretion to choose what to spend on amongst their own prioritized needs. This view borrows from results on cash transfer programmes from various countries in the developing world. The programme attained 45% reduction in chronic child malnutrition in Brazil, (Sawyer, 2007 cited in Hanlon et al, 2010). And in South Africa, reduction of stuntedness was realized as a child would grow 3.5 cm taller as an adult if they received a child benefit in the first two years of its life (Agüero et al., 2007 in Hanlon et al., 2010).

Justification for cash transfers is that they can be explicitly developmental, for instance, lifestyles of the poor will require them to spend more on food and locally produced goods, while the better off prefer imports and luxuries hence transfers to the poor stimulates domestic and local economy. EP&D therefore prefers that housing subsidies targeting the poor be given as cash transfers while other housing programmes are managed, as is the case in Tanzania, under Malawi Housing Corporation whose mission is to develop, construct and manage housing estates throughout Malawi for all sections of population on viable commercial basis. The contrasting views above reflect actors with a different biases within the same bureaucracy. Such actors will influence the subsidy programmes in various ways.

The Bureaucratic Politics Model (BPM) highlights why bureaucratic interests matter in policy bargaining process as competing preferences of bureaucratic actors often clash with agencies seeking to maintain or even increase the influence of their organization (Birkland, 2015). Political economy analysis approach further informs us that

incentives are a central factor in shaping behaviour and perceptions of many actors. The risks and challenges of poverty reduction are broadly political and they concern the incentives and political capacity within societies to address poverty reduction (Unsworth, 2002).

Views from Housing practitioners and EP&D present a different perspective on solutions to the same housing challenges as determined by 'where they stand' (Birkland 2015). Politicians will also subscribe to different stands depending on the role they play in the programme. While accepting that if designed and managed well, housing and other subsidy programmes can make economic sense, MCP criticizes the recent subsidy programmes as being politically driven. Subsidies are not supposed to last long as they are prone to patronage politics. DPP's view is that for the subsidies in housing to be effective they need a long time, contrasting MCP's position.

The preference for housing financing has its own challenges for the Malawi polity. Buckley and Kalarickal, (2005), observe that commercial bank policies generally exclude the poor. Banks will not locate in informal settlements in the first place. But they also demand collateral from the potential borrowers or else guarantees may come in forms of formal employment so deductions can be made from salaries. This has discouraged private investment in the housing area and perhaps government could focus on setting up proper infrastructure to ease conditions for access to loans for housing construction so that government resources could be allocated elsewhere.

Fiscal constraints have forced governments over the world to constantly seek ways of enhancing their revenues and reducing leakages. Subsidies generally are candidates for reform. Learning from Housing programmes that many developing countries implemented in the 1960s and 1980s, numerous challenges prevented their continuation. Targeting was weak, cost recovery efforts were inadequate, sites identified proved to be far from workplaces of the targeted and many more challenges were discovered in the course of implementation (World Bank, 1993). Governments that have serious developmental agenda have learnt from these lessons before embarking on further housing programmes. The motives for decisions to embark on

housing programmes by developing countries and strategies for their implementation therefore attract academic attention.

This thesis has examined housing programmes in Tanzania and Malawi to gauge the motives behind their implementation by looking at coherence with other policies in the sector and exploring possible links with mandate policies in these polities. In most Sub-Saharan Africa government's fiscal constraints have been worsening such that justification for housing subsidies has been difficult. Prompting most economists to argue for less government intervention in the housing sector. Policy makers have to strike a balance in addressing various societal pressures (Bator, 1958; Mayo, 1999). Both Malawi and Tanzania have not had a specific housing policy until recently. They both operated using policy frameworks on land. As regards linkage of the housing area with the wider policy framework, housing has been mentioned in some policies, however, it gets more emphasis in manifestos than the economic and development frameworks.

In Malawi Land has not been much of an issue as most land has been under customary law until recently. Apart from the Government subsidization of rentals for public servants after independence till 1990s, housing policy has often been biased towards rural housing provision over the years. Tanzania has not had a clear-cut subsidy program on housing. The reversal of the Ujamaa policy and reinstitution of customary law and individual rights by 1995 brought confusion as many people wanting to settle back in original villages found that they were occupied. Hence much of the focus in the area of human settlement has been in supply of land rather than actual housing until recently. Just as most economists recommend, Tanzania has preferred assistance in housing through enabling structures such as housing financing institutions.

Importance of agency cannot be overlooked in housing programmes. Tanzania's housing policies have been influenced by Nyerere's Ujamaa policy as discussed above and this continued to affect further policy interventions in the post-Nyerere era while much of the housing programmes in Malawi have been associated with particular leaders. Kamuzu era had Rural Housing project that had well-articulated institutional structures within the Ministry till 1992. Muluzi had Village Housing Scheme which had no government structures. Joyce Banda had Mudzi Transformational Trust run by OPC

and other than the OPC itself, the programme did not use designated government structures.

Peter Mutharika had the Descent and Affordable Housing Subsidy Program that uses government structures. Bingu is the only president who did not have a distinct housing project. Apart from Bingu who may not have seen the need to have a specific programme other than those under Malawi Housing Corporation, programmes implemented by the rest of post one party leaders did not bear any semblance of learning from past experiences. They existed as islands while institutions responsible for housing never took any part. From the interviews above, expert advices from Ministry of Lands and UN habitat were never heeded. This confirms Smit's (2008) observation in sections above, that pressures in the emerging economy drive politicians to hastily draw subsidy programmes without considering objectives thereof or even attempting to connect these programmes to broader policies and other national programmes.

This however, is only possible in polities where constraints on politicians are weak like in fragmented or fluid democracies with numerous imperfections on the political market. While Kamuzu's policies were influenced by his security of tenure within personal dictatorship environment, it requires strong will to resist the temptation of coming up with short term policies in more open democracies with less constraints on leadership like Malawi. B'orner (2005) observes further that even when economists give advice to politicians, the final policy choices and economic outcomes differ substantially from what economic theory would suggest as the optimal solutions. And the reason given is 'the efficient policy would not be politically viable'. That is, even if a policy problem had an efficient solution, it would not be implementable in the political process.

As observed in the matrices above, there appears to be some consistency between mandate policies and development frameworks in Tanzania in the content on human settlements as both stress on issues of formalization, land management revenue other than housing assistance schemes. There is not much about direct housing subsidy programmes and promises in policy documents for political parties. Assistance in the housing sector focuses on enablers for population to access housing financing. Tanzania has made efforts to stay the course of housing finance while also formalizing

settlements. Malawi on the other hand has ventured into expensive broad based housing programmes that show no promise of yielding results towards solving the broader housing challenges. In order to probe on why Malawi has gone ahead with these housing programmes, this thesis carried an analysis of the Decent and Affordable Housing Subsidy Programme, one of programmes born out of DPP's 2014 electoral manifesto as a special case that can provide the insights on the incentives for high propensity for subsidy programmes.

6.6 The Special Case: Decent and Affordable Housing (also known locally as Malata) Subsidy Programme (DAHSP)

6.6.1 The DAHSP Concept

Decent and Affordable Housing (also known locally as Malata) Subsidy Programme (DAHSP) came into existence in fulfilment of one of the campaign promises contained in the 2014 DPP manifesto. The manifesto states as follows:

The DPP policy for housing will focus on: Subsidising the prices of iron sheets and cement for poor people to build their own houses.

It is, therefore, a program that came out of a mandate policy. As he drew a link between mandates and representation, O'Donnell (1994) stated that policies of government must bear resemblance to the promises of their campaign. The fact that this promise was contained in the manifesto that won them elections, DPP government felt obliged to fulfil it regardless of whether their victory may have come due to other reasons and factors. But Mellon et al (2021) and Quinn (2014) observe that manifestos contain many promises but the lack of means to measure the centricity of individual promise allows parties to fulfil promises that suit their interests. DPP may have utilized this angle to sample quick wins to their bunch of promises from the 2014 party manifesto.

Following the victory of the DPP in 2014 Government came up with a concept on DAHSP. In the concept the program sought to provide low income households with subsidized cement and corrugated iron sheets and other related building materials to enable them build and improve their own houses. The concept for DAHSP, operation manual and interviews with key personnel in the Ministry of Lands and Housing reveal details about the programme. For the financial year 2014/15, government had set aside

K7 billion for 15, 440 beneficiaries across the country in that pilot year translating into 80 low-cost houses per constituency. The expectation was that in subsequent years funding would increase, and so the number of houses constructed in each constituency would increase.

The program meant to procure and distribute the following materials at central government level: a maximum of 30 iron sheets of 29-30 gauge of 10 feet each, a maximum of 30 bags of cement of 50 kilogrammes each, three kilogrammes roofing nails, five kilogrammes wire nails. At the district level the following would be sourced: four wooden window frames and window panes; five doors; five door frames; and 52 assorted timbers. Materials would be locally procured to capacitate local artisans. The total cost of these materials and other ancillary items was approximately K450, 000 for a three-bedroom house and each beneficiary would be required to contribute 50 per cent of the total cost namely K225, 000 spread over a period of four years.

As a targeted subsidy programme, criteria for identifying beneficiaries included the following:

- a. Low-income households, living in grass-thatched houses with burnt bricks, soil stabilised blocks, with or without cemented floor, but who wish to improve their houses;
- b. Low-income households who have bricks and are constructing a house on their own, but require iron sheets and cement as well as related building materials;
- c. Permanent resident members in the area or village of implementation;
- d. Members of a housing development group ready and able to pay half the cost;
- e. Prepared to contribute labour in the construction of the house; or
- f. Civil servants of the Grade of Executive Officer and below.

The design of the program also took into account issues of possible political interference, default on loans and possible procurement fraud. By administering the resources through the Housing Development Groups (HDGs) voluntarily composed at the village development committee level, the program wished to avoid political interference and interference from the chiefs as members of the group would make their own decisions as a club. Formation of these structures would be facilitated by

Community Development Assistants supported by District Housing Officers. The groups would also be responsible for collecting debts for further submission to government. Selection of beneficiaries would as well be agreed on by the group as eligibility required one to be a member of the HDG first.

The National Program Coordinator for the program acknowledged that the policy that initiated the program came from the DPP Manifesto however, the housing issues in this manifesto carried some semblance with the draft housing policy at that time. After elections that took place in May, 2014, the new government prioritized the housing issues and the Ministry of Lands and Housing submitted concept on the DAHSP to cabinet for approval and inclusion in the 2014/15 budget. Cabinet approved the program in August, 2014 and in September, the program was taken to Parliament for further approvals.

The idea for coming up with the program, according to DPP national governing council member, was inspired by the previous housing programme, Mudzi Transformational Trust (MTT).

DAHSP built on weaknesses of the Mudzi Transformation Trust. DPP had to do it differently to get peoples' attention and people got excited as they thought it would be universal subsidy of iron sheets.

Lilongwe, September, 2018

The implementation structure of MTT was outside government structures despite having ready structures for the task created during the one party rule. Additionally, the cost quoted for a house was too high and the project in DPP's eyes was used as cash cow for funding the Peoples' Party's campaign for 2014. DAHSP was thus fully funded from the state.

It was negotiated with bureaucrats and elitist structure of the party in terms of budget size so they do not reach 10 billion Kwacha to avoid collision with IMF.

DPP respondent Lilongwe City Centre, Lilongwe, June, 2018

As stated in chapter four, projects under government funding must go through the Public Sector Investment Programme (PSIP), a tool that facilitates the consolidation and programming of all project interventions. PSIP screens projects being funded by

national development budget to ensure they are in line with national development priority areas in MGDS. According to the coordinator of DAHSP, PSIP did not incorporate housing proposals despite several submissions. EP&D said they would only hear about the project from different sources but it was never formally introduced to the department. Another respondent within the EP&D admitted that analysis of programmes and categorization in Malawi is a challenge and housing programs in Malawi are taken as social welfare issues within the social protection category as they target the poor. And PSIP is a tool for development not welfare.

Similarly, the Office of the President and Cabinet is supposed to assess such policies through the Poverty and Social Impact Assessment (PSIA) on intended or unintended impact of policy. The PSIA would also assess if it is helpful to the poor, who would normally have no platform to assess on their own. This tool has not been active since around 2010.

The issue of affordable housing has not only been pursued for economic gains but also wider issues of wellbeing and more recently with issues of sustainability in mind (Ezennia and Hoskare, 2019). Sustainable housing implies that better quality of life is achieved while resources are used efficiently for continued progress in social, economic and environmental dimensions (Vehbi et al., 2010). But according to EP&D, DAHSP does not make economic sense and there is no clear justification for its inclusion in the development budgets.

It is not clear what targets they are trying to achieve and what developmental ends they intend to achieve since the demand for housing is just so enormous and priorities for the economy are many.

Capitol Hill, September, 2018.

As Arnott (2008) observes in chapter 2 above that subsidies as a means of redistribution in developing countries is best undertaken by the local government since they are better able to identify the real needy, the program was designed to be implemented with guidance from the decentralization policy but instead the constituencies are used to allocate resources. Through section 9 of the Decentralization Policy the District Councils have been charged with the overall development of the district to eliminate dual administration at the district level (MLGRD, 2009).

The constituency service function role of parliamentarians has oftentimes restrained relations among the key local stakeholders at the district level as they struggle for recognition on who champions development. This was observed when the constituency development fund was established (Chiweza, 2005; Chinsinga, 2008). Further channeling of development projects to constituencies can only be understood from political perspective as its consequences have negated development initiatives in the recent past.

UN Habitat saw the potential for the program to address issues in the draft policy but they felt a need for more expertise at design stage. Several proposals were made to the Ministry for improvement, for instance, the guidelines for ‘resilient housing’ to be used in construction of DAHSP houses by UN Habitat targeting disaster-hit areas. This was rejected as government preferred wider coverage using constituencies. Constituency preference was driven by two forces.

First, the policy and programme had to undergo an adoption stage that required parliament vetting. The need for buy in from the MPs forced government to target constituencies though decentralization structures namely village development committees would be used for implementing the project. Second, was the need for visibility to the whole country.

Housing Expert, Lilongwe, February 2018

As observed by Chinsinga (2014) on the FISP project, disregard for technical advice on improving the programme has been one of the factors that make Malawi miss opportunities to build on good foundational bases laid down by previous initiatives. As a result, every policy or programme looks like a fresh experiment. Marume (2016), emphasizes that policy is not static but dynamic and that it has to be adapted based on experience research, facts and knowledge. Lately Malawi has had lots of resources on subsidy programmes based mostly on research and knowledge that has been generated by scholars who studied FISP as well as various evaluations of the same and similar input programmes in the SSA region. Programmes developed in isolation do not promote policy coherence and avoidable mistakes will often be repeated in their design and implementation.

6.6.2 Adoption of DAHSP

Adoption is preceded by formal and informal processes of negotiated policy formulation, where major players, organized interest groups and in case of democracies, elected members of parliaments engage with the assistance of institutions (Birkland, 2015, Hill, 2005). This is a very important political process in the policy cycle. Recordings from the parliamentary hansard of 19th September, 2014 reveal the contents of the statement delivered by the Minister of Lands, Housing and Urban Development on the new DAHSP program. Recordings include presentation of the concept and justification for the subsidy program as well as questions from MPs and answers by the minister.

The minister justified the program through two main means: on the basis of the law of the land using the constitution of Malawi; and reference to previous programs by previous regimes. On the laws, he quoted Section 13 of the Constitution which provides that:

The state shall actively promote the welfare and development of the people of Malawi by progressively adopting and implementing policies and legislation aimed at achieving the following goals:-(And in paragraph [e]) to enhance the quality of life in rural communities and to recognise rural standards of living as a key indicator of the success of government policies.

On the referred cases, he cited three programmes under past government regimes:

- a. Mudzi Transformation Trust housing project by the Peoples Party (PP). He pledged to have an improved programme that would deliver real development unlike the MTT which he referred to as follows:

A government attempting to build a small (house) here, a small (house) there for the rural people under the Mudzi Transformation Trust.

The reply from the PP former vice president was simply ‘

Welcome to the club, this is a real world.

This meant that policy making in the world of politics cannot be taken for granted and compared with the normal rational theories as it gets influenced by various forces and vote seeking being one of them.

- b. The minister also cited, the MCP government's policy on basic needs, quoting the first Malawi leader Kamuzu Banda who often said:

Whatever my people may not have, three things they must have, enough food, decent clothes, and a house that does not leak when it is raining.

- c. He further cited the United Democratic Party's Manifesto of 1999, where the party grappled with 'the challenge of providing decent housing for the rural people'.

While the constitution quotations were attempts at justifying the existence of policy that backs the program the other three cases were cited in order to soften the opposition parties' stands on the program so it could easily get adopted. This was an acknowledgement of the potential veto power possessed by the opposition.

On policy backing, programs like DAHSP must be aligned to a wider policy network if they are to make any developmental sense as advanced by Du Hai (2012) that economic development of a country depends on the quality of its policy framework. Though FISP had its own gap challenges in situating the programme within the agricultural policy framework, situating the DAHSP presented even a bigger challenge as the country has not had a housing policy for a long time. The ministry claimed that ideas in the concept looked similar to ideas in the draft housing policy 2014 version meaning that bureaucrats working for the party may have assisted in the design. When asked how the party situated the DAHSP in the policy frameworks a respondent could not pinpoint the bedrock of policies that grounded it saying:

We just went for the closest statement in the main policy frameworks as long as it is aligned somehow with the MGDS.

Lilongwe, June, 2018

Ironically the formulation of the policy and program for the DAHSP took less than 6 months with the actual concept and adoption process rushed over a period of three months while the housing policy had remained in draft for almost ten years only to be approved in 2019.

The adoption process was never short of critical minds from both the government and opposition. According to the Hansard records, one of the sceptics from the ruling DPP, Kalindo was critical on the number of beneficiaries preferring some sort of universal subsidy through tax waivers:

... but I am just too sceptical on the number of beneficiaries per constituency considering that we have many poor Malawians out there, Can the Minister clarify on the number of beneficiaries because this would only create problems? Can the government consider waiving the taxes and duties so that the actual cost of purchasing iron sheets can be cheaper?

Hansard ibid, p.11

This alternative view, coming from not only a member of the party but the director of the youth who was also an executive of the governing party, portrays inadequacies of internal consultations in coming up with the policy. It confirms the earlier indications from DPP correspondent that the party uses elitist approach in coming up with mandate policies.

An MCP MP, asked the minister if giving iron sheets to 80 people in a constituency of thousands would translate into developing people. Furthermore, she pointed at the opportunity cost of the DAHSP policy as follows:

I think the main argument for some of us is to say we should allocate funds properly. It is not that we are saying don't do it this way but if it is costing early child development, we have to cost it this way. Subsidies should be targeted at actually developing the poor and not ending that you are actually perpetuating and creating a circle of perpetuating the poverty.

Hansard recording of 19 September, 2014, p.8

An independent MP, asked if there was an exit strategy as subsidies do not make the product cheaper but basically it involves reallocation of resources from somewhere to finance the subsidies'. He feared some budget votes might suffer to 'support the cement and the iron sheets subsidy'. Another MP wanted to know whether land issues were being addressed especially in some targeted districts like Thyolo where land was an issue.

The minister was not able to supply adequate answers to these critical issues taking note of most of issues for future consideration, referring some financial issues to the Minister of Finance while appealing to the MPs to adopt the program in its pilot phase. The UN habitat respondent disclosed that the Ministry thereafter requested for assistance from UN Habitat, who recommended redrafting to make the programme more developmental. They also recommended drafting a monitoring and evaluation as well as communications strategy. Ministry officers grew cold feet and in the opinion of the UN Habitat, the possible reason was that they feared that strengthening the procedures and regulations could make it difficult for bureaucrats and politicians to extract rents. The ministry's role is that of 'The wise counsellor' (Pollit, 2003) and their role is to ensure that policy is not flawed. They often seek further counsel from international bodies like Habitat whenever they feel insufficient in their capacities. Refusal of advice from the UN body whom they voluntarily approached raises questions as to whether the intentions of the programme were for optimal benefits for targeted beneficiaries and the economy.

Considering all the critical issues and questions raised on the motion, and also numerous criticisms from analysts, media and the MCP respondent to this study who was also an MP at that time, one would have expected the motion to be shot down. It was however, passed. Asked as to why opposition MPs still approved the program in parliament he replied that MPs fear that constituents, listening to parliamentary debates on radios, would feel that blocking such programs would jeopardize their chances to own houses. Such programs directly appeal to the common uninformed voter, no matter what reasonable justification you may have, blocking them attracts the wrath of their own people. It would be easy for the MPs' competitors to ask the constituents questions like:

Mwana wanu anakana kusapota subsidy yoti ikuthandizeni anthu osauka. Kodi ndi zomwe munamutuma? (Your own 'son/daughter' refused to support subsidy program which was meant to support you. Is this what you sent him/her to do?)

MCP respondent, 16 January, 2018

Manifestation of the concerns by the MCP correspondent can be singled out from the Ministerial reply to one of the questions from the opposition MP on proper allocation of resources. The minister's reply was:

I believe that the Honourable Member will not refuse to have houses constructed in her constituency.

Hansard recording of 19 September, 2014, p.9

Parliamentary deliberations are broadcast on local radios and the aim of the minister's insinuations was to provoke voters to rise against their MP and with a large population being uninformed, chances of political survival for the incumbent become slim. Saliency theory of party competition argues that when a party disagrees with the position of its competitor, it may avoid discussing the issue in its manifesto and in public declarations. (Budge/Farlie, 1977 cited in Alonso et al., 2012:3). Keefer and Khemani (2003) highlight that the incentives for politicians to provide broad public goods for poverty alleviation will vary among countries. They argue that imperfections in political markets distort this incentive regime as politicians often divert resources to political rents and transfers that benefit few individuals. This is noted in developing countries that are democracies. This is a contrast to the median voter hypothesis that states that under majority rule, a policy that is preferred by the median voter can defeat any other (Meltzer & Richard, 1981, cited in Keefer & Khemani, 2003). The political market imperfections highlighted by Keefer and Khemani are lack of information, social fragmentation with identity voting and lack of credibility of political promises to citizens. Malawi seems to fit in all the identified political market imperfections. The fear of constituents expressed by the MCP respondents is a result of lack of information on the part of constituents as electoral promises are flown as adverts without much details on how many will benefit and how programmes will be implemented. The respondent from the DPP attested to this as well.

.... and when selling the program to electorate, we had to present it differently to get peoples' attention and people got excited as they thought it would be universal subsidy for cement and iron sheets.

DPP National Governing Council Member, Lilongwe, 7 June 2018

Imperfection on credibility of political promises can be linked to the views of respondents to Afrobarometer studies that indicate low levels of trust for both ruling and opposition parties. Levels of trust for pre-electoral period in 2020 were, 27.5% for the ruling party and 27.6 for the opposition (Centre for Social Research, 2020).

6.6.3 DAHSP Implementation

The program was initially meant to benefit rural areas and it was designed to be implemented using the decentralization structures. However, as the concept got through the political arms for adoption, the target structures changed to constituencies and all constituencies were targets, hence, urban areas were inevitably included. This study therefore, followed up the implementation of the program in both rural and urban areas to get insights into structural, institutional and political issues surrounding DAHSP at these levels.

i. DAHSP Implementation in the Rural Area: Mtsita Housing Development Group in TA Chadza, Lilongwe.

Mtsita ward was targeted as a pilot area for the program. The choice of the site was influenced by area's good implementation record of the previous rural housing development program and existence of capacity at the Lilongwe district council to support the program, like, a social worker and technical persons in the area of housing. According to the coordinator of the program, proximity of the area to Lilongwe district council was another influencing factor, for easier monitoring. The Malawi President, Peter Mutharika launched the pilot program in this area.

DAHSP was introduced in this area by the district housing officer. Through the local chiefs, people were called to a meeting to select a Housing Development Committee in 2014. Beneficiaries came from among the membership of the HDG and the list got approved by chief, ADC/VDC and district housing officers. The group later started charging membership fee of MK500 which is used for some administrative costs like transport whenever it becomes necessary to send a member to push the district authorities on an issue for instance.

Qualification cited by the HDG members does not differ from the criteria in the guidelines and those cited by the district housing officer. Those with land and can meet

50% of the costs over a five-year period can access the subsidy. Those who may not afford should have relatives who can assist in repayment. The very poor targeted for free materials were also identified in this HDG but assistance for this category had not started yet.

Progress

Since the beginning of the program members of the group reported to have experienced a reduction in housing problems.

Moyo wanga unali wa mavuto makamaka nyengo yamvula nyumba yathu ya udzu ikayamba kuthonya. Pachipanda ndondomeko imeneyi ndinakaferapo osagona munyumba yamalata ndi cement (my life in a grass thatched house use to be miserable especially leakages in the rainy season. If it were not for this program, I would have spent my whole life without having a taste of a house built with cement and iron sheets”)

Remarks by member of Mtsita HDG, one of the beneficiaries on 25/8/18.

Nine (9) people benefited from the program in the first phase while ten (10) in the second. The chief has supported the group since the beginning. He welcomed the project and introduced the district council officials to the Area Development Committee (ADC) and Village Development Committee (VDC) with whom identification of leading members for the Housing Development Group was made. The chief was always attending the HDG meetings to ensure they were conducted in line with guidelines. ADC and VDC were to be entrusted with guidance, oversight and monitoring roles but would dominate the activities of the group and were therefore discouraged from direct involvement. The MP for the area belongs to opposition MCP but came to the launching ceremony and was one of the speakers who praised the president for bringing the programme in his area (reported in Nyasatimes by Gwede, Muheya and Chauwa, 19 December, 2014). However, since the launch, neither the MP nor the councilor for the ward have taken any role. They however, get updated on the progress through district reports at council meetings.

A MP athu anakamba zotsutsana ndi ndondomeko ya Malata subsidy akakhala mu nyumba ya malamulo. Koma ataona ubwino wa programuyi anasintha malankhulidwe awo. Dela lino limatengedwa ngati lowukira kamba koti timagwirizana ndi boma pa ndondomeko za chitukuko ngakhale tili ana a Kongeresi

(The MP used to report negatively in parliament but he later saw benefits of the program. The constituency is dominated by opposition MCP and the HDG's cooperation with government drives the party to label the village as 'a rebel area'.)

Member of Mtsita HDG, 5/8/18

The presence of the MP at the launch and his absence for the rest of implementation speaks much about the intentions of both the government and opposition. The constituency is dominated by opposition MCP. The party therefore labels the village as 'an area of rebels' because they have been very receptive to ruling governments' projects. Real supporters of MCP were supposed to demonstrate some sort of resistance. Sensitivities surrounding the project put representatives in a dilemma as to when to show support or withdraw it. That is why they will appear at moments when their absence will speak louder so as to negatively affect their support among constituents.

As a piloting area and in the words of the district housing officer 'to decorate the political launch of the program', phase 1 of the project was well resourced and supply of materials was good and timely. Both the district administrators and members of the housing development group appreciated the service. But second phase saw delays in delivery of materials. This was observed with materials supplied both at district and central levels. The section below highlights the challenges encountered in the program in the area including the issue of delays.

ii. DAHSP Implementation in the Urban Areas: Chinsapo Housing Development Group

The project was introduced through the councilor of the ward and National Initiative for Civic Education (NICE) facilitated the meeting that called for interested people to register as members of housing development group. Committed members were trained on what the program required and criteria for selection of beneficiaries. Beneficiary selection involved chiefs/block leaders, CBO leaders and NICE committees. Members understood that beneficiaries are not the ultra-poor but those with the potential to develop their plots. They must have a legal plot but without full ability to construct a decent house. They must have bricks. Members with disability who might not have the capacity to repay the loans were required to indicate members of their family or community that would commit to repay the loans on their behalf.

Progress:

First phase was well implemented and linkages with the housing authorities at the city council turned out to be very good. Materials received in phase 1 included cement, iron sheets (28 gauge), solignum, wire nails, ridges and timber. They did not receive doors and door frames, locks and lime. The first phase benefitted one (1) person with disability, three (3) women. Total number was nine (9) and three (3) were from the executive committee.

Second phase was progressing well such that at the time of interviews they had received most of the materials. The materials in phase 2 were, however, of low quality, for instance, iron sheets were 32 gauge instead of 28. Cement received was for wall construction and not floor quality. For both phases materials did not arrive on promised times and committee members were often blamed by beneficiaries for the delay. Phase 2 benefitted four (4) committee members and 6 non committee members. Two (2) beneficiaries were elderly while four (4) were women.

6.6.4 Challenges

Challenges have been observed in the programme by the media, political parties, analysts as well as programme staff and beneficiaries themselves. Adoption process outlined above has also exposed some of these challenges as expressed by MPs from both government and opposition. The following challenges have been collected from the interviews and other documents.

i. Introduction of the Programme and Beneficiary Identification

The chair of Chinsapo Housing Development Committee considered the program to be a good initiative but had reservations on the way it got introduced with lots of political flair that attracted mixed feelings among the local population already divided along political lines. He would have preferred such programs to follow other channels than the political one. Members of the committee complained that the city authorities did not organize adequate meetings for the committee to be updating the community on progress of the project. Non beneficiaries interviewed claim they knew nothing about the existence of the program in their area, hence they did not benefit from it. Asked whether the introduction of the program in the area was publicly broadcast, they expressed ignorance and claimed each time the chief (block leader) wants to commence development work that requires community work, messages are broadcast through a ‘town crier’ (messenger) at night and everyone gets the message. However, whenever targeted safety nets programs are never broadcast such that they only learn when implementation is already underway.

Timangouzidwa za maliro ndi tchito zachitukuko zokha koma zikabwera zolandiralandirazi amangouzana pachiweniweni. (they only inform us about funerals and participatory development work but they only inform their relations when handouts come)

Claim by a Chinsapo resident who lives 500 meters from one of the subsidized houses, 26/8/18

Beneficiaries on the other hand complained that members of the community are jealousy of the few that benefit. There are more people who are interested but supply is too low. They praised the public works programme instead as it reaches out to more beneficiaries. The resources allocated to this programme simply will take too long to satisfy demand for housing.

Guidelines for selecting leaders at the local level structures like Area and Village Development Committees are straightforward and stipulated in simplified booklets from Local Government Ministry and oftentimes council authorities sensitise the leaders on how the process should be conducted. However, as observed by Cammack et al (2006), individual politicians identify their own networks based on patron - client relations and/or family or tribal/regional ties. Information flow follows such linkages

and hence the complaints by the ‘outsiders’ in both the urban and rural settings of the DAHSP programme that they are left out in the process. Though few, the clients are then entrusted with the duty of mobilizing voters, come election times. A former District Commissioner observes that councillors, chiefs and other politicians who were involved in the mobilization of the masses to the first meetings and other meetings and were entrusted with the task of ensuring transparency and accountability in the running of the program became culprits themselves.

By the time HDGs are holding the meetings, these groups will have met informally, usually at night, to collude on names of their preferred beneficiaries and the daytime meetings just serve as a formality. The recipients do agree to share the spoils with these patrons in a client patron relationship. Repayment still remains the responsibility of the client.

*Former District commissioner for two District councils, Lilongwe
February, 2020.*

Beneficiary identification often brings lots of challenges to subsidy projects using a targeting approach in the developing world as observed in chapter 2 by the following: Rothstein (2001) - stigmatization of the poor; Sen (1995) - likelihood of paternalistic and clientelistic practices by bureaucracies and opportunistic behaviour on the part of the clients; Klugman (1999) - conflicts as more citizens consider themselves as equally poor and deserving. Targeting in communities with egalitarian orientation poses another developmental challenge. Participatory development work requires that all citizens get involved in community work. According to the former DC, those who do not receive subsidies are usually non-cooperative in the participation of development projects. The non-targeted are usually the very active members of the society that are often in the fore front of development work.

When party zealots, who are usually lazy and with low capacities, are beneficiaries, development work suffers. Under Farm Input Subsidy Program (FISP), most chiefs choose to further divide the ration received by the few among more households.

Former District commissioner, Lilongwe February, 2020.

In DAHSP the practice of further redistribution by the chief referred to by the former district commissioner would not be possible as the idea of loans and repayments became a deterrent. Moreover, iron sheets are more excludable as sharing would make them useless for the purpose, while a bag of fertilizer shared can still be applied to part of a garden and improve yields though the project results will not be realized.

ii. Programme management

According to the Hansard of September, 2014 the Minister responsible for Lands and Housing was asked by one MP on the capacity of the councils to manage the programme after observing that most districts had no district housing officers to supervise and monitor the program. The Minister assured the house that recruitment was the next planned step. On the ground, the Ministry did not adequately address issues of capacity for the councils both human and financial. Council staff both at the city and district councils indicated that the ministry did not adequately fund the council to conduct monitoring of the programme activities.

The program also met challenges of ‘sabotage’ within the government bureaucracy according to the respondent at the district council.

Some directors in the Ministry were not in favour of the program because they view it as a political tool to woo votes.

Lilongwe, July, 2018

These bureaucrats showed resistance by delaying approvals for procurement processes and this caused lots of delays in program implementation. One might view this as one of the issues influenced by bureaucratic interest as referred to in the BPM model earlier in the chapter. Others might take these as bonafide bureaucrats trying to save government money from misuse. While the ruling party would view them as opposition agents trying to sabotage popular government programme. Some of these directors were replaced in the course of time. The program also experienced inadequate funding for both main programme activities and administration including monitoring. The issue of resources is emphasized in the section on supplies and suppliers below.

iii. Encouraging Illegal Developments

One of the challenges that city authorities faced confirms Arnott's (2008) fear that most needy households live in unauthorized housing structures and this makes the regulatory state less willing to support these unless slum upgrading is part of the support. The Lilongwe city authorities made it clear that the program was not supposed to benefit those whose plots were illegally acquired to avoid encouraging bad practices. Established laws in the city do not allow construction on illegal plots hence offering assistance where the plot is in dambo or other illegal areas would amount to encouraging illegal developments within the city boundaries. These regulations were however, waived for this program to avoid delaying commencement and progress reporting. City council respondents also disclosed that housing plans that were adopted by the program and imposed on beneficiaries would not have passed the test by city council as it encourages modern houses. Furthermore, city laws do not allow access to electricity and water for houses whose plans were not approved by city authorities. But the program assisted many beneficiaries with unapproved plans who eventually got access to these utilities by merely being under the program. These are some of the reasons that backed other observers' claim that DAHSP was a political project.

The challenge of informality of the settlements in the developing countries has been duly analysed by Arnott (2008) in Chapter 2. He observes that most needy households live in unauthorized housing structures and this makes the regulatory state less willing to support these unless slum upgrading is part of the support. Upgrading these brings an advantage of raising revenue base that would relieve the budgetary burdens in future. Angel (2000) unveils characteristics of unauthorized housing to include housing that does not comply to current regulations on land ownership, land use, zoning, construction and squatter housing. The dawn of multiparty system of government in Malawi saw many protected areas and open spaces being occupied by people from the locations and called them "Multiparty" and more recent land grabs in the urban areas have seen people sharing land meant for commercial developments and these are called "ndatola" meaning '*I picked free land, that did not belong to anyone*'. According to Lilongwe city housing respondent, these have resulted in a backlog of land issues to be sorted out at the city council. The addition of waived developments in the DAHSP programme means that other residents would take this as a point of reference to avoid punishment on similar actions.

iv. Suppliers

According to respondents from the district and city councils as well as beneficiaries, during the second phase, 2016/17, most materials at central level were supplied but money for district materials delayed; some suppliers had abandoned the program after first phase because of low prices and delayed payment by government. Those who replaced them supplied very cheap/ low quality materials to make higher profits. 32-gauge iron sheets were supplied instead of the prescribed 28-gauge sheets. ‘Kumanga’ cement used for brick laying was supplied even for laying the floor instead of the appropriate list of higher grade cement. Partial delivery of materials caused some losses as some items could not be kept for longer periods like cement. Members also complained that they were supposed to be given MK50,000 for labour which never came through. The agreement was that once goods were received in full, repayment should begin.

Anatilonjeza kuti tidzayamba kubweza ngongole katundu yense akadzafika koma chodabwitsa chinali choti tinayamba kulandira mauthenga oti tiyambe kubweza katundu wina asanafike. Komanso mitengo ya katunduyu ikuoneka kuti ndiyokwera kuposa yammasitolo (they promised that we shall start paying back after receiving the full consignment but to our surprise, messages were sent for us to start repaying the loans before we received the full consignment. And to our surprise, prices that were quoted by the program were higher than the market prices for similar products”).

A beneficiary at Chinsapo HDG, 18/8/18

When the program sourced quotations from local artisans, for the second phase, they inflated the cost of materials sought. City officials suspected that they had colluded with HDG group members to share the difference, while the artisans claimed that the programme delays payments and hence the punitive prices from suppliers. MCP respondent observed that the program assumed that in the districts, artisans are available and have appropriate skills, hence there was no provision for training for these local artisans resulting in poor quality materials. By the time of the interview, the 3rd phase was due but had not commenced as supplying for the second phase beneficiaries was still far from completion.

The concept of politics as a market place discussed in chapter two stated, among other things, that parties compete to win power by responding to the demands of pressure groups (Grindle, 2001). One of the pressure groups are business people who gain business opportunities through government policy and later fund campaigns of the party that granted them the favour. Just as is the case with FISP, suppliers have to compete through public bidding to win contracts. However, it has been established that most businesses that win these bids are associated with political figures from the ruling party. Respondent from Lilongwe City Council observed that local politicians dominated the suppliers list and pushed for consideration of their clients on the beneficiary list.

*Ma District governor and even amayi ovina aja anasanduka ma suppliers
(district governors and even party women who dance for the president, became suppliers)*

Lilongwe City Council, 29/3/2018

According to the former District Commissioner (DC), these suppliers exert fear on the technocrats such that they get contracts and can supply goods at their own pace and in sequences and amounts that suit their own interests. Attempts to report and refuse these supplies can cost one his/her job or as is common practice, earn transfers to remote districts. The then ruling party (DPP) noted and acknowledged the practice:

We have often heard of the negative behavior by suppliers and several times the president has appealed to the party members not to interfere in the programs.

DPP National Governing Council Member, Lilongwe, 7 June 2018

The situation got out of hand in 2015 when very low quality goods were supplied to beneficiaries such that the president had to stop all supplies pending enquiry. One local tabloid carried the story:

President Peter has queried the quality of iron sheets some contractors engaged in the Decent and Affordable Housing Subsidy Programme are using and has warned them of unspecified action if the trend continues.

Reported by Tom Sangala of Malawi's Daily Times _ September 17, 2015

District level supplies have also faced their own challenges. Other than the low quality of supplies in the second phase as observed by the HDG members above, there is much interference from the ruling party governors and councillors. Although the issue of

political interference was avoided by HDG groups, both the city authorities and former DC emphasized on this issue such that at one district all suppliers were traced and found to be district councillors. Prior to the deployment of the respondent (former DC), the predecessor had colluded with councillors to manipulate the competitive bidding system so that all who provided supplies were councillors.

Selection of artisans has also become a manipulated process such that those outside the party cannot access the chance to be on the list of suppliers. As observed by Haggard and Kaufman, (2008) in chapter 2, democratic freedom in pluralism theories, permits interest groups to organize and press for the increase of social spending. Such interest groups would include party members as was the case in this district. According to the former DC, district authorities have even advanced money to suppliers before delivery and this results in partial or no supply of the required goods as the patrons and clients within the chain will have shared the money. The caption below shows one of the cases where the government officials and suppliers collude to cheat the poor families.

News Paper Caption 6. 1 Collusion on DAHSP

Companies under probe for ripping off Malawians in Malata subsidy programme

January 25, 2020 Nyasa Times Reporter [8 Comments](#)

Companies that provide cement for the Malata and Cement subsidy programme including a Lilongwe- based Asian businessman are under investigations that they are ripping off poor and vulnerable families that are beneficiaries of the programme. The investigations by law enforcing agencies have come after reports that the companies are working in collusion with government officials and suppliers that instead of giving beneficiaries 50kg bags of cement they are taking off 10 kgs and making separate bags.

In other cases, the suppliers are victims of abuse of funds meant for their commodities as government officials simply misused them for their personal benefits as in the caption below.

News Paper Caption 6. 2 Theft of Public resources in DAHSP



The former DC indicated that in all the fraudulent and corrupt practices identified, there is no record of punitive action imposed on culprits. The caption above concurs with this observation and indeed no action has been taken on both suppliers and government officials just like the case in the FISP fraudulent and corrupt cases.

The challenges surrounding supplies to the DAHSP are not strange in the Malawi polity. Chingaipe (2010) suggests that cronyism in the modern society has been deepened and broadened by democratization process. Citing several cases of corruption in the Muluzi administration at the dawn of the multiparty era, he observes that the state has been in constant collusion with private sector and other players to share spoils through public procurements, access to credit and even outright graft. Though the collusion may be difficult to directly establish in most cases, observation from the former DC on the award of DAHSP supplies contracts to firms belonging to councillors as well as the council respondents' observation that suppliers' lists were dominated by politicians, provide evidence of domination of the spoils system in the implementation of DAHSP. Such deliberately caused inefficiencies in the redistribution of public resources are what Arthur Okun (1975) likened to a leaky bucket where some water is lost on the way while some gets delivered to the destination. And an obvious source of "leakage" in programs designed to address inequity is the administrative cost of running the program.

Loan Recovery

Booth et al note that during the one party system, Malawi had one of the highest repayment rates for rural credit schemes in the world. However,, during election campaign in 1994, one of the presidential candidates, Bakili Muluzi, promised voters

that they would not be obliged to repay credit they owed to Malawi Rural Finance Company, a public corporation that afforded people business credits. This collapsed the credit schemes in Malawi such that government credit schemes are mostly regarded as political gifts to ruling party supporters. More recently during the DPP regime, the credit schemes that have included small businesses like Malawi Rural Development Fund (MARDEF) and Youth Enterprise Development Fund (YEDF) have faced much criticism for favouring party supporters and failing to recoup the loans. The news article below illustrates one of the criticisms.

News Paper Caption 6.3 An example of loan repayment challenges. MARDEF business loans originate from political party podium pronouncements



Under such circumstances, programmes with new credit schemes would be expected to have details on repayment systems and how delinquents would be penalized. The operational manual for DASP does not have details on how the program will deal with default issues. When asked on the same during the adoption of the program in parliament, the Minister admitted that they were not ready with options for reinforcing loan recovery but would rely on citizens to ‘encourage each other to ensure that they continue paying’. With the above background on the attitude implanted in the populace on government loans, this laxity from the minister can easily be translated as intentional gap creation to enhance patron-client relations between politicians/chiefs and beneficiaries.

From the two constituencies where interviews were conducted, beneficiaries had not yet started repayment by 2018 as they still waited for completion of delivery of materials. Conflict about inflated prices of commodities is another reason for delays in loan recovery. One of the reports on DAHSP Implementation highlights this challenge as follows:

Khoma (wall) cement that is bought at less than MK5, 000.00 at the shop is sold to the beneficiaries at MK9, 000.00. In some instances, some beneficiaries of the same phase, with same quantity of materials, same quality of materials, received on the same day get different material prices.

DAHSP Implementation Issues paper of January, 2020 p3-4

Beneficiaries thus desisted from repaying the loans until they would get clarification on price difference. Annual reports for the program showed that by 2017 (three years into the program), only 1.6 percent of the loans had been repaid translating into MK3.8 million. The Nation Newspaper of 21 December, 2019 reported a 99% default rate on total disbursed funds.

Expenditures and Delivery

The report shared by the DAHSP secretariat indicates that by 30th October, 2017 only 238 million Malawi kwacha worth of materials had been disbursed yet the program was meant to use 7 billion Kwacha per year translating into 21 billion Kwacha for the first three financial years. Funds used for the materials were, therefore, a meagre 3.4% of the total allocation. The program had targeted to construct and maintain a total of 15,440 houses annually. 2015/16 figures in the program's report indicate that 10,619 houses were constructed and maintained. The following year however, only 769 houses were completed by July, 2017 representing a 93% drop in delivery. The drop in the delivery figures can either be attributed to inaccurate reporting or gross inefficiency in executing the program. While disparity between reported progress of 10,609 constructed in 2016/17 alone and 769 houses completed in the following year could be explained based on the delay of material deliveries, the disparity between the low percentage in the resources employed, MK238 million by 2017, against budget of MK14 million for the two phases, has been difficult for the Ministry to explain as administrative costs cannot justify the gap.

The Allocative trends in this programme invite questions on the seriousness of the project. Each financial year's allocation was planned to be MK7 billion. However, 2014/15 got MK2.3 billion, 2015/16 got MK 4.3 billion, 2016/17 got MK6 billion and 2017/18 merely accessed MK1.5 billion. For the elections year 2018/19 an approval of more than the normal (MK7billion) was made at MK10 billion only for the Ministry to access MK600 million.

Efficiency and effectiveness of a policy or program is what its initiators will often seek in the implementation process to ensure better results and hence justify its continuity or decide on reversal. Evaluations help to determine the efficient and effective delivery of the program or otherwise. Evaluations help in more areas as well. Evaluations also help to measure the impact of policies on society and to effectively resolve issues on the policy or program and as Bovens et al (2006) put it "In the ideal world, it is an indispensable tool for feedback, learning, and thus improvement". But in the real world of politics, they contend that it can be a risk that can erupt into a blame game capable of obstructing the search for better solutions rather than enhancing it. According to all Ministry of Lands and Housing respondents interviewed, the programme has not had any evaluation since its launch in 2014 except a quick review that produced two pages of issues and solutions in January, 2020. The avoidance of an evaluation simply adds to the pile of evidence on claims that the program is motivated mainly by potential political benefits rather than developmental ends.

DAHSP as a Mandate Policy: Influences and Implications

As a mandate policy proposed in the DPP manifesto prior to 2014 elections, the Descent and Affordable Housing Subsidy Programme (DAHSP) is one of the subsidy programs that was easily adopted within a period of three months. Despite many criticisms to the programme from MPs from opposition and government as well as other analysts the motion establishing the programme was approved. One of the central themes in political economy literature is power: of the majority (Hanson, 2016); elite power (Ross, 2006). These have major influences on subsidy decisions. Hanson (2016) advances the democratic values where leaders have to be accountable to larger coalitions or populations, a major factor for re-election. Lake and Baum's (2001) idea of a political market (also highlighted by Hill, 2005), marked by openness and contestation influences politicians to target larger populations. However, in this particular

programme targets per year were very few but the government promised to get to bigger numbers of households in the subsequent years.

It has been claimed above that when selling DAHSP in the constitution, the DPP tried to make it look like a universal type of subsidy hence a public good. The power of the majority voters brought fear to the parliamentarians including opposition members as the public was convinced they would benefit from the programme. Any opposition therefore meant that the MPs would be blocking their voters from benefiting from the subsidy. The behaviour of these MPs cannot be blamed as they also act decisively based on the incentives presented by the system and therefore in tune with the rational actor theory.

Reality on the beneficiaries of the programme came during implementation as it was revealed that the numbers were negligible. Such circumstances attract paternalistic and clientelistic practices by bureaucracies and politicians privileged with discretionary power to control the poor in their jurisdictions. Opportunistic behaviour has also been observed on the part of the clients (Sen, 1995; Rothstein, 2001). The revelation by the former District Commissioner that beneficiaries had already been identified by the authorities prior to the meeting that seemed to ‘democratically’ identify the same is a manifestation of this paternalism and clientelism. The choosers and chosen find themselves in those positions due to their relations outside the programme.

It has also been revealed that those who benefited called the rest of society ‘jealous’ while those who did not benefit considered themselves as equally poor and deserving. Whereas upon receipt of subsidy goods under FISP, chiefs would further redistribute them to try to maintain unity amongst the villagers, it has been difficult to do the same under DAHSP as the goods received are so few and difficult to divide and furthermore repayment would be a challenge (Klugman, 1999). The revelation that programmes like DAHSP have led some societies to stop participation in self-help community activities is another setback that the targeting subsidy programmes bring to societies. The social fabric that brings people together gets broken and the resulting individualism can be detrimental to a society with a communalist orientation.

Multiplicity of perceived challenges by beneficiaries and non-beneficiaries, Government and opposition could be a direct result of decisions taken without due consideration of the conventional rational process ‘underpinned by the logic of problem solving’ (Burke, & Tiernan, 2001). The lack of evaluation could be a sign that the benefits that the program brings might be lost with policy reversal where such an evaluation unveils the challenges beyond manipulative eyes of policy entrepreneurs. Criticism of the preceding MTT housing programme by the DPP who were the designers of this successor DAHSP meant that potential challenges that include inefficiency and ineffectiveness just like other subsidies programmes especially those run by Government were anticipated from the start (Triest, 2009; Phang, 2011). The unwillingness to provide solutions can only connote that the programme provided benefits to the ruling party and their associates.

6.7 Conclusion

While both Malawi and Tanzania have seen the need to have subsidy programmes in agriculture, justified on frequent famines that threaten lives of the SSA states, approaches to housing assistance schemes have differed. Malawi has had subsidy programs in the past and present while Tanzania has had housing finance programmes but no direct subsidy policy/programs. The chapter highlighted specific housing subsidy programs in Malawi including the Mudzi Transformation Trust (MTT) during Joyce Banda’s presidency that newspaper reports and rival parties claimed was used for her campaign for 2014 elections which she lost. With this loss and all criticisms MTT attracted from stakeholders including the DPP that later assumed office in 2014, the adoption of the new housing program by the DPP naturally attracted attention of this study especially as housing has not been mentioned among priority needs in perception surveys conducted in Malawi such as the afro barometer surveys. Unlike Malawi, Tanzania has not had a clear-cut subsidy program on housing but preferred enabling structures such as housing financing institutions. There are several programmes aimed at improving provision of affordable housing in Tanzania.

For a long time both countries have not had policies specific on housing but have lately come up with drafts (Tanzania) and an approved 2019 policy for Malawi. As regards linkage of the housing area with the wider policy framework, housing has been mentioned in some policies. Much emphasis has been on issues of land. However,

housing gets more emphasis in manifestos than the economic and development frameworks. And the emphasis in Malawi has been on subsidy programmes especially in manifestos that came after the housing subsidy programme under Joyce Banda.

Policy documents for political parties in Tanzania lean on land allocation, dispute resolution, housing standards and financing. Assistance in the housing sector focuses on enablers for population to access housing financing. CCM manifestos have carried promises on construction of houses but government would be using the already existing National Housing Corporation unlike Malawi's programmes that are implemented as specific programmes. CHADEMA's promises in housing have been overly ambitious and revolutionary such as the proposal to ban mud and grass thatched houses with a compensatory package that sounds as a subsidy in the 2011-15. Both parties however, emphasize on the use of land in acquiring capital through loans from financial institutions.

Popularisation of housing subsidies in Malawi's party manifestos are appreciated through a special case study of the Descent and Affordable Housing Subsidy Programme (DAHSP). Proposed in the DPP manifesto prior to 2014 elections, the programme was adopted within a period of three months. Despite many criticisms to the programme from MPs from opposition and government as well as other analysts the motion establishing the programme was easily approved in parliament. Numerous technical advice from government experts were disregarded and implementation using constituencies instead of initially designated decentralized structures can only be understood from political perspective and signifies the conflicts between these structures whose consequences have negated development initiatives in the recent past.

This chapter has identified issues raised by various respondents and reports that have made implementation of the programme challenging. The challenges included: low financial and human resource capacities of the parent ministry; biased beneficiary identification; implementation of program on illegal land/plots; fraud in procurement processes; non-compliance on quality standards; impunity by suppliers associated with the ruling party; lack of clarity on loan recovery processes; disparities between the approved budget and actual expenditures on construction materials and unwillingness to evaluate the program. Multiplicity of perceived challenges by beneficiaries and non-

beneficiaries, Government and opposition without much initiative for reform could suggest that such programmes are advanced mostly for political reasons rather than longer term national development goals.

It is undisputable that Malawi and Tanzania have huge housing challenges that need paying attention to. However, hurriedly designed housing subsidy programmes that do not take account of the broader objectives and policy frameworks would only worsen housing and economic situation for the nation.

CHAPTER 7

CONCLUSIONS, IMPLICATIONS AND RECOMMENDATIONS FOR FURTHER STUDY

7.1 Introduction

This study attempted to examine the influence of mandate theory on subsidy policies in Malawi and Tanzania. The focus of the study was on government led subsidy policies in the area of agriculture and housing. A comparative analysis of structural, institutional, agential and political factors influencing policy was attempted for the two countries. Comparative analyses on the motivation for introducing and maintaining subsidies in the areas of agriculture and housing was also attempted. A special case study on a Decent and Affordable Housing Subsidy Programme complemented the analyses of housing subsidy policies to provide further insights into the area of investigation.

This final chapter therefore brings to the fore, conclusions and wider implications of the empirical analysis of how mandate theory within the electoral democracy domain influences subsidy policies in Malawi and Tanzania. The chapter is divided into four sections. Section 7.1 draws conclusions from the findings of the study. Section 7.2 deals with implications of mandate theory on policy practices in dominant and fragmented democracies and also on subsidy policies. Section 7.3 is on influences of political mandates on agricultural subsidy policies and Section 7.4 is about influences of political mandates on housing financing and subsidy policies, while Section 7.5 identifies issues for further research.

7.2 Conclusions from the Findings

Against the claim that democracy influences good policy due to competition, this thesis argues that competition in young fragmented democracies brings insecurity to ruling regimes and this influences introduction and implementation of short term policies aimed at getting votes. The argument is in tune with Niles (1999) claim made on social

protection programmes that democracies with stable party systems and elected authoritarian or dominant party systems are likely to choose more progressive policies than do non-elected systems and democracies with fragmented party systems. From the objectives of the study, several questions came up that the study tried to answer and following analysis of the study findings the following are summaries of conclusions:

i. What political economy factors shape the policy environment in Malawi and Tanzania?

In investigating the the country's medium and long term development strategies despite leadership influence mandate theory has had on subsidy policies in Malawi and Tanzania, several other issues were thought of as inseparable from the process of shaping political mandates. Situating mandates within the democratic environment where competitive elections hold key to the choice of party to be granted the mandate to rule, findings from the study support the institutionalist view that strong institutions stabilize the policy environment. History and transitions play a role in shaping institutions of a polity and agents or actors can be influential in shaping the direction of a polity (Huntington, 1965; Leftwich, 2007; North, 1990). Tanzania's history of socialism and strength of its first leader Nyerere have always remained reference points whenever enquiries are made on how the country found itself with a dominant party system. A culture of respecting change has been attributed to existence of ideologies and strong leadership, however, continuity is an attribute one would expect from a system dominated by one party where party ideologies and practices are more influential than leaders other than Nyerere (Osafo-Kwaako, 2011). Malawi's thirty-year old dictatorship built some level of people's resentment both to the system and leadership such that when transition to multiparty came, people targeted to overhaul the system (Brown, 2008). Transition therefore bred a fragmented party system marked by weak institutions. Lack of strong agential power to strengthen the institutions has resulted opening of space for participation in elections and competition has been stiff. However, dominant issues in pre-electoral debates are short term as the polity is riddled with many political market failures including voters' lack of information. And as Keefer and Khemani (2013) argued, imperfections in political markets distort the incentive regime as politicians often divert resources to political rents and transfers that benefit few individuals. Bureaucrats' incentives also are bent towards rent maximization since as rational actors they also balance options before them and where public good

provision is less rewarding, they seek to fulfil their own personal and career benefits (Brummer, 2009; Balla, 1974; Brower & Abolafia, 1997).

Political economy factors, including leadership especially Nyerere in Tanzania and Kamuzu Banda in Malawi, have played a big part in shaping institutions in these countries. Ideologies from these agents, socialism and elements of capitalism, also played a big role in shaping institutions (Brown, 2008; Lofchie, 2014). Transition to multiparty system of government facilitated the creation of dominant party system in Tanzania and fragmented party system in Malawi. The two systems have offered different incentives to the post transition leaders leading to a higher level of policy stability in Tanzania than in Malawi. Competition at elections is therefore on shorter policy horizons in the latter.

ii. How have mandate policies influenced agricultural subsidy policies in the two countries?

There has been more competition in promises for better input subsidies in Malawi's political party manifestos than in Tanzania where party dominance has tended to stabilize the policy arena. Input subsidy programmes in both countries have met many challenges but attempts at reforms including punishment of fraud culprits have been more apparent in Tanzania than Malawi (Cagley et al., 2009). Policy coherence of the subsidy policies with the rest of the policy frameworks for the two countries have been found wanting. Much as Malawi has substantive policy framework, FISP was often 'excused' from complying with this framework and allowed to utilize more resources at the expense of other expenditures (Ghins et al., 2017). Tanzania had a higher budget allocation than desired but compliance with their policy framework was better (NAIVS PER, 2014). As maize is a political crop within the southern African states, fertilizer subsidy has been the key promise in almost every party manifesto in Malawi and substantively covered in Tanzania. Jayne and Rashid (2013) have expounded on factors that seem to be responsible for the political dimension that drives the adoption of the input subsidy policies (ISPs) and they include the fact that input subsidies are a highly demonstrable way for politicians to show their support to constituents as apparent beneficiaries are clearly identifiable and results can be realized within a year. For politicians who generally tend to prioritize programs that provide visible payoffs to showcase while still in office, the ISPs fits their interest (Bueno de Mesquita et al.,

2003; Clague et al., 1996; Nordhaus, 1975). Competition for votes has therefore influenced introduction and maintenance of subsidy policies and programmes in both countries but the influence in Malawi is more emphatic than Tanzania.

iii. How have mandate policies influenced housing policies in the two countries?

Promises for better housing have been identified in the Tanzania's party manifestos however, there have been less interventions in that area with government preferring to implement alternative housing financing programmes (URT, 2000). Government has played a role of an enabler and put much focus on solving land issues than the actual housing schemes. While in Malawi, housing schemes have been part of government agenda from the one party era. In the multiparty era, different housing subsidy programmes have come with every president except Bingu Wa Mutharika. The scale of these programmes has differed however, issues and concerns raised have had similar trends and this thesis displayed these through a analysing a special case of the Decent and Affordable Housing Subsidy Programme. Adoption and implementation of the Decent and Affordable Housing Subsidy Programme displayed numerous signs of a political maneuvering and its implementation raised many questions and challenges. The role of agency was therefore key in driving the agenda in the housing subsidy programme in Malawi than Tanzania due to weaker institutional constraints.

The influence that mandate policies have had on housing and agriculture subsidy policies confirms the primacy of politics in development (Leftwich, 1996). And as Unsworth (2002:1) observes, risks and challenges of poverty reduction are not only about the lack of resources but rather incentives and political capacity to address the problem. These, he further observes, depend on 'a complex mix of factorswhich shape the context within which political actors and policy makers operate'.

7.3 Implications of Mandate Theory on Policy Practices in Dominant and Fragmented Democracies

In electoral democracies political parties compete to gain ruling mandates. Mandate theory states that the party that wins the election is considered to enjoy a democratic mandate to implement its manifesto policies because they are assumed to have secured the 'imprimatur of democratic legitimacy' (Quinn, 2014, p. 6). An institutional focus on democracy assumes that constraints on politicians and elites, such as electoral

accountability, shape the incentives for good policymaking because they discipline incumbent politicians (Besley & Case, 1995). In the concept of politics as a marketplace, parties compete to win power by responding to the demands of pressure groups, and citizens, particularly voters. Under perfect competition accountability is at best, however, in the developing world young democracies are faced with challenges of market imperfections such as existence of organized pressure groups whose interests are not in tune with the broader public, uninformed voters, lack of credibility in electoral markets (Grindle, 2001). Strength of young democracies to withstand these pressures will vary depending on regime type.

This study has demonstrated that Malawi is associated with fragmented party system while Tanzania is referred to as a dominant party system. These systems became apparent following the transition to multi party system of government in the 1990s. Pre-transition regimes in Malawi and Tanzania have been categorized as personal dictatorship and competitive one-party systems respectively by Bratton and Van Walle (1994). These scholars predicted that Malawi would transition into fragmented party democracy owing to strong man rule that was exclusionary, disallowing competition while Tanzania with its inclusionary one-party system that had allowed limited competition within the party would transition into dominant party system. This prediction came true. Malawi's fragmented /fluid party system has high number of parties, there are no strong ideologies to differentiate the parties while Tanzania's parties have stronger ideological grounding that differentiates the parties and numbers competing at elections are relatively low.

Democracy through such mechanisms as electoral competition is assumed to constrain politicians and elites' behaviour (Besley & Case, 1995). However, what should be stressed as an important element in constraining politicians' behavior is strong institutions. Elections alone cannot constitute such institutions. These are consolidated overtime. A dominant party system like Tanzania may have better institutions than Malawi as the arguments in chapters above have shown due to long history of attempts at national building and agential strength. Control of the transition to multiparty system ensured that institutions are not so much interrupted. Continuation of rule by one party from independence has ensured stability in the policy arena. A more competitive party system like Malawi lacks institutional strength due to several reasons including a

history of antagonism between rulers and the ruled. The transition that changed the ruling regime also restructured institutions and with party fragmentation the process of consolidating these institutions has been slow (Rakner; 2010). Competitiveness can therefore not be a guarantee for constraining politicians. It has to be qualified. Implications of regime types on policy are outlined below.

According to Niles matrix below for party regimes and policy horizons, dominant party systems like that of Tanzania will more likely have longer policy horizons than fragmented party systems like Malawi.

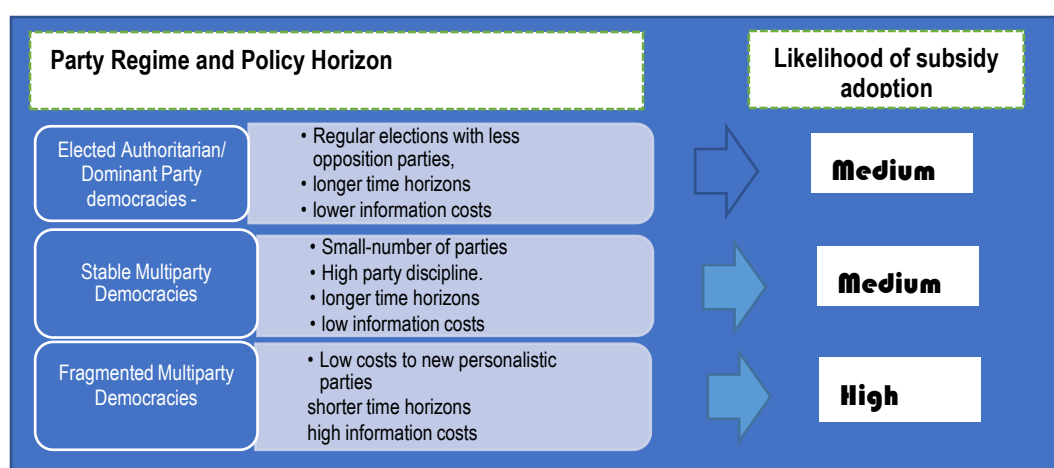


Figure 7: 1 Model on Policy Determinants and Likelihood of Subsidy Adoption

Niles, 1999

Findings in this study support the model on policy determinants in that large number of competing parties in fragmented system, represented by Malawi have focused on appealing to narrow constituencies. Provision of public goods is not of much priority, faced with the need to push for election or re-election (Sartori 1976, pp. 119-216; Linz and Stepan 1978, pp. 24-27). In dominant party system, Tanzania in the present study, the security of tenure of leaders is more assured and comparatively adopt longer time policy horizons. Some temporary subsidies and safety are implemented to a limit as a matter of maintaining political legitimacy and social control. Level of adoption of subsidies is lower than fragmented systems. Stability and competitiveness will often be associated with polities where information flow between governments and voters is not an issue. And stability comes with stronger institutions.

This study also discussed the influence of mandate policies on medium and long-term development frameworks in the two countries. Current economic and development frameworks and how they relate to mandate policies coming through political party manifestos were some of the issues examined. Findings revealed that both countries have had medium to long term plans and strategies that have been neglected at one time or another. Tanzania however, resuscitated their long term plan around 2010 and reorganized their medium term plans aligning them with vision 2025 to support implementation of the latter while Malawi's long-term plan the vision 2020 went unnoticed for most of its lifetime (URT, 2015; NEC, 2000). A comparative analysis of the processes for coming up with development frameworks and mandate policies assisted to gauge which policy discourse carries more credence. Development frameworks in both countries provide more credible formulation processes as they use standard procedures that are more inclusive than party processes while mandate policies are formulated by selected members of the parties and due to lack of party institutionalization, they rarely go through normal consultative and vetting processes. Ruling CCM party in Tanzania was found to be the only party that is in touch with its structures and has better chances of coming up with more credible mandate policies.

An examination of coherence between mandate policies and development frameworks in the two polities also assisted to gauge the stability of policy discourse. Dissatisfaction has been registered in both polities in this respect, however, some level of coherence and stability was registered in Tanzania while Malawi's mandate and development frameworks do not speak to each other (MG, 2016). There is tendency in both countries for mandate policies to overshadow development frameworks. However, as there is little distinction between government and the party in Tanzania due to persistence of party domination since independence, the ruling party owns the development frameworks. Tanzania's medium term frameworks are formulated in line with long term plans while mandate policies are aligned to medium term development frameworks that were deliberately aligned with electoral cycles (URT, 2009). Each medium term framework has already been themed such that an incoming government would not easily change them while in Malawi, once a new government comes development frameworks get aligned to the party's manifesto. A review of the national medium term development strategy number II observed political parties' disregard for development strategies:

National development strategies do not endure change of ruling political parties. In Malawi, the transition to democracy has meant that ruling parties seek to be identified with specific development programmes, with the credit of designing, as guided by their political manifestos. There is no policy coherence, stability and sustainability.

MGDS) II Review and Country Situation Analysis Report, 2017, page 72

While democracy theory gives space for parties to formulate their policies according to preferences of their constituency, the imperfections in the political market in the developing world bring lower prospects for formulation of policies with longer term horizons as the search for votes gets more attention. The more stable medium and long term strategies would be appropriate tools to guide the country's longer term development. But the incentive structure in these fragmented polities does not push leadership in that direction as they have to survive in office first or find means to get in there. These defects in young democracies are part of reasons Galenson and Schweinitz, (1959) in chapter 2 blamed democracy for failure of development as they claim that it "unleashes pressures for immediate consumption, which occurs at the cost of investment, hence of growth".

The study also examined how mandate policies influence subsidy policies in the two countries. A scan through known government led subsidies shows that there has been a re emergency in both countries in the multiparty era. At every election numbers of subsidy promises are increasing in both countries. While promises increase in Tanzania, respondents claimed most of these promises do not get implemented as medium term plans still dominate government activities. Amidst scarcity of resources, Malawi's ruling parties want to be seen to implement subsidy programmes they promised and some priorities in the medium to long term development plans get neglected as annual budgets are under the control of ruling parties. Poverty eradication has been the justification for introducing subsidies in both countries as they target the poor, however, CCM Government has stressed on growth stimulating investment where poverty alleviation programmes are implemented (Gray & Khan, 2010). Despite many recommendations and offers of technical advice from various governmental and

nongovernmental experts, implementation of subsidies in Malawi seems to follow a predetermined route only understood by the drivers who are politicians.

From the above analysis, competition in a democracy is not adequate force to constrain politicians' behaviour as that democracy has to be qualified. Institutions play a greater part in contraining this behaviour but various factors can make or unmake institutions and these include historical events that determine whether the policy space is stable or not, handling of transitions would also affect stability of the policy space, grounding of party ideologies also contributes to this policy stability (Leftwich, 2007; North, 1990; Huntington, 1965; Levi, 1997). Lately development frameworks have been introduced to assist in stabilizing development policy however, marriage between the development frameworks and mandate policy has to be considered as democracy tends to provide more space to the latter and the former has to rely on the mercy of the politician. Studies on policy and politics have therefore to take into account many factors to reach better solutions to developmental jinxes and political economy factors of institutions, actors and the politics thereof can be a good starting point.

7.4 Implications of Political Mandates on Agricultural Subsidy Policies

Subsidies in the area of agriculture were implemented after independence when state intervention was strong in both countries. More universalistic subsidies were adopted from the time of independence as the young nations were being helped to stand on their own and build appropriate structures. Due to the socialistic ideology, Tanzania applied subsidies as Ujamaa system saw Government supply extension services, farm machinery and subsidized inputs to communal villages (Osafo-Kwaako, 2011). Malawi implemented subsidies in many areas through ministries and public corporations. Subsidies included fertilizer price subsidies to small holder farmers. Subsidy policies were abandoned in both countries when they implemented SAPs on recommendation from Western donors in the mid-1980s.

The reintroduction of subsidies meant that governments had to introduce carefully designed programmes to prevent wastage experienced during the post-independence era. The successful reintroduction of the input subsidies in Malawi from 2004 despite little donor support, popularized the programme in a region that was infested by famines (Dorward and Morrison, 2015). The donors supported other countries like Tanzania at

a larger scale. The larger assistance may have forced the country to adhere to regulations agreed on with donors till their pullout in 2014. Thereafter Tanzania assisted in the provisions of input through loans to farmer groups and cooperatives. Later efforts to avail inputs have turned to bulk procurement using the public enterprise.

The current centralisation policy has made it possible for Government to shift efforts on making fertilizer available and affordable from privately sourced subsidies towards bulk procurement using the public enterprise. This has resulted in reduction of the price of fertilizer. Bulk procurement system has according to Tanzania Daily news (20 May, 2020)¹ ensured timely supply and strengthened the distribution system and boosted business capital among traders. Beneficiary crops go beyond maize and rice that NAIVS subsidized to strategic cash crops like coffee. This is apparently a move away from market biased smart subsidy approach.

This bulk procurement system requires more state control of the processes and such systems rely on better institutions and capacities of the state. The fact that the system was adopted following successes in bulk procurement of fuels in that country shows that the state has the capacity to run such a demanding programme. Implementation of smart subsidies also relies on strong institutions if the issue of corruption should be avoided. Malawi still grapples with issues of inefficiencies even more with the involvement of private sector as the latter is used by ruling parties for cronyism. The continued efforts at improving the input programmes in Tanzania imply that there exist other incentives driving the search for optimal results than political interests.

One of the issues the study compared in the input subsidy programmes of the two countries is the content in terms of share of the budget and government contribution against what the beneficiary farmer would put in. The Malawi National Agriculture Investment Plan (NAIP) sets guidelines for allocating resources in various investment categories within the Ministry. But the FISP budget has defied the recommended 9% share of the agriculture budget and gets allocated more than 50% of the resources. In Tanzania, NAIVS has been categorized as a medium spender in terms of proportion of the expenditure of the input subsidy against the total agriculture expenditure. The

¹ Reported by Katere Mbashiru in Dodoma

proportion has fluctuated over the years with the highest being 33.9% in 2008/9 and lowest at 8.4%. Contribution by World Bank has gone from 50% to 83% for the 2010/11 cropping season (World Bank, 2014). Malawi, Government portion of subsidy to beneficiary farmers has varied between 64 and 95% on a bag of fertilizer and other inputs while Tanzania's portion of subsidy has consistently been at 50% with beneficiaries meeting the other 50% of the price.

The smart subsidies are supposed to graduate its beneficiaries with time but this graduation has met challenges in both countries. Tanzania managed to graduate some beneficiaries though but Malawi has no such record in the period FISP has been implemented. Lack of graduation from the programme may mean that the targeted population has not received genuine benefits to uplift them from poverty.

Good linkages of policies within a polity ensures that development challenges are tackled holistically and that the policies themselves are formulated in a mutually reinforcing manner within and across all relevant sectors. Existence of many policies with linkage to the agriculture sector presents a great opportunity for a comprehensive framework that works to enhance agriculture productivity. Weaknesses in both linkages with wider policy network and grounding of FISP can clearly be identified. Input subsidies are not well grounded in medium and long term development frameworks, the vision 2020 and MGDS I. The biggest component of FISP being fertilizer, the absence of a fertilizer policy in Malawi is very conspicuous. Such a policy would enhance clarification of the roles of different stakeholders in governance and regulation of fertilizer markets, distribution, institutional support such as extension services, research and development to assist identify soil specific fertiliser blends for different geographical areas and even domestic production.

Although some respondents expressed dissatisfaction on comprehensiveness of policy framework, Tanzania has scored better on agricultural policy frameworks in other studies (Alphonse, 2017). Some of the merits identified are the existence of the fertilizer policy and Tanzania Fertiliser Regulatory Authority (TFRA) that helps to regulate and coordinate fertilizer availability and standards. Vibrancy in the research and development has attracted much support leading to a search for options for reducing

fertilizer prices and with the leadership of TFRA, bulk procurement system was implemented from 2017 as the NAIVS got scaled down.

This study further examined the linkages between development frameworks and mandate policies in the two countries in the areas of agriculture to determine whether they correspond or work in isolation. A comparison of medium to long term development policies and strategies with mandate policies was made. Findings indicated that both countries' medium and long-term development frameworks have not explicitly encouraged subsidy programmes but proposed measures enabling productivity and social welfare in the area of agriculture (URT, 2000; MG, 2017). The direction of mandate policies has however, been different. The political praise and electoral success in 2009 that followed the successful reintroduction of the input subsidy in Malawi set the pace for competition on promises on subsidies in party manifestos (Chinsinga, 2008).

All ruling parties have prioritized input subsidy policies in their manifestos and increased the scale of the programme. Opposition MCP's manifestos have relatively wider areas of investment in the area of agricultural productivity including use of technologies, diversification and irrigation. They however, advocated for universal subsidy. Respondents in the study attributed the interest in input subsidies to politics. As parties fight for votes, subsidy programmes that have given an impression of increasing maize availability have often been the key in the promises.

As observed by Banful (2011, cited in Mdee et al, 2020)), maize has been elevated into a political crop in Malawi and this becomes key on any social contracts between government and citizens. It is therefore subject to political manipulation, hence the attention it attracts in manifestos. Implementation of a subsidy programme in Tanzania seemed to attract political attention during the Kikwete regime when NAIVS was conceptualized. Then opposition was gaining ground in the rural areas and the ruling CCM party was under real threat. However, beyond that regime, the programme has not attracted similar reaction to that in Malawi and politics has not prevented reforms on NAIVS in response to challenges encountered.

Both countries have encountered numerous challenges in the implementation of input subsidies programme including inefficient targeting of subsidies and the rent-seeking opportunities. Deviation from the expected practice has been appropriately punished in Tanzania whereas such practices have been noted and warnings issued in Malawi but without punitive measures applied (Masinjila, & Linzi, 2018). While the need for reforms has been sounded at every review of the programme, Malawi's input subsidy programme has not adequately responded to this call. Tanzania has shown traces of efforts to improve on implementation, balancing budgets for subsidies with other essential obligations, graduation of recipients and punishment for corrupt behavior by various actors in the programmes.

The need for subsidies in the area of agriculture has been felt in the SSA region as a result of food insecurity. Solutions to the need have varied and so have been approaches to subsidy programmes. Both the social and political contexts have had a share of influence on the programmes, positive and negative. Attainment of food security and sustainable agricultural productivity will however, depend on well-meaning policy that fits well within the wider policy frameworks. The role of politics within the democratic environment is therefore critical as shorter term policy horizons influenced by competition for votes, have the tendency to directly influence such policies as input subsidy policies.

7.5 Implications of Political Mandates on Housing Financing and Subsidy Policies

The pressure to implement subsidy programmes in agriculture has over the years been justified on frequent famines that threaten lives in the whole of the SSA states, including Malawi and Tanzania. The need for housing assistance has also been felt both in the urban and rural areas. However, the housing need has been approached differently in the two countries. Malawi has had subsidy programs in the past and present while Tanzania has had housing finance programmes and rent subsidies for the civil servants but no direct subsidy programs on the citizenry. Specific housing subsidy programs in Malawi included had Rural Housing project under Kamuzu Banda's one party regime that was managed by the responsible ministry. Muluzi had a Village Housing Scheme which was managed straight from the Office of the President and Cabinet (OPC).

The Mudzi Transformation Trust (MTT), a private trust during Joyce Banda's presidency also run a housing subsidy programme. The Decent and Affordable Housing Subsidy Programme was the latest implemented from 2014 to 2020 during the Peter Mutharika's regime. Other than these programmes, civil servants also had rental subsidies. Unlike Malawi, Tanzania has preferred enabling structures such as housing financing institutions. There are several programmes aimed at improving provision of affordable housing in Tanzania. These include a Housing Assistance Program that provides loans through a revolving fund and a House Construction Program run by the Tanzania Building Agency. Public Servants Housing scheme is another program that builds houses for mortgaging to public servants to ease their housing challenges.

For a long time both countries have not had policies specific on housing but have lately come up with drafts (Tanzania) and an approved 2019 policy for Malawi. As regards linkages of housing policies with the wider policy framework, some policies have mentioned housing but much emphasis has been on issues of land. However, housing gets more emphasis in manifestos than the economic and development frameworks. And the emphasis in Malawi has been on subsidy programmes especially in manifestos that came after the housing subsidy programme under Joyce Banda. Policy documents for political parties in Tanzania lean on land allocation, dispute resolution, housing standards and financing.

Assistance in the housing sector focuses on enablers for population to access housing financing. CCM manifestos have carried promises on construction of houses but government would be using the already existing National Housing Corporation unlike Malawi's programmes that are implemented as specific programmes often using different structures depending on the wishes of the ruling regime. CHADEMA's promises on housing have been overly ambitious and revolutionary such as the proposal to ban mud and grass thatched houses with a compensatory package that sounds like a subsidy in the 2011-15. Both parties however, emphasize on the regularizing land with a view to use it in acquiring capital through loans from financial institutions. Economic benefits are therefore the dominant target other than the social benefits.

Popularisation of housing subsidies in Malawi's party manifestos are in this study appreciated through a special case study of the Decent and Affordable Housing

Subsidy Programme (DAHSP). Proposed in the DPP manifesto prior to 2014 elections, the programme was adopted within a period of three months. Despite many criticisms to the programme from MPs from opposition and government as well as other analysts the motion establishing the programme was approved. Technical advice was provided but this was disregarded making the programme miss opportunities to build on good foundational bases laid down by previous initiatives. Designed to be implemented using decentralized structures, constituency targeting introduced later has been justified on reaching out to all corners of the country and not targeting based on need. Such approaches can only be understood from political perspective as its consequences of mixing up central and local structures have negated development initiatives in the recent past.

Issues raised by various respondents and reports that made implementation of the programme challenging were analysed. Low financial and human resource capacities of the parent ministry made monitoring of the program difficult. Biased beneficiary identification culminated into divisions in society negatively affecting participation of the communities in development work. Implementation of program on illegal land/plots exposed the city authorities to dangers of further defiance from illegal occupants of city land. Fraud in procurement processes, non-compliance on quality standards and impunity by suppliers who were mostly associated with the ruling party characterized DAHSP programme implementation. Lack of clarity on loan recovery processes in a polity with entrenched culture of delinquency on public loans, made recovery difficult. Disparities between the approved budget and actual expenditures on construction materials and unwillingness to evaluate the program showed lack of commitment to implement the programme efficiently and effectively. Therefore, primary interest in implementing the programme can only come from other motives than public interest.

Multiplicity of perceived challenges by beneficiaries and non-beneficiaries, Government and opposition as well as bureaucrats and housing experts, could be a direct result of decisions taken without due consideration of the conventional rational process ‘underpinned by the logic of problem solving’ (Burke, & Tiernan, 2001). The lack of evaluation could be a sign of fear of loss of rents from the program if policy reversal is recommended. The study of DAHSP as a special case has exposed many features from the conceptual to implementation stage that suggest that some

programmes are advanced mostly for political reasons rather than longer term national development goals.

Malawi and Tanzania have huge housing challenges that need serious analysis before implementing any programmes. Hurriedly designed housing subsidy programmes that do not take account of the broader land and housing objectives and policy frameworks would only worsen housing and economic situation for the nation. The Inter-American Development Bank guiding note covered in chapter 2 is therefore relevant in considering this challenge. The bank labelled provision of subsidies as controversial since expected results and the actual impact of such programmes differ. The guidelines therefore, recommend that before embarking on subsidy programmes there is need to ask if the subsidies proposed can be justified within the context of the country's 'overall policies for social services and poverty alleviation', and whether they can be justified and sustained in light of government fiscal position.

While input subsidies will be justified under the food security banner where by its shortage causes loss to lives, justification of housing subsidies has had more challenges especially in light of government's fiscal constraints in most Sub-Saharan Africa. And in view of scarce resources, opportunity costs of any expenditure decisions made must be thoroughly considered. (World Bank Group, 2015). Many policy specialists have therefore recommended changes in policies on housing subsidy preferring a shift towards provision of enabling policies that create a well-functioning housing sector. Such enablers would include housing finance systems that improve the quality of houses for citizens and enable them become home owners.

7.6 Recommendations and Areas for Further Research

The investigation in this thesis took a multidisciplinary approach and connected subsidy policies to politics through mandate theory that unveiled the need to attach party systems to an understanding of the research questions. The research has raised many issues that require attention of scholars, policy makers and implementers.

7.6.1 Recommendations

a. Political Sytem

Political institutions can emerge naturally, or they can be intentionally designed to achieve specific purposes (Harmes, 2021; Goodin, 1996). An example on the intentional design is provided by the professionalization of the US legislatures where explicit as well as concerted efforts are said to have played a role in shaping the institutions. The design applied strategic incentives to reduce high incumbency turnover that made it possible to train and retain members for policy stability in the houses (Rosenthal, 1998; Moncrief, 1999). Malawi has in recent past experienced similar efforts from agency where through the constitutional ruling on the 2019, 50+1 electoral system was instituted while efforts to get the same through legislature had failed because of what Dryzek (1996) calls the ‘realist constraints’. Borrowing from Tanzania’s stability of policy environment, Malawi’s elite need to redesign the political system into one, that protects longer term development frameworks from political manipulation and neglect.

The current study recognizes the movement towards forcing parties to adhere to dictates of the Malawi’s long term vision. This study, however, has highlighted that as long as fragmentation persists, reinforcement of such laws will be a huge task. National Planning Commission could collaborate with governance think tanks on the designing processes and support movements that would lobby for institution of the proposed systems. Such a design would target strengthening of institutions so to avoid state capture by pluralist forces including business entities, international cartels and development partners. b. ***Agriculture Subsidies***

Government needs to take the subsidy reform seriously in view of continued economic downturns recently aggravated by the COVID-19 Pandemic and the Russia-Ukraine war. Following the examples provided by othe African governments who have diversified areas supported by the subsidy, some resources could target mechanization and irrigation. Recommendations from Ghins et al., (2017) study, that analyses of input subsidy programmes should be directed at making more concrete efforts to attain a better balance of public expenditure on agriculture is relevant on the Malawi’s FISP. Policy makers should therefore aim to increase the efficiency of the programme by not only supporting main components but also supportive infrastructure that will enable

subsidies realize longer term benefits. Such components include: capital such as on-farm equipment; on-farm services like inspection and extension services; and Research and Development on inputs as well as other areas with the aim of improving productivity of the sector. Dedicating some resources to the search for alternative fertilizer sources like organic fertilisers, while also reinforcing support institutions like extension services can achieve better results.

c. Housing Subsidies

This study revealed that Malawi and Tanzania have huge housing challenges that need serious analysis before implementing any subsidy programmes. The heavy investment required to offset housing deficit reinforces the need for analysis. The recommendation by The Inter-American Development Bank guiding note covered in Chapter 2 States on the need to justify subsidies within the context of the country's 'overall policies for social services and poverty alleviation' is sound.

Malawi should, therefore, follow Tanzania's example where assistance in the housing sector focuses on enablers. Such enablers would include housing finance systems that improve the quality of houses for citizens and enable them become home owners. The use of the already existing housing institutional structures like statutory bodies is also recommended.

7.6.2 Areas for Further Research

a. Political system

The current study has shown that Tanzania has stronger institutions than Malawi due to stability emanating from the dominant party system. The declining support for the ruling party during Kikwete's rule however, shows that there are possibilities of system change in future. The question that comes to mind is: will their institutions function in the same way, may this change of regime happen. More research, therefore, needs to be directed at possible consequences such a change might bring to avoid surprises that can weaken systems and change the course of development in that country.

Better performance of Tanzania in taming their urge for subsidy policies, though not at the desired optimum, has been explained by strength of institutions as compared to

Malawi. Historical events as well as effects of SAPs in the 1980s and adoption of liberal democracy during the transition in the 1990s affected institutional framework that the independent Malawi had started to build. Malawi finds itself with fragmented/ fluid political system. O'Donnel explains that effective institutions cannot be implanted by decree (1992). There is need for more research in the design of Malawi's political systems especially political party institutionalization, party funding and electoral systems. Proposals on regulating parties through legal framework have been made by respondents in the current study. Such regulation might not work where agential power dominates. The search for solutions that limit fragmentation and enhance stabilization of the policy environment will therefore seek ways to incentivize the powerful agents so they act as instruments for building better institutions for the polity.

b. Subsidy Policies and Approaches

The study resurrected the debate on targeting versus universalism in designing subsidy programmes for rural communities that have strong elements of communitarianism. Selection of beneficiaries has often been seen as excluding others and as non-beneficiaries of the DAHSP revealed, the excluded do not participate in community development assignments. As most of rural development projects are designed to be participatory, targeting may, under such circumstances, be considered non-developmental. More research effort needs to be directed towards approaches where public goods are prioritized to enhance community and individual capacities so that people can afford to acquire commodities on their own or collectively. Such an approach should enhance solidarity in the communities that is essential to solving common action problems.

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ANNEX I: CASES OF POSSIBLE MISUSE OF NAIVS VOUCHERS UNDER INVESTIGATION FOR 2010/2011

REGION /DISTRICT	VILLAGE	STOLEN VOUCHERS	LOST VOUCHERS	PERSON INVOLVED	ACTION TAKEN
Kilimanjaro/ Siha	Tindigani	60 vouchers were stolen	60 vouchers	Village Chairman	He has already taken to the court in April,2011 and was charged in case number 151/2011
Kilimanjaro/ Moshi Rural	Mvuleni	1029 vouchers	1029 vouchers	Village Executive	VEO run away and Police are still looking Officer for him.
Morogoro/ Mvomero	Msongozi, Mkata, Maharaka, Tangeni and Sagamaganga	Farmers were Bribed 10,000/= each in order to sign three vouchers but no inputs were supplied to them.		VEO, Agro dealers, Village Voucher Committee Members.	The Case Number CC 4/2011 were reported to Dakawa Police Station and Morogoro District Court for hearing.

Morogoro/ Kilombero	Mofu Ward			Three people were accused of stealing vouchers	The case was reported to Police CC.No. 177 pending for investigation
Morogoro/ Kilosa	Rudewa Ward.	2,700 vouchers	900 Urea, 900 DAP, 500 Maize Hybrid and 400 maize OPV.	Ward Executive Officer (WEO).	Police are handling the case number KM/RB/130/2011 and the investigation is still on.
Morogoro/ Morogoro Municipal Council	Kichangani Ward	254 vouchers	85 DAP, 85 UREA, 61 Maize Hybrid and 23 Maize OPV	Ward Executive Officer (WEO).	Police are handling the case number Moro/RB/1892/2011 and the investigation is still on.
Coast/ Bagamoyo	Kibindu, Kwarohombo, Kikaro and Malivundo.		Cheating and Dishonesty	Seven (7) VEO's, Six (6) Agro dealers	The alleged have been taken to court and the case has been adjourned for further investigations
	Tukamisasa	300 vouchers	100 Improved seed vouchers	VEO and Village Voucher Committee	The case is still under investigation in collaboration with Village Community.

Mbeya Region	2 Cases – Rungwe DC. 4 Cases - Mbozi D.C 2 Cases – Chunya D.C 2 Cases – Ileje D.C 2 Cases - Mbarali D.C 4 Cases – Mbeya Municipal Council 2 Cases - Mbeya D.C	Cheatings and Dishonesty		VEO's , Village Vouchers Committees and Agro dealers	All cases were reported to Police and are still under investigation.

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ANNEX II: INFORMATION OF FERTILIZER SUPPLIERS - 2016/17 FISP

No	Name of Private Company	Member of Fertilizer Association	Directors	Other Information of the Company
1	Export Trading	Yes	Maheshi Patel; Jayesh Patel	This is one of the reputable fertilizer companies in Malawi. It is foreseen that some small fertilizer companies that have been awarded contracts in 2016/17 will get fertilizer from this company.
2	Mulli Brothers	Yes	Leston Muli; Alex Muli; Mrs Emily Muli; Mr Nixom Mazombwe; Mr Joseph Khupe	Mulli family are key members of DPP. Leston Mulli was at the centre of the MK3.0 Billion Malawi Savings Bank loan and was reported to be used to support DPP during 2014 general elections.
3	Farmers World	Yes	C. Giannakis; D. Giannakis	Owned by the Giannakis family. These are well established business captains in agriculture.
4	Transglobe Produce Exports	Yes	Mr Salim A. Tayub; Mr Rashid Tayub; Mr Hamza Tayubu;	This is one of the reputable fertilizer companies in Malawi. It is as well foreseen that some small fertilizer companies that have been awarded contracts in 2016/17 will get fertilizer from this company.
5	Agora	Yes	Maria Kritzas; Christa Giannakis; Dimitri Giannakis	Giannakis family owned (Jimmy and Chris Giannakis). They also own Demeter Seed Company, Demeter Agriculture Limited and Grain Securities Limited
6	Worldwide Wholesalers	Yes	Mr Abdullah Masster; Mr Ashraf Master; Mr Safwan Master	They are mentioned as close friends to the Mutharika family and that they support DPP officials
7	Agricultural Trading Company	Yes	Dr Evans Matabwa; Mr James Gausi; Mr Charles Kamoto; Mr Amos Chipungu	Mr Charles Kamoto is the recently suspended MERA CEO. Dr Charles Matabwa is a relation to the Mutharika family. It is strongly believed to be DPP linked.
8	Yafuka Produce and General Dealers	No	Mr Charles Mchacha	Is related to Hon Mchacha, MP for DPP, hence party linked.
9	Optichem Malawi Limited	Yes	M.S. Sagoo	Is a well known fertilizer company in Malawi. It was however associated with supplying fertilizer bags mixed with sand in 2013/14 season.

10	Rab Processors	Yes	A.G.A Jakhura; A. Thassim; A. Sunka; S.K Jasyabhatla	This is one of the traditional suppliers of fertilizer in Malawi
11	Sealand Limited	Yes	Dipak Ratila Jevant	This is one of the traditional suppliers of fertilizer in Malawi
12	Initial Investments	No	Jack T. Dauya Snr; Uzo Chisale	No further information found
13	M&C Limited	No	Mr Rich Kamunga	No further information found
14	Innovations Marketing and Advertising Agency	No	Charles Makondi; Rusford Mtanga; Ben Chilewani	Charles Makondi is the DPP National Youth Director hence politically linked.
15	Kulima Gold	No	A.G.A Jakhura; S.K Jasyabhatla; A. Sunka; A. Thassim	Have been in fertilizer and agriculture business for quite sometime and have outlets across the country.
16	Agroworld	No	Shazeen Osman	No further information found
17	Computer Systems	No	Mr Rafik Seleman	Was mentioned in the media (Daily Times, Friday, September 23, 2016 on page 3) as being not in fertilizer business and is linked to DPP. It is registered as a dealer in computer and computer accessories.
18	Astro Chemical	No	Zameer Karim	Is said to be related to former MP, Hon Sidik Mia, who was once the Minister of Transport in 2011 in the DPP government. NOTE: This is one of the two compnies mentioned by SFFFRFM to have withdrawn from retailing fertilizer this season.
19	Farm Chem Wholesalers	No	Ahmed Nurmahomed, Zameer Karim and Shiraz Nathane	Owners were well known funders of PP, and believed to have shifted to DPP, hence politically linked. NOTE: This is one of the two compnies mentioned by SFFFRFM to have withdrawn from retailing fertilizer this season
20	Pride Commodities	No	Mr Ibrahim Kara	The family owns Kara Omura lodge in Mulanje and Blantyre. Believed to be politically linked to DPP and hosts DPP political leaders and meetings at its lodge in Mulanje.
21	Uni General Dealers	No	Mr Hussen Kara	The family owns Kara Omura lodge in Mulanje and Blantyre. Believed to be politically linked to DPP and hosts

				DPP political leaders and meetings at its lodge in Mulanje.
22	Network Print & Vehicles Logistics Ltd	No	Mr K. Msusa	Was mentioned in the media (Daily Times, Friday, September 23, 2016 on page 3) as being not in fertilizer business and is linked to DPP. It was registered as service provider in printing and logistics.
23	Malawi Fertilizer Company	Yes	Christos Giannakis; Dimitri Giannakis; H. Abdulla; Imran F. Abdullah	They are well known business captains in agricultural produce and inputs.
24	RTM initiative	No	Mr Richard Ted Makondi; Mrs Thokozire Makondi	Directors are relations to Charles Makondi, the DPP National Youth Director, hence DPP politically linked.
25	MAS International	No	Chaudhry Azhar Mahmud	No further information found
26	Lamat Global Limited	No	Mr C Malagasy	Mr Malagasy is the Chief Economic Advisor of the President, therefore mentioned to be DPP linked.
27	Gasom Traders	No	Mrs Jean C. Machinga; Mr H. Machinga; Mrs P. Ziwa	Mrs Jean Machinga is a sister to Leston Mulli and ESCOM Board Chair. All these are DPP linked.

ANNEX III KEY INFORMANT INTERVIEWS QUESTIONNAIRES

FACULTY OF SOCIAL SCIENCES

Research Topic:

**The Influence of Mandate-Representation on Subsidy programmes in Malawi
and Tanzania**

Research Tools

Key Informant Interviews

These questionnaires are designed to extract data from respondents on how stakeholders view the subsidy programmes, processes, formal and informal institutions influencing or being influenced by the programme and other stakeholders' roles, as well as what patterns the interaction of these factors and actors take. Within the context of PEA, these interviews will therefore inform the study on the interests, interactions and politics involved in the formulation and implementation of the programmes under study and the likely result this interaction will yield.

Arrangement of the questionnaires

<i>Item</i>	<i>Page</i>
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C. Interview questions for Central executive party.....	9
D. Interview questions for members of parliament and councilor for the beneficiary constituency/ward.....	12
E. Interview questions for Independent experts.....	14
F. Interview questions for Suppliers of materials/services for the programmes...	15
G. Interview questions for Direct beneficiaries.....	16
H. Interview questions for indirect beneficiaries.....	17
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J. Interview questions for Community management committee representative	19
K. Interview questions for Chief (village Headman)/ Village Assembly representative.....	20
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A. Interview questions for Officials for relevant ministries

These will provide overall picture on the design of the programmes, and how they are being run (Structural design). Roles of different, offices, committees and stakeholders will also be explored.

1. Interviewer identity
 - a. Job title and
 - b. responsibilities,
 - c. time with the organisation
2. Questions on subsidies in general
 - a. What is your opinion on government subsidy interventions in the multiparty era? -mention the ones you are familiar with.
 - i. How have they been introduced?
 - ii. What problems have they sought to solve? Are there other interests that the subsidy programmes have been used to serve? Mention them.
 - iii. Do you think they are right solutions to the problems mentioned? Are there alternatives to solving the problems?
 - b. Have government led subsidy programmes increased or decreased or remained constant? What do you think is the reason or motivation for the increase or decrease, or being constant?
 - c. Are there any structural factors (The geographical, economic, political, social, and ideological structures) that have affected or influenced the introduction and implementation of these subsidies?
 - d. Have the recent subsidy programmes been formulated in line with existing policy frameworks? Mention the policy frameworks they have complied with?
 - e. What have been the roles (formal and informal) of stakeholders in the subsidy programmes? (bureaucrats, politicians, parliamentarians, district councils, chiefs, community representatives etc)
 - i. How have they played their roles?
3. Questions about Descent and Affordable Housing Subsidy programme (DAHSP)
 - a. What do you know about DAHSP otherwise known as Malata Subsidy?

- i. How did it start
 - ii. What problems was the programme designed to solve?
- b. What was the process for initiating and adopting the programme?
 - i. Who was involved at the initiation stage of the programme? And how?
 - ii. Did the programme go through the normal processes of adoption?
 - iii. Was parliament involved? How?
 - iv. Were the common people involved? How?
- c. What is the past history of government intervention in the housing sector, including previous subsidy initiatives? How does this influence current stakeholder perceptions?
- d. What are the structures that the programme uses to implement activities from central to the local authorities and community?
- e. How are decisions made within the sector?
- f. Who is party to these decision-making processes?
- g. What was the process for initiating and adopting the programme?
 - i. Who was involved at the initiation stage of the programme? And how? Were the common people involved? How?
 - ii. At what stage was your ministry/department consulted on the programme?
- h. What has been your office's role (or technical expertise offered) on the DAHSP?
- i. What were the policies that formed the bedrock for the programme?
 - i. What other policies have supported the programme?
 - ii. In your opinion, has the programme been efficiently integrated into the country's development frameworks? Please elaborate.
- j. Who are the major targeted beneficiaries of the programme?
 - i. From the programme design, do you think the programme will indeed benefit the target groups? Please explain.
 - ii. If not, how can the design be improved to achieve its intended results?
- k. How do you assess the progress so far?

- i. Have you observed any challenges? If any, what would be the cause? And how can you propose to solve them?
- ii. Have there been successes? What factors could have contributed to these successes? What could be changed in the programme design or implementation to improve it further?

Is there anything else you'd like to tell me about the project?

B. Interview questions for National programme coordinators – these are to provide the bigger picture on how the programmes are run along with challenges and successes. Formal structures and normative functions of different players are expected to be uncovered. Practical engagement of these structures, stakeholders and formal and informal institutions are also expected to be revealed. Coordinators are further expected to offer their views on the interaction of players in the sector and politics involved.

1. Job title and responsibilities, time with the organisation
2. What is your view about the housing situation in Malawi, in urban and rural areas?
What are issues associated with housing in developing countries?
3. What is the background to DAHSP?
 - l. How did it start
 - m. What problems was the programme designed to solve?
 - n. What segment of the population has been targeted and why?
 - o. What was the process for initiating and adopting the programme?
 - i. Who was involved at the initiation stage of the programme? And how?
 - ii. Did the programme go through the normal processes of adoption?
 - iii. Was parliament involved? How?
 - iv. Were the common people involved? How?
 - p. What is the past history of government intervention in the housing sector, including previous subsidy initiatives? How does this influence current stakeholder perceptions?
4. What are the structures that the programme uses to implement activities from central to the local authorities and community?
 - a. How are decisions made within the sector?
 - b. Who is party to these decision-making processes?
5. What were the policies and frameworks that formed the bedrock for the programme?
 - a. What other policies have supported the programme?
6. What has been your office's role on the DAHSP?
7. Who are the major targeted beneficiaries of the programme?

- a. How were beneficiaries chosen? By group/area or individual
 - b. Based on its design, do you think the programme will indeed benefit the target groups? Please explain.
 - c. If not, how can the design be improved to achieve its intended results?
8. Who are the key stakeholders in the sector?
 - a. What are the formal/informal roles and mandates of different players?
9. How do different interest groups outside government (e.g. private sector, NGOs, consumer groups, the media, politicians) seek to influence decisions on the running of the programme?
10. How do central and local authorities coordinate and cooperate in running the programme?
11. What is the role of traditional authorities in the programme?
12. How is the programme financed (e.g. taxes, any public/private partnerships, any donor support)?
 - a. Have the financing levels been consistent?
 - b. What percentage of funds allocated in the budget actually gets released and utilized in the budget?
13. How do you assess the progress so far?
 - a. How is the cooperation of stakeholders at the following levels: central, district, community
 - b. How do the operational guidelines for the programme tally with formal and informal institutions at central, district and community levels?
 - c. Have you observed any challenges? If any, what would be the cause? And how can you propose to solve them?
 - d. Have there been successes? What factors could have contributed to these successes? What could be changed in the programme design or implementation to improve it further?
14. In your assessment, which group of people has benefited the most from the programme? compare among the following: Direct beneficiaries, suppliers, artisans, chiefs, politicians (who?), others (mention them).
 - a. Are there any key champions leading the programme? Who is likely to resist the programme and why? Are there any adjustments that can be made to overcome this opposition?

15. Have you received any reports of corruption and rent-seeking in the programme?
Where is this most prevalent (e.g. at procurement; point of delivery; allocation of jobs)? Who benefits most from this?
16. Have you observed any patronage in the programme? If yes who are involved?
17. Is there anything else you'd like to tell me about the project?

C. Interview questions for Central executive party official each (preferably secretary general) for the ruling and the main opposition party for each country – party officials are targeted to provide the basis for their parties’ policy choices and process for settling for such policies and programmes as DAHSP, amongst many possibilities.

1. Interviewee Identity

- a. Party Position? Length of time serving in that position?
- b. Name of your Political party?

2. Questions on subsidies in general

- a. What is your opinion on government subsidy interventions in the multiparty era? -mention the ones you are familiar with.
 - i. How have they been introduced?
 - ii. What problems have they sought to solve? Are there other interests that the subsidy programmes have been used to serve? Mention them.
 - iii. Do you think they are right solutions to the problems mentioned? Are there alternatives to solving the problems?
- b. Have government led subsidy programmes increased or decreased or remained constant? What do you think is the reason or motivation for the increase or decrease, or being constant?
- c. Are there any structural factors (The geographical, economic, political, social, and ideological structures) that have affected or influenced the introduction and implementation of these subsidies?
- d. Have the recent subsidy programmes been formulated in line with existing policy frameworks? Mention the policy frameworks they have complied with?
- e. What have been the roles (formal and informal) of stakeholders in the subsidy programmes? (bureaucrats, politicians, parliamentarians, district councils, chiefs, community representatives etc)
- f. How have they played their roles?

3. Questions about DAHSP

- a. What is the background you know about DAHSP?

- i. How did it start
 - ii. What problems was the programme designed to solve?
 - iii. What was the process for initiating and adopting the programme?
 - iv. Who was involved at the initiation stage of the programme? And how? Were members of your party involved at initial stage (this is for ruling party)? How? Were the common people involved? How?
- b. What were the policies that formed the bedrock for the programme? What other policies have supported the programme?
- c. Does your party have underlying values/ ideology? Do the members know the ideologies/ values?
- d. What process does your party follow in coming up with a manifesto?
 - i. How do you generate ideas that make up the manifesto?
 - ii. How does the entire party membership get involved?
 - iii. How do you know the issues are in line with peoples' preferences?
- e. Was the DAHSP programme conceived in line with the ideology or values of the parent political party?
- f. Does your party consider its underlying values when introducing such programmes in your manifestos? Are members aware that policies should be in line with your founding values? Do they care if they are not aligned?
- g. Are there other factors that influence the introduction of policies other than ideology?
- h. How are beneficiaries selected?
 - i. Are there set criteria for targeting?
 - ii. Are these procedures followed?
 - iii. What is your role in the process of beneficiary identification?
- i. How are suppliers of materials and artisans selected?
 - i. Are there set criteria for targeting?
 - ii. Are these procedures followed?
 - iii. What is your role as in this process?
- j. How do you assess the progress so far?

- i. Have you observed any challenges?
- 1. If any, what would be the cause?
- 2. And how can you propose to solve them?
- b. Have there been successes?
 - i. What factors could have contributed to these successes?
 - ii. What could be changed in the programme design or implementation to improve it further?
- 4. Is there anything else you'd like to tell me about the project?

D. Interview questions for members of parliament and councilor for the beneficiary constituency/ward

Central – local interaction as well as roles of different players in the programme are expected to be provided through these interviews

- 1. Identity of interviewee
 - a. Length of time serving as a member of parliament
 - b. Political party member belongs
- 2. What is the background you know about DAHSP?
 - c. How did it start
 - d. What problems was the programme designed to solve?
 - e. What was the process for initiating and adopting the programme?
 - i. Who was involved at the initiation stage of the programme? And how? Were the common people involved? How? Were your constituents involved at initial stage? How?
- 3. What were the policies that formed the bedrock for the programme? What other policies have supported the programme?
- 4. Was the programme conceived in line with the ideology or values of the parent political party?
 - a. Does your party consider its underlying values when introducing such programmes in your manifestos? Are members aware that policies should be in line with your founding values? Do they care if they are not aligned?

- b. Are there other factors that influence the introduction of policies other than ideology?
5. Was the programme brought to parliament for approval before implementation?
 - a. If yes, what processes were involved? Was it the normal approval process? What was the reaction of members of the house?
 - b. If not, do you think it should have been approved through parliament? Is there such a requirement?
6. What has been your role on the DAHSP?
7. Who are the key stakeholders in the sector?
 - a. What are the formal/informal roles and mandates of different players? How do they play these roles? Any conflicts or cooperation – please explain
 - b. What are roles of the chiefs and how do they play these roles?
 - c. How do different interest groups outside government (e.g. private sector, NGOs, consumer groups, the media, politicians) seek to influence decisions on the running of the programme?
8. How do central and local authorities coordinate and cooperate in running the programme?
9. How are beneficiaries selected?
 - a. Are there set criteria for targeting?
 - b. Are these criteria/procedures followed?
 - c. What is your role as a representative in the selection of beneficiaries?
 - d. How are suppliers of materials and artisans selected?
 - i. Are there set criteria for targeting?
 - ii. Are these procedures followed?
 - iii. What is your role as in this process?
10. How do you assess the progress so far?
 - f. Have you observed any challenges? If any, what would be the cause? And how can you propose to solve them?
 - g. Have there been successes? What factors could have contributed to these successes? What could be changed in the programme design or implementation to improve it further?
11. Is there anything else you'd like to tell me about the project?

E. Interview questions for Independent experts in each field the programmes cover – these experts are to provide normative view on designing and implementing housing programmes from relevant academic institution or professional bodies

1. Please tell me about your profession.
2. What would be a proper guiding principle for housing policies and programmes for a developing country like Malawi?
 - a. Would you recommend government intervention? In what areas?
 - b. What would be the possible options for funding a housing programme?
What option would be recommended for Malawi?
 - c. How would you evaluate Malawi's housing policies in the multiparty era?
3. What is your view about DAHSP?
 - a. What do you know about its background?
 - b. What problems is the programme solving?
 - c. Do you think the way the programme was designed will effectively solve housing problems for the targeted population?
4. What policies form the bedrock for the programme? What other policies have supported the programme?
5. How can central and local authorities coordinate and cooperate in running the programme?
 - a. What roles could other stakeholders play? Eg. Councilors, chiefs, MPs communities, others (mention them)?
6. What would be the best way to identify beneficiaries?
 - a. What challenges would beneficiary identification pose?
 - b. How would suppliers of materials and artisans selected?
7. How do you assess the progress so far?
 - a. Have you observed any challenges? If any, what would be the cause?
And how can you propose to solve them?
 - b. Have there been successes? What factors could have contributed to these successes? What could be changed in the programme design or implementation to improve it further?
8. Is there anything else you'd like to tell me about the project?

E. Interview questions for Suppliers of materials/services for the programmes

– these are targeted to establish their possible gains through the programmes and possible links with other players. Process of choosing these suppliers will be thoroughly examined as this has elsewhere proved to be the channel for rent distribution/sharing for politicians and business community.

1. Tell me about your expertise/trade and how long you have been in the field.
2. How did you come to know about DAHSP?
3. How were you identified as an artisan/ supplier to the programme?
 - a. Was the task advertised?
 - b. How many competed for the service?
4. Are there rules that you follow in offering your services? Mention the most significant ones.
5. How would you describe your collaboration with the following:
 - a. Beneficiaries
 - b. Chiefs
 - c. Coordinators central and local
 - d. Communities
 - e. Politicians (ruling and opposition)
6. How do you assess the progress of your service so far?
 - a. Have you observed any challenges? If any, what would be the cause?
And how can you propose to solve them?
 - b. Have there been successes? What factors could have contributed to these successes? What could be changed in the programme to improve it further?
7. Are you happy to work on the project or given chance would you quit? What are the incentives the assignment provides or what are the disincentives?
8. Is there anything else you'd like to tell me about the project?

At Sub-district level

The sub district level interviews will assist to obtain information on institutions formal and informal, existing at that level and how they affect the programme.

G. Interview questions for Direct beneficiaries

1. What is your occupation?
2. How were you selected as a beneficiary? Was the process transparent?
3. Where do you get the resources for construction?
 - a. Do you buy them yourselves or are you just given coupons to get them?
 - b. Do you know the price of these commodities?
 - c. How do the prices compare with the rest of the market?
4. Do you know how the DAHSP started?
 - a. How did you come know about it?
 - b. What problems is the programme solving in your area?
5. How do you relate with the following:
 - a. Other Beneficiaries
 - b. Non beneficiaries
 - c. Chiefs
 - d. Coordinators
 - e. Community at large
 - f. Politicians (ruling and opposition)
6. Do you belong to any political party?
 - a. Are you able to reveal your party? If so which party?
 - b. Has your membership to the party influenced your participation in the programme?
7. How do you assess the progress of DAHSP so far?
 - a. Have you observed any challenges?
 - b. If any, what would be the cause? And how can you propose to solve them?
 - c. Have there been successes? What factors could have contributed to these successes? What could be changed in the programme design or implementation to improve it further?
8. Is there anything else you'd like to tell me about the project?

H. Interview questions for indirect beneficiaries in selected village/community. Indirect Beneficiaries to be selected from Local artisans, material suppliers and transporters etc.

1. Tell me about your expertise/trade and how long you have been in the field.
2. How did you come to know about DAHSP?
3. How were you identified as an artisan/ supplier to the programme?
 - c. Was the task advertised?
 - d. How many competed for the service?
4. How do you assess the progress of your service so far?
 - c. Have you observed any challenges? If any, what would be the cause?
And how can you propose to solve them?
 - d. Have there been successes? What factors could have contributed to these successes? What could be changed in the programme to improve it further?
5. How would you describe your collaboration with the following:
 - a. Beneficiaries
 - b. Chiefs
 - c. Coordinators central and local
 - d. Communities
 - e. Politicians (ruling and opposition)
6. Are you happy to work on the project or given chance would you quit?
 - a. What are the incentives the assignment provides or what are the disincentives?
 - b. Has your engagement on the programme assisted you to develop your career or not? Explain please.
7. Is there anything else you'd like to tell me about the project?

I. Interview questions for non-beneficiaries

1. What do you do in your daily life?
2. Do you know the background to DAHSP?
 - a. How did it start?
 - b. What problems was the programme designed to solve?
 - c. What was the process for initiating and adopting the programme?
 - i. Who was involved at the initiation stage of the programme? And how? Were you involved? How?
3. How has the community received the programme?
4. How are beneficiaries selected?
 - a. Do you feel the process is fair? Please explain.
 - b. Are the right people benefiting from the programme?
5. How do you assess the progress so far?
 - d. Have you observed any challenges? If any, what would be the cause? And how can you propose to solve them?
 - e. Have there been successes? What factors could have contributed to these successes? What could be changed in the programme design or implementation to improve it further?
 - f. Do you think politics is involved in the initiation and implementation of DAHSP?
6. Is there anything else you'd like to tell me about the project?

J. Interview questions for Community management committee representative

1. What is your responsibility and how long have you been serving in the committee?
2. What is the background to DAHSP?
 - a. How did it start
 - b. What problems was the programme designed to solve?
 - c. What was the process for initiating and adopting the programme?
 - i. Who was involved at the initiation stage of the programme? And how? Were the common people involved? How?
3. What has been your office's role on the DAHSP?
4. How do you assess the progress so far?
 - d. Have you observed any challenges? If any, what would be the cause? And how can you propose to solve them?
 - e. Have there been successes? What factors could have contributed to these successes? What could be changed in the programme design or implementation to improve it further?
5. How would you describe your relationship with the following in relation to the programme:
 - a. Housing Committee
 - b. Chiefs
 - c. DAHSP coordinators
 - d. Politicians (ruling and opposition)
6. Is there anything else you'd like to tell me about the project?

K. Interview questions for Chief (village Headman)/ Village Assembly representative

1. Job title and responsibilities, time with the organisation.
2. What is the background to DAHSP?
 - a. How did it start, how did you come to know it?
 - b. What problems was the programme designed to solve?
 - c. What was the process for initiating and adopting the programme?
 - i. Who was involved at the initiation stage of the programme? And how? Were subjects involved?
3. What has been your role on the DAHSP?
 - a. What structures (offices and committees) do you work with on the project?
 - b. How is your work relationship with these structures?
4. How do the rules of the programme suit your local rules?
 - a. Are there any contradictions?
 - b. Or do they complement each other?
5. How many people have benefitted from the programme in your area?
 - a. How were they identified?
 - b. How have they benefitted?
6. How many deserving people have been left from benefitting?
 - a. What was the reason for leaving them behind?
 - b. What has been their reaction? Do they support or obstruct the activities of the project? How do they relate with the beneficiaries?
 - c. How do you treat such subjects in other programmes?
7. How many people have been involved in the project through supplying materials and services?
 - a. How were these people identified?
 - b. Have they done a good job so far?
8. How do you assess the progress so far?
 - d. Have you observed any challenges? If any, what would be the cause? And how can you propose to solve them?
 - e. Have there been successes? What factors could have contributed to these successes? What could be changed in the programme design or implementation to improve it further?

9. How would you describe your relationship with the following in relation to the programme:
 - a. Housing Committee
 - b. Chiefs
 - c. DAHSP coordinators
 - d. Politicians (ruling and opposition)
10. Which other people or groups have been active on the programme?
 - a. How do you relate to them?
 - b. How do they relate to other groups?
11. Is there anything else you'd like to tell me about the project?

ANNEX IV: FOCUS GROUP DISCUSSION GUIDE ENGLISH

FACULTY OF SOCIAL SCIENCES

Research Topic: The Influence of Mandate-Representation on Subsidy programmes in Malawi and Tanzania

Focus Group Discussions (FGDs) will be used to learn more about the group or community opinions and perspectives on the programmes. FGDs can reveal local level politics and informal networks that are involved in the implementation of the programmes under study.

Guiding questions for Focus Group Discussions

- a) Community management committee
- b) VDC members /Village Assembly
- c) Community members not directly involved in the programmes. (comprising young man/woman and woman, local business person, teacher, farmer).

Broad Questions

1. How was the programme introduced to your group?
 - a. When did it start?
 - b. What problems was it meant to solve?
 - c. How did the local people get involved at inception?
2. How was your committee selected? (for the two committees)
 - a. Who selected you?
 - b. How has the community accepted your committee? Any challenges working with them
3. How would you describe your relation, with regard to DAHSP, with the following:
 - a. Chiefs?

- b. Other committees associated with the programme?
 - c. Coordinating officers?
 - d. Political leaders in the area?
 - e. Political party followers?
 - f. Beneficiaries?
- 4. How are beneficiaries selected:
 - a. Who selects them?
 - b. What is the criteria?
 - c. Is the criteria applied transparently?
 - d. Would you describe the process as being fair?
 - e. What would be your suggestion to improve the selection process?
- 5. How is the programme being implemented?
 - a. How is DAHSP fulfilling its objectives
 - b. Are there any challenges? Describe them.
 - c. Are there any successes? Describe them.
 - d. What improvements would you propose for the programme to perform better?
- 8. Is there anything else you'd like to tell me about the project?

ANNEX V: FOCUS GROUP DISCUSSION GUIDE – CHICHEWA

Cholinga cha zokambiranazi ndikumvetsa momwe ndondomeko ya boma ya malata subsidy inayambira ndipo ikuyendera. Pali mafunso angapo oti tiwakambirane ngati gulu. Mafunsowa apangidwa kuti atilondolere muzokambirana zathu koma muli omasuka kupeleka maganizo ena pa ndondomeko imeneyi.

Zomwe tikambirane zigwiritsidwa ntchito pa maphunziro okha, sizikapolekedwa kwina kuli konse koma zithandiza kupititsa patsogolo ntchito zamaphunziro komanso kukonza bwino ma programme a boma.

Mafunso Otilondolera Pa Zokambirana Zathu.

1. Tandiusani momwe ndondomeko ya malata subsidy inabwerera/inayambira kumudzi kwanu kuno.
2. Kodi ndondomeko imeneyi ikuthandiza motani pa zosowa zakumudzi kuno?
3. Pali ndondomeko zANJI zosankhira anthu olandira zida zomangira nyumba mundondomeko imeneyi? Ndondomeko imeneyi ikutsatidwa motani?
4. Nanga zida (monga malata ndi cement) zomwe zimagawidwa mundondomekoyi zimachokera kuti? Ndi ndani amasankha okupatsirani zidazi? Kodi akubweretsa zidazi mwachilungamo? Mwanthawi yake?
5. Ndondomekoyi mwayiwona bwanji chiyambire?
 - a. Mwaonako Mavuto ena aliwonse?
 - b. Ngati alipo, choyambitsa ndi chiyani? Nanga angathe bwanji?
 - d. Kodi mwaona zabino zANJI pa ndondomekoyi? Chapangitsa zabwinozi ndi chiyani? Kuti zikome kwambiri mungakonde chitasinthidwa chiyani mundondomekoyi?
6. Magulu osiyanasiyana, monga mafumu, mabungwe, akukhudzidwa bwanji pokwaniritsa ndondomeko imeneyi?
7. Nanga anthu andale akukhudzidwa bwanji pa ntchito imeneyi?

8. Kodi mukusangalala ndi momwe ndondomekoyi ikuyendera? Mutakhala ndi mwayi, mungazisiye? Ndi ziti zomwe zimakukopani mu ndondomekoyi ndipo ndi ziti sizikukhalirani bwino?
9. Kodi munganene kuti ndondomeko imeneyi ya pititsa patsogolo ntchito zachitukuko mmudzi wanu uno? Mgwirizano wa anthu Panchito zachitukuko wapiti patsogolo?
10. Muli ndi mawu oonjezera pa ndondomekoyi?