

# Neopatrimonialism and Agricultural Protection

---

## *The Case of Maize in Malawi*

*Horace Phiri and Abdi Khalil Edriss*

---

## TABLE OF CONTENTS

Abstract.....	1
1. Introduction.....	1
2. Literature Review.....	2
3. Methodology.....	2
3.1 Neopatrimonialism.....	2
3.2 Agricultural Protection in Malawi’s Maize Sector.....	3
3.3 Neopatrimonialism and Agricultural Protection.....	3
4. Neopatrimonialism and Producer Protection in the Maize Sector in Malawi.....	4
4.1 Neopatrimonialism Trends.....	4
4.1.1. Systematic Clientelism.....	4
4.1.2. Concentration of Power.....	4
4.1.3. Corruption.....	5
4.2 Neopatrimonialism and Agricultural Protection.....	5
5. Conclusion.....	6
References.....	7

## LIST OF TABLES

Table 3.1—Producer Support Estimate (PSE), Nominal Rate of Protection (NRP), and Budgetary Transfers to the maize sector in Malawi, 1970-2010.....	3
Table 4.1—Neopatrimonialism model results.....	6

## LIST OF FIGURE

Figure 4.1—Size of cabinet and power concentration index in Malawi, 1970-2010.....	5
--	---

## ABSTRACT

This empirical study uses data from 1970 to 2010 to estimate levels of neopatrimonialism in Malawi. We then test how neopatrimonialism has affected policy-induced agriculture producer incentives. Three dimensions are used to measure neopatrimonialism – systematic clientelism, a power concentration index, and control of corruption. All were negatively related to the level of producer support provided farmers by government. This suggests that the manifestation of a patronage system creates policy-induced disincentives to agricultural production due to worsening corruption, concentration of political power, and a crowding out of development expenditure by the costs of maintaining a bloated civil service. This result reaffirms the belief that neopatrimonialism results in poor performance of the agricultural sector of countries in sub-Saharan Africa

## 1. INTRODUCTION

Neopatrimonialism refers to a national political system dominated by neopatrimonial political relationships in which government functions essentially as a transfer pump of resources from political leaders to their respective clients in return for political support (van Wyk 2007). This concept has gained recognition as one of the key explanations as to why governments in sub-Saharan Africa have pursued policies that have failed to achieve significant economic growth (Whitfield and Therkildsen 2011). The basic thrust of neopatrimonialism is that politics both cause economic stagnation in Africa and prevent the state from adopting economic reforms and establishing effective developmental institutions. A review of agricultural policy in Malawi shows elements of neopatrimonialism in the three regimes that have ruled Malawi from independence in 1964 to 2010 – Kamuzu Banda (1964-1994), Muluzi (1994-2004) and Mutharika (2004-2012).

The policies pursued by Kamuzu Banda, Malawi's first president, fostered the creation of an elite class of farmers, the *achikumbe* (Cammack and Kelsall 2010). The *achikumbe*, civil servants, and ruling party officials consolidated tracts of customary land, leased it, and joined the estate subsector. Government through its grain marketing board, the Agricultural Development and Marketing Corporation (ADMARC), indirectly taxed smallholder farmers through pricing policies and used the income to invest in estate farming (Mhone 1992). The elite class that benefited from Banda's patronage included parliamentarians, key government officials, and certain members of the then ruling Malawi Congress Party (Cammack and Kelsall 2010).

The change to multiparty democracy in the early 1990s resulted in the election of Bakili Muluzi, a self-acclaimed democrat, but one who maintained the system of patronage politics exercised by his predecessor. What changed under Muluzi was the form under which neopatrimonialism was exercised in Malawi's agricultural sector, but not the practice. Coming into power at a time when Structural Adjustment Programs (SAPs) were in full swing, Muluzi abolished the elitist policies pursued by Banda and opened up the production of high-value crops – notably burley tobacco – to smallholder farmers, whose engagement in the production of these crops previously had been restricted through the Special Crops Act (Kumwenda and Phiri 2010). However, a two track political economic programme was observed under Muluzi's tenure. The first track was grounded in formal policy documents that aimed at achieving poverty reduction goals outlined in the country's medium term strategy, the Malawi Poverty Reduction Strategy (MPRS). The second followed a different path – a client-oriented political logic that aimed at keeping the regime in power after the general elections of 1999 and 2004 (Cammack and Kelsall 2010).

Corruption in the civil service, which was minimal during the Banda era (Anders 2006), became widespread during the Muluzi era. Misappropriation around procurement was the main source of illicit funding. Corruption, or *katangale* in Chichewa, was fueled by a real decline in civil service salaries. The World Bank (1994) estimated that government salaries measured at constant prices in 1992 were equivalent to half of what they were in 1982. Following the election in 2004 of Bingu Mutharika, a self-styled technocrat, the country achieved high levels of economic growth and maize self-sufficiency largely due to the implementation of the Farm Input Subsidy Program (FISP), which provided fertilizer and seed to smallholder farmers at significantly reduced prices (MoDPC, 2011). However, evaluations of FISP point to the existence of neopatrimonialism in its implementation. Procurement and transportation contracts were awarded in an opaque manner, providing evidence of rent-seeking activities (Holden and Tostensen 2011). Since its launch in 2005, the program expenditures have exceeded the initial budget by between 41 and 105 percent (Dorward and Chirwa 2011). While some of the over-expenditure is attributed to fluctuations in the price of fertilizer, this explanation is not sufficient (Chinsinga, 2011). The World Bank (2011) estimates that program costs could have been inflated by as much as 50 percent due to policies of favoring certain contractors rather than applying competitive pricing. The favored contractors played a key role in bankrolling the May 2009 electoral campaign for the governing Democratic Progressive Party (Chinsinga, 2011).

Neopatrimonialism is at play in the country's agricultural policy-making arena. However, quantitative research on the subject has been limited. The true extent and nature of neopatrimonialism has not been established and empirical tests

on how it affects agricultural policy have not been conducted. This adds to the literature on the political economy of agricultural policy in sub-Saharan Africa by estimating neopatrimonialism levels in Malawi and empirically testing the linkages between elements of patronage politics and agricultural protection.

This paper is organized as follows: After the introduction, the analytical methods used in the study are outlined, and neopatrimonialism levels from 1970 to 2010 then are described. Section 4 presents the results of the analysis of how neopatrimonialism affects agricultural policy in Malawi. The paper concludes with a summary of findings.

## 2. LITERATURE REVIEW

Zolberg (1969) was the first to apply the concept of neopatrimonialism to contemporary societies. Since then it has been widely applied by scholars studying political systems in Africa, Asia, and Europe (von Soest, Bechle and Korte, 2011). Neopatrimonialism refers to a system of governance where the formal rational-legal state apparatus co-exists and is supplanted by an informal patrimonial system of governance (Weber, 1980). Patrimonialism is defined as a social and political order where the patrons secure the loyalty and support of their clients by bestowing benefits to them from their own or from state resources. Patrons are typically office-holders who use public funds or their position of power to build a personal following.

Social practice, as a result, is fundamentally different under neopatrimonialism when compared to a political order based on impersonal formal rules of public administration to guide official action (von Soest, Bechle and Korte, 2011). Neopatrimonialism gives rise to a 'hybrid' state where real decision-making power about state functions, such as resource distribution, lies outside of the formal political institutions. Instead, powerful politicians and their cronies, who are linked by informal, personal, and clientelist networks that exist outside of the state structure, make decisions about the allocation of state resources. A neopatrimonial regime makes the government a transfer pump through which those in government leadership collect government resources and distribute them to their supporters. While such transfers may be a feature of many political systems, in functioning democracies the transfers are more impartial and based on the needs of the public at large. In contrast, in neopatrimonial systems the transfers only benefit particular groups who are connected to the politicians through patronage networks, at the cost of the rest of the constituents. The basic structure of neopatrimonial regimes consists of three sectors - the 'ins', the 'outs' and the government (Gibson & Hoffman, 2002). The government derives its support by providing patronage to the 'ins' (clients, cronies, etc.) and funds this by taxing the 'outs'. Resource distribution in neopatrimonial systems is primarily motivated by the patron's incentive to ensure his or her own incumbency. However, the specific resources and distributive mechanisms of patronage networks vary according to the cultural, economic, and political institutions found in particular countries. Distribution of resources or benefits might be primarily motivated by personal relationships or ethnic or tribal loyalties. In such cases, distribution can take the form of personal favors, such as appointing relatives or people from the ruler's ethnic group to important government posts.

Proponents of neopatrimonialism as a useful concept by which to understand policy processes and resource allocations in countries in sub-Saharan Africa do not go without criticism. Numerous recent publications have criticized the loose application of the concept of neopatrimonialism, and its analytical utility remains questionable (von Soest, Bechle and Korte, 2011; Pitcher, et al., 2009; de Grassi, 2008; and Therkildsen, 2005). Pitcher, et al. (2009) caution that the usages of patrimonialism and neopatrimonialism misinterpret Weberian theory. Contrary to contemporary conceptions, Weber's 'patrimonialism' was not posited as a step on the path towards rational-legal authority, nor did it assume that the intermingling of personal and private spheres was inherently negative. Rather, it sought to understand the cultural framing of beliefs about the operation of legitimate power and emphasized mutual responsibilities between rulers and their subjects. Far from being a weak, dictatorial type, Weber's 'patrimonialism' recognized that leaders could and should be held accountable and that they must abide by certain norms of mutuality in order to sustain the willingness of their subjects to obey. Furthermore, its use is not supported with empirical evidence showing how it works and affects policies. Only a few studies have used neopatrimonialism as an analytical concept for systematic comparisons (Budd 2004; Hensell 2009, von Soest, et al. 2011). This study provides new insights about neopatrimonialism by empirically testing how it affects agricultural protection policies in Malawi.

## 3. METHODOLOGY

### 3.1 Neopatrimonialism

Bratton and van de Walle (1997) identified three dimensions that can be used to estimate the degree of neopatrimonialism in a state and its development over time. These are concentration of power, systematic clientelism, and corruption. The power concentration index (PCI) measures the extent to which a political leader (such as the president) dominates

the political setting. The PCI is the ratio of the average tenure of the president to that of cabinet ministers. It is assumed that a longer tenure of the president relative to that of ministers represents a high informal concentration of power.

Systematic clientelism refers to appointment of individuals in key government positions in exchange for personal loyalty and support. This practice can be observed through analyzing the size and the structure of a country's cabinet, a body that often acts as a focal point for awarding personal favors to the political elite (von Soest 2007). The tendency of cabinets to grow is mirrored by an increase in the size of other national bodies. Thus, in addition to studying the growth of the cabinet, the size of the whole public administration and of state-owned enterprises can be analyzed (van de Walle 2005). However, historical data on the size of entire civil service is not available in Malawi. Hence, only the number of cabinet ministers and their deputies is used here to measure systematic clientelism.

Finally, corruption refers to the use of a public office for private gain. For this study, we use the "control of corruption" indicator from the World Bank's Worldwide Governance Index (WGI) (Kaufmann et al. 2009).

### 3.2 Agricultural protection in Malawi's maize sector

We attempt to explain how neopatrimonialism affects agricultural policy by analyzing its effects on three agricultural protection indicators – Producer Support Estimate (PSE), Nominal Rate of Protection (NRP), and budget transfers. PSEs capture the overall effects of different types of governmental programs and interventions in a single number. A negative PSE implies that funds are being transferred from producers to other sectors of the economy, while a positive PSE means the reverse. The NRP assesses the protection for the agricultural sector created by trade policies. It measures the proportional difference between domestic and border prices of an agricultural commodity. A negative NRP means the domestic price is less than border prices. Budget transfers are direct or indirect outlays to agricultural producers from government through support to output and input market participants or through public budget support towards agricultural production and farm input use.

**Table 3.1—Producer Support Estimate (PSE), Nominal Rate of Protection (NRP), and Budgetary Transfers to the maize sector in Malawi, 1970-2010**

Year	PSE per ton (US\$)	NRP Producers	Transfer/ha (2010 US\$)
1970-75	-345	-0.83	0.02
1976-80	-315	-0.82	1.34
1981-85	-281	-0.81	4.91
1986-90	-236	-0.82	3.71
1991-95	-237	-0.84	15.85
1996-00	-240	-0.80	14.89
2001-05	-203	-0.63	19.41
2006-10	-214	-0.58	87.92

Source: Own calculations

As shown in Table 1, all PSEs for the 1970 to 2010 period were negative, indicating that the public policies of the government of Malawi over this period resulted in implicit taxation of agricultural producers. The trade policies that Malawi pursued and ad hoc policy directives on maize marketing, such as export bans, restriction on private trading, and government setting producer prices, kept domestic prices for maize at levels lower than import parity prices. Supportive policies for farmers, such as subsidies, have acted only to reduce this implicit taxation that has characterized the maize sector for the last four decades, rather than reversing it.

### 3.3 Neopatrimonialism and agricultural protection

An econometric analysis was done to test how the dependent variables, PSE, NRP and budgetary transfers are affected by the three-neopatrimonialism indicators – PCI, systematic clientelism, and control of corruption. The Newey-West regression approach was adopted for this analysis. The Newey-West (1987) variance estimator produces consistent estimates when there is autocorrelation or heteroskedasticity in the data. The coefficient estimates are derived as for those in an Ordinary Least Squares (OLS) regression.

$$\hat{\beta}_{OLS} = (X'X)^{-1}X'y$$

where  $\beta$  is a vector of unknown parameters in the OLS regression,  $X$  is a vector of independent variables and  $y$  is the dependent variable. For no autocorrelation, the variance estimates are calculated using the White formulation:

$$X' \widehat{\Omega} X = X' \widehat{\Omega}_0 X = \frac{n}{n-k} \sum_i \hat{e}_i^2 x_i' x_i$$

In this case,  $\hat{e}_i = y_i - x_i \hat{\beta}_{OLS}$ , where  $x_i$  is the  $i$ th row of the  $X$  matrix,  $n$  is the number of observations and  $k$  is the number of predictors in the model, including a constant if there is one. If autocorrelation exists up to lag ( $m$ ),  $m > 0$ , the variance estimates are calculated using the Newey-West (1987) formulation

$$X' \widehat{\Omega} X = X' \widehat{\Omega}_0 X + \frac{n}{n-k} \sum_{l=1}^m \left(1 - \frac{1}{m+1}\right) \sum_{t=l+1}^n \hat{e}_t \hat{e}_{t-1} (x_t' x_{t-l} + x_{t-l}' x_t)$$

Where  $x_t$  is the row of the  $X$  matrix observed at time  $t$ .

On the other hand, the Prais–Winsten (PW) estimation is used where serial correlation of type AR(1) is observed but without the presence of heteroskedasticity. PW is a modification of the Cochrane–Orcutt estimation, in the sense that it does not lose the first observation and leads to more efficiency as a result.

## 4. NEOPATRIMONIALISM AND PRODUCER PROTECTION IN THE MAIZE SECTOR IN MALAWI

In this section, we present the results of the analysis of the effects of neopatrimonialism on agricultural protection. We begin by analyzing neopatrimonialism trends using its three dimensions – PCI, systematic clientelism, and control of corruption. This is followed by a presentation of results from an econometric test of how changes to these dimensions affect producer protection in the maize sector.

### 4.1 Neopatrimonialism trends

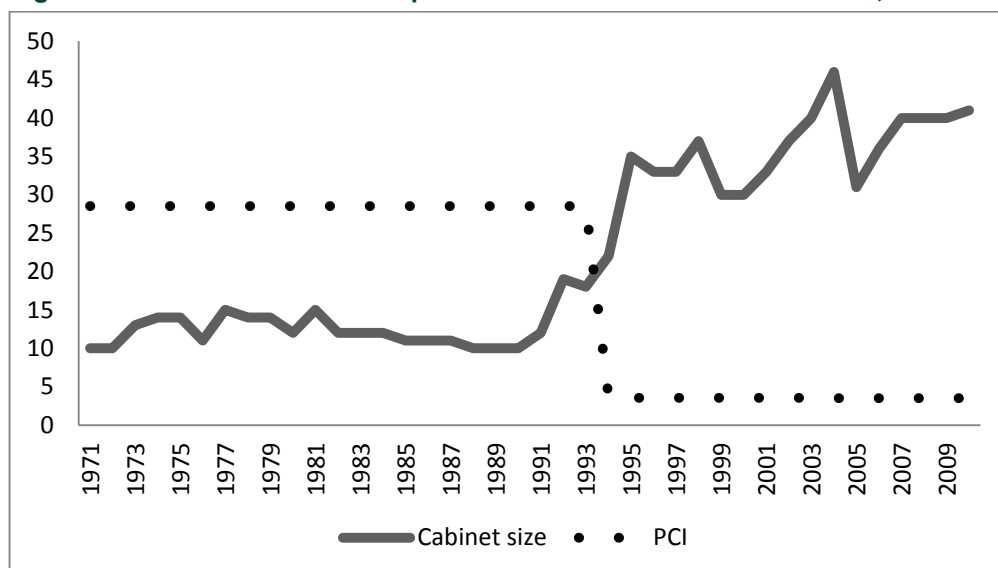
#### 4.1.1. SYSTEMATIC CLIENTELISM

Over the period 1970 to 2010, the size of Malawi's cabinet ranged between 10 and 46 ministers. Malawi's first president, Kamuzu Banda, maintained a relatively small cabinet compared to other presidents. His cabinet was appointed purely on loyalty and generally had little to offer in terms of policy advice. Appointments into the civil service were primarily based on merit (Cammack and Kelsall, 2010). In contrast, in the multiparty era, the dynamics of appointment to the cabinet changed. Ministerial and other positions are now traded for political support. Several former Ministers have resigned from the ruling party after being fired from cabinet. Likewise, some cabinet Ministers dumped their former political parties and joined the president's party in order to secure cabinet appointments. Other appointments, such as diplomatic positions, also become patronage-based during the Muluzi era and thereafter. Clientelism worsened under the Mutharika administration as he attempted to centralize political power through the appointment of his clients and through the design of policies based in part on an ethnic calculus (Cammack and Kelsall, 2010).

#### 4.1.2. CONCENTRATION OF POWER

The sharp increase in power concentration in the 1990s that is shown through the sharp drop in the power concentration index in Figure 4.1 can be explained by the country's switch to multiparty democracy in 1993. The PCI was at 28.5 during Banda's presidency, implying that he served 28.5 times longer than the average member of his cabinet, while a significantly lower index is observed during the Muluzi and Mutharika administrations. Banda, as a life president, maintained an effective strategy of controlling ministers through annual cabinet dissolution (Cammack and Kelsall, 2010). Adoption of multiparty democracy meant that the life-presidency under Kamuzu Banda was abolished and sitting presidents were allowed to serve a maximum of two five-year terms, resulting in a reduction in the numerator value for the PCI. This gave rise to an increased need for personal loyalty and support for the president from cabinet members to ensure re-election. Consequently, the average tenure of Cabinet Ministers increased from 1 year to 1.4 years in the post Banda era.

**Figure 4.1—Size of cabinet and power concentration index in Malawi, 1970-2010**



Source: Malawi Parliament Hansards 1970-2010

Overall, the high PCI under Banda indicates the prevalence of “big man politics” (Young, 2004) where the president stays in power for a long time, sometimes until the end of his life. “Big men” frequently rotate the political elite in order to prevent any potential opponent from developing his or her own power base and to extend their clientelist network (Bratton and van de Walle 1997; Snyder and Mahoney 1999). The result is the long-term dominance of the incumbent. Banda was considered during his presidency as the only man capable of ruling Malawi and was given a life-long presidency in consequence. Similarly, towards the end of his mandatory two terms, Muluzi (1994-2004) was touted by his clients as the only individual capable of serving as president of Malawi and significant attempts were made to remove the limit on the number of presidential terms.

### 4.1.3. CORRUPTION

The “control for corruption” (CC) component of the World Bank’s Worldwide Governance Index (WGI) was used for the analysis here (Kaufmann et al. 2009). The variable ranges from 0 (lowest) to 100 (highest). In general, efforts to control corruption in Malawi have been weak. Under pressure from donors, government took several anti-corruption measures in the mid-1990s that included the enacting of the Corrupt Practices Act (1995) and the establishment of the Anti-Corruption Bureau (ACB). In addition, donor funded programs to promote human rights and good governance (Anders, 2002). As a consequence of these actions, corruption control was at its peak in 2000 with a CC index estimated at 41, but by 2010 the index had declined to 28. Poor funding to corruption control institutions is among the main reasons for this decline. The calculation of the indicator started in 1995. Consequently, in the analysis here the CC index between 1970 and 1994 is assumed constant and estimated at 35 based on qualitative information. Social, political and administrative factors currently tend to provide an environment that is conducive to corrupt practices in Malawi. In addition to high-level systemic corruption, petty corrupt practices and extortion by public officials in the procurement of goods and services tend to be widespread in public service sectors (Hussein, 2005).

## 4.2 Neopatrimonialism and agricultural protection

The results of the regression analyses presented in Table 4.1 show that systematic clientelism – the number of cabinet ministers and their deputies – negatively affects the Producer Support Estimate (PSE), implying that, as incumbents seek to transfer rents through positions in the public service, support to maize producers reduces. The reduction in the value of transfers most probably emanates from the reallocation of funds from development programs that would benefit maize producers to expanding the public service, as observed by a negative coefficient for this explanatory variable in the budgetary transfer equation. The insignificant coefficient in the NRP trade protection equation indicates that systematic clientelism has no influence on the trade policy pursued by government. This is most probably because of the absence of direct expenditures or revenues from maize trade that might be adjusted to finance expanding outlays brought about by a bloated public service.

**Table 4.2—Neopatrimonialism model results**

Variables	Unit Producer Support Estimate (PSE)	Nominal Rate of Protection (NRP)	Budgetary Transfers
<i>Analytical Method:</i>	<i>Prais-Winsten</i>	<i>Newey-West</i>	<i>Newey-West</i>
Constant	-50.56 (51.93)	-84.36*** (8.24)	13.29*** (3.96)
Cabinet size	-5.05*** (1.46)	-0.08 (0.23)	-0.17 (0.10)
PCI	-5.55*** (1.34)	-0.41** (0.16)	-0.22** (0.08)
Corruption	-98.96** (41.13)	-18.20*** (5.50)	-1.60 (2.43)
Food Sufficiency ratio	0.02 (0.28)	0.02 (0.03)	-0.04*** (0.01)
n	40	40	40
Prob > F	0.00	0.00	0.00

Significance level: \*\*\* 1%, \*\* 5% and \* 10%, () standard errors

The power concentration index (PCI) was also found to have a similar effect on PSE. Incumbent “big men” with a lower power concentration turn to the masses in the agricultural sector for support. The most obvious means to solicit support is the introduction of welfare enhancing programs such as subsidies. However, the negative and significant coefficient in the NRP model indicates that the incumbents also consolidate power by transferring resources to urban consumers by reducing the prices of domestically produced agricultural commodities relative to the prices of those commodities on world markets. This result is consistent with the “urban bias” theory (Bates, 1981; Lipton, 1977), which suggests a class-like divide between rural and urban areas. African states are more likely to appease the more vocal and better-organized urban population by ensuring low food prices at the expense of rural producers. Despite the structural reforms in the 1980s and early 1990s that aimed at tilting the domestic terms of trade towards producers, the notion of urban bias still shapes the views of planners and policy makers (Maxwell, 1999).

Control of corruption is negatively related to PSE and NRP. The effect of corruption on trade is multifaceted; Bardhan (2006) identifies two effects – evasion and extortion. Evasion is where custom officials are bribed to do what they are not supposed to do, allowing firms to avoid formal trade barriers. On the other hand, extortion is where corrupt customs officials request bribes to do what they are paid to do, which is to clear goods. Extortion is a barrier to trade, as it increases transactional costs, while evasion encourages trade. The results in the NRP model suggest that the evasion effect is at play in Malawi. Since maize is a protected commodity that requires special permits to export, traders are compelled to pay bribes to engage in informal exports. A laxity in corruption control encourages corruption within regulatory agencies and promotes trade that would otherwise be impossible due to maize export controls.

## 5. CONCLUSION

In this study, neopatrimonialism in Malawi was measured using three indicators: the control of corruption index (CC), systematic clientelism (proxied by the size of the cabinet), and the power concentration index (PCI). The results obtained in this study show that levels and form of neopatrimonialism has varied over time. Effort to control corruption gained pace between 1990 and 2000 with the formation of the Anti-Corruption Bureau. However, at the turn of the century, the fight against corruption has been characterized by non-objectivity where strict monitoring and control is maintained in other spheres, while turning a blind eye to corrupt practices by party loyalists. This has resulted in a reduced CC score. The PCI also declined in the period under review, largely because of the shift from a life presidency to limited presidential terms. In contrast, systematic clientelism has increased largely due to the need to create loyalty by offering clients public sector jobs.

All forms of neopatrimonialism significantly reduce the transfers to the agricultural sector measured by the PSE. This entails that patronage-based politics creates policy-induced disincentives to production in the maize sector through worsening corruption, political unwillingness to improve the performance of the agricultural sector, and reduced expenditure in the sector due to the costs of an expanding public sector. This result reaffirms the notion that neopatrimonialism results in poor performance of economic sectors, including agriculture.

## REFERENCES

- Anders, G. 2006. *Like Chameleons: Civil Servants and Corruption in Malawi*. Le bulletin de l'APAD:23-24. Available at <http://apad.revues.org/137> [accessed on 1 October 2013].
- Bardhan P. 2006. The Economist's Approach to the Problem of Corruption. *World Development*. 34 (2): 341-348.
- Bates, R. 1981. *Markets and States in Tropical Africa*. University of California Press, Berkeley, CA.
- Bratton, M, and N. van de Walle. 1997. *Democratic Experiments in Africa. Regime Transitions in Comparative Perspective, Cambridge*. Cambridge University Press.
- Budd, E. 2004. *Democratization, Development and the Patrimonial State in the Age of Globalization*, Lanham, MD: Lexington.
- Cammack, D. and T. Kelsall. 2010. *Developmental Patrimonialism? The case of Malawi*. APPP Working Paper, Institute of Development Studies at the University of Sussex, Brighton, UK
- Chinsinga B. 2011. *The Political Economy of Agricultural Policy Processes in Malawi: A Case Study of the Fertilizer Subsidy Programme*. Futures Agriculture Working Paper No. 039, Institute of Development Studies, University of Sussex, Brighton, UK.
- de Grassi, A. 2008. "Neopatrimonialism" and Agricultural Development in Africa: Contributions and Limitations of a Contested Concept, in: *African Studies Review*, 51 (3): 107-133.
- Dorward, A. and E. Chirwa. 2011. The Malawi Agricultural Input Subsidy Programme: 2005-6 to 2008-9. *International Journal of Agricultural Sustainability*.
- Gibson, C. & B. Hoffman. 2002. *Dictators with Empty Pockets*. Presented at the 2002 American Political Science Association Annual Meeting, Boston, MA. Available at <http://www.international.ucla.edu/media/files/9.pdf>
- Green, W. 2008. *Econometric Analysis*. Sixth edition. Upper Saddle River, NJ, USA: Prentice Hall.
- Gujarat, D. 2004. *Basic Econometrics*, Fourth Edition. New York: McGraw-Hill.
- Hensell, S. 2009. *Die Willkür des Staates. Herrschaft und Verwaltung in Osteuropa*, Wiesbaden: Verlag für Sozialwissenschaften.
- Holden, S., and A. Tostensen. 2011. *Appraisal of the Malawi Medium Term Plan for the Farm Inputs Subsidy Programme (FISP-MTP) (2011-2016)*: Lilongwe, Malawi
- Hussein, M. 2005. Combating Corruption in Malawi: An Assessment of the Enforcing Mechanisms. *African Security Review*, 14 (4).
- Kaufmann, D., A. Kraay, and M. Mastruzzi. 2009. *Governance Matters VIII: Aggregate and Individual Governance Indicators for 1996-2008*. Policy Research Working Paper, 4978, Washington, DC: World Bank.
- Kumwenda, I. and H. Phiri. 2010. *Government interventions in fertilizer market in Malawi: from 1994 – 2009*. Consultant report to International Food Policy Research Institute by Agriculture and Natural Resources Management Consortium, ANARMAC, Lilongwe, Malawi.
- Lipton, M. 1977. *Why Poor People Stay Poor*. Harvard University Press, Cambridge, MA.
- Maxwell D., 1999. The Political Economy of Urban Food Security in Sub-Saharan Africa. *World Development*. 27 (11): 1939-1953
- Mhone, G.C.Z. (ed.) 1992. *Malawi at the Crossroads: The Post-Colonial Political Economy*. Harare: SAPES Books.
- Ministry of Development Planning and Cooperation – MoDPC. 2011. *Economic Report 2011*, Lilongwe, Malawi.
- Newey, W.K. & K.D. West. 1987. A Simple, Positive Semi-definite, Heteroskedasticity and Autocorrelation Consistent Covariance Matrix, *Econometrica*. 55 (3): 703-08.
- Pitcher, A., M.H. Moran, & M. Johnston. 2009. Rethinking Patrimonialism and Neopatrimonialism in Africa. *African Studies Review*. 52 (1): 125-156.

- Therkildsen, O. 2005. Understanding Public Management through Neopatrimonialism: A Paradigm for all African Seasons?, in: Engel, Ulf, and Gorm Rye Olsen (eds.). *The African Exception*. London: Ashgate, 33-51.
- van de Walle, N. 2005. The Donors and the State in Africa: How Much Has Changed?, In: Engel, Ulf; Olsen, Gorm Rye, (eds.), *The African Exception*. London: Ashgate, pp. 69-84.
- van Wyk, J. 2007. *Political leaders in Africa: Presidents, Patrons or Profiteers?* Occasional Paper Series Vol. 2 No.1 Africa Centre for Conflict Resolution and Development: Johannesburg, South Africa
- von Soest, C. 2007. How Does Neopatrimonialism Affect the African State? The Case of Tax Collection in Zambia, in: *Journal of Modern African Studies*. 45 (4): 621-645.
- von Soest, C., K. Bechle and N. Korte, 2011. *How Neopatrimonialism Affects Tax Administration: A Comparative Study of Three World Regions*. GIGA Working Paper Series 172, GIGA German Institute of Global and Area Studies
- Weber, M. 1980 [1922]. *Wirtschaft und Gesellschaft*. Grundriß der verstehenden Soziologie. Tübingen: J.C.B. Mohr
- Whitefield, L., and O. Therkildsen, 2011. *What Drives States to Support the Development of Productive Sector? Strategies Ruling Elites Pursue for Political Survival and the Policy Implications*. DIIS Working Paper 2011: 15: Danish Institute for International Studies, Copenhagen, Denmark
- World Bank, Ministry of Finance, Ministry of Agriculture and Food Security, and Office of the Director of Public Procurement and Central Internal Audit. 2011. Malawi: Poverty Reduction Support Credit, Fertilizer Procurement Review of the 2010/11 Farm Input Subsidy Programme (FISP), December 2010-February 2011
- Zolberg, A.R. 1969. *Creating Political Order: The Party States of West Africa*. Chicago, IL: Rand McNally

## About the Authors

**Horace Phiri** and **Abdi Khalil Edriss** are both from Department of Agriculture and Applied Economics, Faculty of Development Studies, Lilongwe University of Agriculture and Natural Resources, P.O. Box 219, Lilongwe, Malawi.

## INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE

2033 K Street, NW | Washington, DC 20006-1002 USA | T+1.202.862.5600 | F+1.202.457.4439 | Skype: ifprihomeoffice | ifpri@cgiar.org

## IFPRI-LILONGWE

P.O. Box 31666 | Lilongwe 3, Malawi | T +265-1-771780 | [ifpri-lilongwe@cgiar.org](mailto:ifpri-lilongwe@cgiar.org)

This Working Paper has been prepared as an output for the Malawi Strategy Support Program, and has not been peer reviewed. Any opinions stated herein are those of the author(s) and do not necessarily reflect the policies or opinions of IFPRI.

Copyright © 2013, International Food Policy Research Institute. All rights reserved. To obtain permission to republish, contact [ifpri-copyright@cgiar.org](mailto:ifpri-copyright@cgiar.org).