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The Role of the International Non-Governmental Organizations (INGO) in Humanitarian Intervention – A Case Study of the IFRC Cash Transfer Program in Malawi

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THE ROLE OF THE INTERNATIONAL NON-GOVERNMENTAL ORGANIZATIONS (INGO) IN HUMANITARIAN INTERVENTION - A CASE STUDY OF THE IFRC CASH TRANSFER PROGRAM IN MALAWI

A Thesis Presented

By

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ABSTRACT

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May 2019

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While Cash Transfer Programs (CTP) have been used to address a variety of social problems, as of yet, there is limited literature on the efficacy of cash transfers in ensuring food security. This study aims to fill this vacuum by investigating the circumstances under which cash transfers are effective in ensuring food security. Malawi, the selected country for this study, provides a useful platform of research because the International Federation of Red Cross and Red Crescent Societies (IFRC) implemented this policy there. More specifically, this study aims at investigating the extent to which the IFRC CTP was effective in ensuring food security in Malawi. To answer this question, I used a document analysis method to review primary and secondary data. I also adopted Browne (2013) theory of change to identify the circumstances which are necessary for the efficacy of CT in addressing food security. These conditions include existence of markets, price stability, availability and timely disbursement of funds, coordination and communication, and availability of mobile phones/network coverage. The evidence gotten from independent data such as the World Food Programs Reduced Coping Strategy Index (rCSI)

and the Fourth Malawi Integrated Household Survey report (2016/2017) reveal that the IFRC CTP was insufficient to ensure food security. This was due to the volatility of food prices during the CTP, underfunding of the CTP by the IFRC, poor communication and coordination between the IFRC and Malawi Red Cross Society (MRCS) during the CTP, lack of mobile phones by beneficiaries at the inception of the CTP, and absence of well-developed markets. Thus, the findings from this study indicate that if mechanisms such as markets, price stability, availability and timely disbursement of funds, coordination and communication, and availability of mobile phones/network coverage are in place, unconditional cash transfer (UCT) will be effective in ensuring food security.

PREFACE

Born in Nigeria, and moving to the US, I gained an interest in humanitarian intervention. Due to this interest, I volunteer in community based and humanitarian organizations in Massachusetts. I chose to do this study because I am interested in exploring how humanitarian intervention can be used as a collective action tool to address problems such as food insecurity. Although the drought occurred in Malawi and I am from Nigeria, as an African, I am still mentally affected by natural disasters in Africa and how they are addressed. This project does not in any way minimize the efforts or criticize the role the IFRC plays in humanitarian intervention in some of the most remote locations of the world. Rather, it aims at demonstrating the conditions which are necessary for provision of humanitarian aid (Cash Transfers) to be effective. Furthermore, this research aims to provide recommendations that will make humanitarian intervention much more effective.

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TABLE OF CONTENTS

CHAPTER Page

LIST OF TABLES

LIST OF FIGURES

CHAPTER 1

INTRODUCTION

According to Archaya (2016), there has been an increase in demand for global governance in the 21st century. Such a demand is motivated by norms which include but not limited to humanitarian intervention, the responsibility to protect, (R2P), rule of law, fundamental human rights as well as economic development (Archaya, 2016). Of utmost importance to this study is the demand for humanitarian intervention. The demand for humanitarian intervention is largely influenced by the "proliferation of collective action problems in diverse areas such as security, climate, human rights, refugees, health, economic relations, and cyberspace" (Acharya, 2016, p. 1). Within these collective action problems are issues that include but are not limited to conflicts, war, food insecurity, epidemics, natural disasters such as earthquakes, tsunamis, floods, landslides, and droughts.

This study is anchored on how international non-governmental organizations (INGOs) provided humanitarian aid in response to a drought. According to the IFRC (2019), "drought is defined as a deficiency of rainfall over an extended period – a season, a year or several years – relative to the statistical multi-year average for the region" (para. 2). The effects of droughts are multi-faceted. Droughts can lead to "inadequate water supply for plants, animals and human beings. A drought may result in other disasters such as food insecurity, famine, malnutrition, epidemics, and displacement of populations" (IFRC, 2019, para. 2). These negative effects of droughts on communities has called for an effective disaster management technique. One approach which has been implemented to mitigate the impact of drought on communities around the world is Cash Transfer (CT), but as of yet the literature is limited on this matter. This work looks to fill

this lacunae by exploring the *circumstances under which cash transfers are effective in ensuring food security.*

According to the Harvard Humanitarian Initiative (2018), Cash Transfer refers to "the direct provision of cash to households in order to reduce poverty and vulnerability" (para. 1). Cash Transfers can also be defined as the injection of cash in "humanitarian and development contexts to meet a wide variety of objectives" (Bailey, 2016, p. 5). Such objectives could be to ensure food security, reduce poverty and malnutrition as well as to increase access to healthcare.

Thus, the Overseas Development Institute (ODI) (2015) observed how the global humanitarian system has made substantial progress towards using cash transfers from 2004 till date. According to the Overseas Development Institute (2015),

> UN agencies, the Red Cross movement, International and Southern NGOs and governments of disaster-affected countries have all provided cash transfers in a variety of challenging contexts. Cash transfers are now more embedded in the organizational processes of aid agencies and major donors. (ODI, 2015, p. 9)

Consequently, the use of cash transfer as a form of humanitarian intervention by these agencies is a realization that a challenge such as a drought "cannot simply be resolved through unilateral national action. International or global cooperation is not an add-on, but an absolute necessity in addressing or managing these challenges" (Acharya, 2016, p. 11). A case that might do much to illuminate how effective these cash transfers are is the 2015 Malawi CT program where the IFRC implemented this policy to mitigate the impact of drought on badly affected communities in the country. Specifically, the IFRC implemented this policy in both Phalombe and Nsanje (Ibrahim et al., 2016). Malawi provides a fruitful avenue of research both because of its circumstances and the availability of independent data that can be used to appraise the IFRC evaluation reports. More specifically, the IFRC in its evaluation reports stated that household food security improved in the

wake of the implementation of the cash transfer program in Malawi. However, the Fourth Malawi Integrated Household Survey (IHS4) and the World Food Program (WFP) Reduced Coping Strategy Index (rCSI) suggest otherwise. Therefore, this study is needed to bring clarity to these reports as well as improve our understanding of the effectiveness of CT programs. To investigate the circumstances under which cash transfers are effective, this study, separated into five chapters, will shed more light on mechanisms such as the existence of markets, price stability, funding, coordination and communication and availability of mobile phones and network coverage.

Overview

This paper is structured into 5 major sections. In chapter 1, I will provide a general background on the role of INGOs in humanitarian intervention. Additionally, I provide information about Malawi and the communities where the CTP was implemented as well as a history of the IFRC and MRCS.

Chapter 2 will explore the nexus between food aid and cash transfer in the food security debate. This will provide information as to why cash transfers are preferred over food aid in addressing food insecurity. Next, I provide information about the origins and evolution of cash transfers globally and how they were brought to Africa.

Chapter 3 of this paper will focus on the theoretical framework. The theoretical framework that explains this paper is the theory of change for cash transfers by Browne (2013). I employ this theoretical model to explain the circumstances under which cash transfers are effective in increasing food security. In particular, this theory will show the mechanisms/ preconditions needed to achieve food security.

In chapter four of this paper, I present my findings. First, I introduce the data findings of the IFRCs cash transfer program and how it was supposed to improve food security. Next, I describe the results of food security from the World Food Program's (WFP) Reduced Coping Strategy Index (rCSI) and the Malawi's 2016/2017 National Integrated Household Survey to refute the findings of the IFRC's evaluation report. In addition, I will also use the WFP's Mobile Vulnerability Analysis and Mapping (mVAM) monthly bulletins to counter the results of the IFRC. The mVAM monthly bulletins provide an update on the state of food security during and after the implementation of the IFRC cash transfer program. Chapter 5 is the concluding section of this thesis. In this section, I summarize what I found and how it answers my research question. I also offer recommendations.

Background

In Malawi, the drought started in early 2015 with prolonged "dry spells in most districts for a period of about four to six weeks between February and March" (Ibrahim et. al., 2016, p. 22). Furthermore, the drought was followed by below average rains in November and December of that year (World Bank et al., 2016). The dry spells were in addition to the floods that had taken place earlier in January 2015 which washed away soil nutrients (Ibrahim et al., 2016). However, the drought of 2015 is not a recent phenomenon. Available literature shows that historically, Malawi has long struggled with drought. According to the World Bank and its research team in its Post-Disaster Needs Assessment (PDNA) (2016) report, since 1980, Malawi "has experienced eight major droughts, affecting over 24 million people in total." (p. 1) While "in the last 100 years, the country has experienced about 20 droughts" (World Bank et al., 2016, p. xvii). Moreover, they follow a familiar pattern as "most drought episodes have occurred in El Niño years, during which the country experiences rainfall deficits" (World Bank et. al., 2016, p. 1). Just like in previous years, the 2015 drought had a major impact on the economy of Malawi.

The World Bank (2016) and its research team noted that "the cumulative impact of drought directly related to GDP is estimated at USD 295.2 million, which is equal to 5.6 percent of Malawi's GDP" (p. xxii). Considering the Malawi's HDI ranking, this impact is huge. As of 2017, the UNDP ranked Malawi 171 out of 189 countries (UNDP, 2018). The agricultural sector "has by far been the hardest hit sector experiencing the largest economic cost due to a significant loss in crop production" (p. xxii). This is hardly surprising because crop production relies on consistent supply of water from rainfall. Hence, IFRC's September 2015 Emergency Plan of Action Final (EPOA) Report on Malawi observed that "Malawi's crop production in the 2015/2016 farming season dropped significantly". (IFRC, 2015, p. 1) In addition, "the districts in Southern region of

Malawi were the worst affected, followed by the Central region and Northern region" (IFRC, 2015, p. 1). The decrease in crop production was not helped by flooding which was caused by heavy rains towards the end of the rainy season (IFRC, 2015).

The delay in the 2015/2016 farming season exacerbated food insecurity in Malawi. According to the World Bank (2016), "there has been a notable increase in the vulnerability to food security and a general decline in living conditions at household and community level associated with significant crop losses, notably maize" (p. xxii). Consequently, the IFRC in its EPOA report observed that "maize production during the 2015/2016 agricultural season had dropped by 12.4%" (IFRC, 2015, p. 1). This was significant compared to figures from the previous year. According to the same report, in the previous 2014/2015 production season, maize production was at 2,776, 277 MT compared to the 2015/2016 where production was estimated at 2,431, 313MT (IFRC, 2015). However, these figures did not meet the national demand for maize in Malawi. The IFRC in its evaluation report and the October 2015 Emergency appeal operation update for Malawi observed that the "national consumption requirement for 2015/16 is 3,000,000 MT of maize" (IFRC, p. 1, 2015 & Ibrahim et al., 2016). Consequently, for the 2015/2016 agricultural season, the estimated maize deficit was 568, 697 MT of maize[1]. This deficit is an example of food insecurity vulnerable households in Malawi were expected to face at the time.

Thus, the IFRC's Emergency Appeal Update on Malawi noted that the poor crop production arising from the drought was expected to "leave more than 2.8 million people in Malawi food insecure for a period between three to eight months from October 2015 – March 2016" (IFRC, p. 1, 2015). The report also adds that:

> Of the 2.8 million people affected, 886,204 are living in the hard-hit flooded districts and 1,947, 008 are in districts affected by poor rainfall. An estimated 20 to 40 percent of

[1] For the 2014/2015 agricultural season, the estimated maize deficit was 223, 723 MT (Ibrahim et al., 2016)

> Malawi's population are in need of humanitarian assistance to help them cope with the acute food shortage. (IFRC, 2015, p. 1)

Against the backdrop of the dire need for humanitarian assistance in Malawi, the IFRC through its national society – the Malawi Red Cross Society proposed a cash transfer program to ensure food security. The CTP was largely unconditional and was aimed at supporting the two most vulnerable communities – Phalombe and Nsanje for a period of five months (Ibrahim et al., 2016).[2]

To ensure food security, the unconditional cash transfer program focused on certain outcomes which include;

Outcome 1: 10,000 beneficiaries (2000 households) receive food assistance over 5 months through cash transfer (Ibrahim et al., 2016, p. 5).

Outcome 2: Livelihoods of 1,000 households are reinforced to build community resilience in targeted regions (Ibrahim et al., 2016, p. 5).

The findings of the IFRC evaluation report shows that the cash transfer program was effective in ensuring food security by increasing food consumption and the proportion of individuals that were able to meet their food needs (Ibrahim et. al., 2016). However, independent sources of data from the Integrated Household Survey and the Reduced Coping Strategy Index by the Malawi National Bureau of Statistics (NSO) and the World Food Program (WFP) respectively suggest otherwise.

Overarching Research Question

- Under what circumstances are cash transfers effective in ensuring food security?

[2] The original plan was to run the program for 5 months (5 cash payments) from November 2015 - March 2016. However due to funding constraints, the first transfer was implemented in December 2015 and only 3 cash transfers were implemented as of February 2016 when the IFRC did its evaluation of the CTP (Ibrahim et al.,2016). The fourth and fifth disbursements were implemented by the Finnish and Swiss Red Cross (Ibrahim et al.,2016).

Sub-question:

- To what extent was the IFRC's cash transfer program able to ensure food security in Phalombe and Nsanje?

Hypothesis

If mechanisms such as markets, price stability, availability and timely disbursement of funds, coordination and communication and availability of mobile phones/network coverage are in place, the Unconditional Cash Transfer (UCT) will be effective in ensuring food security.

Malawi Country Profile

Malawi is located in the Southeastern part of Africa and is subdivided into three main regions: Northern, Central and Southern regions (One World Nations Online, 2019). Within the three main regions in Malawi, there are 28 administrative districts (CIA, 2019). Out of these 28 districts are two districts crucial to this study – Phalombe and Nsanje. According to an Oxford Policy Management country case-study report, the "Phalombe district is in the southeastern corner of Malawi, some 300–400 km from Lilongwe and about 80 km from Blantyre - the main city in the southern region" (O'Brien, 2014, p. 21). The main source of living for residents in Phalombe is subsistence agriculture (O'Brien, 2014). According to Britannica (2019), Nsanje, formerly Port Herald, just like Phalombe is located in the southern part of Malawi. Nsanje's chief products consists of maize, cotton, tobacco and rice (Britannica, 2019).

Economically, Malawi ranks as one of the world's least developed and poorest nations (One World Nations Online, n.d.). Malawi's Human Development Index (HDI) value for 2017 is 0.477— which places the country at the lower end of the human development category (171st out of 189 countries and territories measured) – this is despite an over 40% increase in the HDI

in the same 28-year period. (United Nations Development Program, 2018). Just like most African Nations, "Malawi's economy is based predominantly on subsistence agriculture and small-scale fisheries. Agriculture accounts for 27% of GDP and about 90% of its export revenue. Top exports are raw tobacco (55%), dried legumes, raw sugar, tea and raw cotton" (One World Nations Online, n.d.). Also, the official currency of Malawi is the Kwacha (MWK) (CIA, 2019).

The fact that Malawi's economy is agrarian based is an important reminder why the 2015 drought had a significant impact of Malawi's economy. The agricultural season relies a lot on consistent supply of rainfall for the cultivation of crops and the rearing of animals. When there is a lack of rainfall, crop productivity suffers leading to food insecurity.

International Federation of Red Cross and Red Crescent Societies (IFRC)

The International Federation of Red Cross and Red Crescent Societies was founded in 1919 after the first World War to ensure close cooperation between Red Cross Societies across the world (IFRC, 2019). The IFRC has 190 recognized National Societies with one in almost every country in the world (IFRC, 2019). Thus, the close coordination between Red Cross societies is necessary to ensur5re the swift and efficient provision of humanitarian assistance during periods of conflicts and disasters.

To fulfill its mandate of coordinating humanitarian activities amongst its various national societies across the world, the IFRC's humanitarian intervention is very diverse. The IFRC's humanitarian response transcends the promotion of disaster management, health and community care, social inclusion and peace as well as humanitarian values (IFRC, 2019). By so doing, the IFRC is able to touch the lives of people living in some of the most remote parts of the globe.

One of those places where the IFRC is making an impact is in Malawi through the Malawi Red Cross Society. The IFRC coordinates its humanitarian response in Malawi via the Malawi Red Cross Society (MRCS) which is its national society. The MRCS "is a local humanitarian organization which started its operations in 1932 as the Nyasaland Branch of the British Red Cross. It became a member of the International Federation of the Red Cross and Red Crescent Societies in 1971" (MRCS, 2019, para. 1). According to the IFRC's Emergency Plan of Action Final Report (2015), "the core mandate of the MRCS is to play an auxiliary role to the government through the provision of relief services during disasters" (p. 2). This core mandate is what produced the MRCS's cash transfer program. The implementation of the CTP was in response to the food insecurity that arose as a result of the drought that affected most communities in Malawi. Cash was injected by the MRCS with support from the IFRC and other national societies so as to enable affected populations to meet their food needs.

Methodology

This work employs a document analysis method. This is the most appropriate method to answer my research question because it will help to "uncover meaning, develop understanding and discover insights relevant to the research problem" (Bowen, 2009, p. 29). I will use this systematic procedure to review and analyze both primary and secondary sources of data.

Data Sources

Primary Sources

The three primary sources of data used include the IFRC's Cash Transfer programme evaluation report in Malawi, the Fourth Malawi Integrated Household survey report, and the World Food Program's (WFP) Reduced Coping Strategies Index (rCSI). The first primary

resource, IFRC's evaluation report, sheds more light on how the IFRC implemented the CTP in Malawi and the extent of the program's success. The second primary resource, the Fourth Malawi Integrated Household Report (IHS4), is prepared by the government through the National Statistical Office (NSO). This report "collects information on the consumption patterns of households both in terms of food and non-food over a one-year period" (NSO, 2017, p. iv). Thus, this report provides crucial information on the state of household food security in Malawi after the IFRC CTP ended by using a set of indicators. Some of these indicators include: relied on less expensive or less preferred food, reduced number of meals, restrict consumption of food by adults, the frequency of meals consumed by adults and children, households reporting that they did not have enough food, food shortage during the 12 months preceding the survey (NSO, 2017). While it is evident that the IHS4 was conducted months after the IFRC CTP ended, it provides an indication of how sustainable the IFRC CTP was in addressing food insecurity in both Phalombe and Nsanje. For example, it can tell us if the food security situation in both districts improved after the CTP ended. Facts and figures from the IHS4 can also provide more information about the severity of food insecurity in both Phalombe and Nsanje compared to other districts in Malawi.

In the last primary resource, the WFP rCSI "assesses whether there has been a change in consumption patterns of a given household" (WFP, 2019, p. 1). The rCSI as an indicator of food security is generated in form of a score and consists of a set of coping strategies and severity weightings (WFP, 2019). Consequently, a higher rCSI score shows that households are employing more negative coping strategies (WFP, 2019). The more frequent the use of negative coping strategies, the more severe the state of household food insecurity. In commensurate measure, a lower rCSI score shows that households are employing less negative coping strategies

(WFP, 2019). Thus, less frequent use of negative coping strategies means a less severe state of household food insecurity. Some of the indicators of the rCSI include reliance on less expensive or less preferred food, borrowing food from friends and relatives, limiting portion size at mealtime, limiting adult intake and reducing the number of meals eaten in a day (Maxwell & Caldwell, 2008).

The rCSI is an accurate measure of food security in Phalombe and Nsanje because the rCSI "measures behavior: the things that people do when they cannot access enough food" (Maxwell & Caldwell, 2008, p. 1). Going by this logic, one might be tempted to say that households might employ negative coping strategies as a way of saving money rather than the lack of access to food. There are two major reasons why the use of negative coping strategies in both Phalombe and Nsanje were related to the inability of households to access food. Firstly, independent reports, such as the WFP mVAM December and February monthly bulletins on food security in Malawi, suggest that households were unable to access food during the IFRC CTP due to the volatility of food prices (WFP mVAM, 2015, 2016). Because of the inability access food, households used negative coping strategies to adjust. Secondly, we know theoretically and from other places in the world that vulnerable people worry more about their immediate needs rather than their future needs during emergencies. In other words, rather than worrying about saving money for a future date, which is not certain, vulnerable households will worry more about putting food on the table. For this reason, Duflo and Barnejee (2011) in their Randomized Control Trial (RCT), while analyzing impact of humanitarian aid, observed that vulnerable people exhibit growing trend of time inconsistency. For instance, they both observed that the poor, just like every other human being, struggle to assess risk causing them to focus on the present rather than the future (Duflo & Barnjee, 2011). Thus, the negative coping strategies

adopted by households in both Phalombe and Nsanje during the IFRC CTP are most likely because of the inability of households to access food commodities.

The Fourth Malawi Integrated Household report (IHS4) and the Reduced Coping Strategies Index (rSCI) will provide an independent source of evidence which will either corroborate or refute the findings of the IFRC's cash transfer program in Malawi.

Secondary Sources

This paper relies on secondary sources of data such as journals, articles, books, peer-reviewed articles and websites. These secondary sources of data provide more information on the history of cash transfers, humanitarian intervention, food security, food insecurity, theory of change on cash transfers. In addition, this paper makes use of the WFP's mVAM monthly bulletins. These bulletins provide more information about the state of food security in Malawi during the period of the IFRC's CTP as well as the situation of food security after the IFRC's CTP ended in February 2016. These bulletins will provide information about the volatility of food security in Malawi during and after the implementation of the IFRC's cash transfer program. Also, the mVAM monthly bulletins will provide additional information about the circumstances under which cash transfers are effective in ensuring food security in Malawi.

CHAPTER 2

FOOD SECURITY AND CASH TRANSFERS

What is Food Security?

According to the United Nations' Committee on World Food, food security is a "condition in which all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life". (International Food Policy Research Institute, 2018, para. 1). Smith (2000) and her research team noted that "a person is food secure when he or she has access at all times to enough food for an active, healthy life" (p. 200). In addition, "people are food secure when their consumption of food is sufficient, secure (not vulnerable to consumption shortfalls), and sustainable" (Smith et al., 2000, p. 200 citing Maxwell, 1996).

The importance of achieving food security across the globe cannot be overemphasized. As of 2016, the German Development Institute (2016) citing the Food and Agricultural Organization (FAO) noted that "about 800 million people worldwide – 11% of the global population – suffer from hunger" (p. 2). However, Omamo (2010) and his research team observed that "the world is losing hard-won ground in the fight against hunger" (p.1). In addition to this, Omamo (2010) and his colleagues also observed that the "Millennium Development Goal number 1 to halve extreme poverty and hunger by 2015 is moving rapidly out of sight for countries where its attainment is most urgent" (p. 1). The severity of this problem cuts across all countries of the world regardless of the level of development. For instance, in 2009, "more than a billion people were undernourished, and more than 1.3 billion people were living on less than US$ 1.25 a day per capita, with almost half the world's population on less than US$2 a day"

(Omamo et al., 2010, p. 2). This shows the severity of food insecurity and re-emphasizes the critical role national governments, non-governmental organizations (NGOs) and INGOS have to play to achieve food security.

To this end, several methods have been explored by governments and international non-governmental organizations to achieve food security. Some of these include food aid and food assistance (Cash Transfers).

Cash Transfer Program (CTP)

What is Cash Transfer?

According to the Harvard Humanitarian Initiative (2018), Cash Transfer (CT) refers to "the direct provision of cash to households in order to reduce poverty and vulnerability" (para. 1). Pega and her research team put it differently. Cash transfers can be defined as a series of "cash payments that are provided by formal institutions (governmental, international, or non-governmental organizations) to selected recipients, generally to enable them to meet their minimum consumption needs" (Pega et al, 2015, p.10 citing Garcia, 2012). In addition, "the objective of cash transfer programmes is to protect individuals or households from the impacts of shocks and support the accumulation of human, financial, and productive assets" (Davis et al., 2016, p. 4 citing UNICEF, 2012). Examples of these shocks include food insecurity, economic instability, drought, and flood. These examples show the multifaceted purpose for the implementation of cash transfer programs.

There are two forms of cash transfers – unconditional and conditional cash transfers. Unconditional cash transfers (UCT) refer to cash provided by an agency to people where recipients have the liberty to spend the money as they wish (Harvard Humanitarian Initiative,

2018). On the other hand, conditional cash transfer (CCT) refers to cash provided by an agency to recipients on the condition that recipients fulfil a certain action (Harvard Humanitarian Initiative, 2018). Pega and her colleagues perfectly summarize the difference between these two forms of cash transfers. The difference between the two is that:

> While UCTs do not have any conditions attached to them, with the exception of broadly defined eligibility categories (i.e., only a defined subpopulation such as victims of a disaster are eligible), conditional cash transfers (CCTs) require recipients to fulfil specific prescribed criteria (sometimes also called co-responsibilities), such as using a specific health service or attending an educational institution. (Pega et al., 2015, p.10 citing Garcia, 2012)

Hence, cash transfers for humanitarian purposes can be differentiated by their degree of unconditionality (Pega et al., 2015). While some INGOs and national governments prefer to use CCTs, others prefer the use of UCT. However, in Malawi, the IFRC/MRCS implemented an unconditional cash transfer program.

Food Aid vs Cash Transfers (Food Assistance)

There has long been a strong debate about the efficacy of food aid and cash transfers as mechanisms of humanitarian intervention to address disasters such as drought. Due to the impact of drought in creating food insecurity, some have suggested the provision of food supplies – food aid to meet the food needs of vulnerable people. Alternatively, others have suggested a more effective option - cash transfer as a form of food assistance to enable vulnerable populations meet their food needs.

According to the Omamo (2010) and his co-researchers, food assistance is a form of "interventions designed to provide access to food to vulnerable and food insecure populations. Included in the definition are instruments, such as in-kind food, voucher or cash transfers, to secure access to food of a given quantity or quality or value" (p. 4). This study will focus on cash

transfers specifically Unconditional Cash Transfers since that is the form of food assistance used by the IFRC/MRCS in Malawi.

The efficacy of cash transfers as a form of food assistance over food aid has been highlighted by several authors. For example, Garcia & Moore (2012) noted the logistical advantage of cash transfers over food aid. They both noted that:

> From the perspective of delivery agencies, simplified logistics and storage are key advantages of cash transfers over food. Delivery of food aid is an extremely complex enterprise that involves donation or procurement of appropriate stocks (both nutritionally and culturally); contracting of transportation (in some cases, both internationally and locally); maintenance of temporary storage at each end; assurance of timely delivery; and finally, physical distribution of the stocks, in appropriate quantities, to the right beneficiaries. All these steps require ongoing monitoring to ensure quality, safety, and security throughout the entire chain of delivery. At the recipient's end, the beneficiary receives a good that may be lifesaving during extremely dire circumstances but, at some point in the crisis, may need to be traded at a discount to allow the beneficiary to buy something even more desperately needed. (Garcia & Moore, 2012, p. 95)

Hence, the growing acceptability of cash transfers over food aid is due to the perceived inadequacies of food aid. Garcia & Moore (2012) while identifying the transition from food aid to cash transfers, observed that food aid "was expensive, and logistic challenges meant that it often arrived after households had sold or depleted productive assets to obtain food" (p. 34). This is not surprising. The process involved in transporting food aid to areas where they are needed the most can be very cumbersome. According to the Overseas Development Institute (ODI) (2015), "it usually costs less to get cash transfers to people than in-kind assistance because aid agencies do not need to transport and store relief goods" (p. 8). To buttress its point, the ODI (2015) pointed that "a four-country study comparing cash transfers and food aid found that 18% more people could be assisted at no extra cost if everyone received cash instead of food" (p.8). Hence, there is a lot of cost involved in leasing trucks to move the food commodities from their

originating points to rural areas where they are needed the most. Usually, it is in the rural areas that the impact of food insecurity is felt the most.

Further compounding the efficacy of food aid is the poor state of road infrastructure which can inhibit the smooth and effective transportation of food commodities. Thus, the poor road network can cause an unnecessary delay which can make vulnerable communities to go for days without food. In some cases, the lack of food increases their vulnerability to diseases which can even lead to death. Even in situations where the food supplies get to the destination, it is possible that these supplies might be stolen in transit and sold at local markets. Moreover, the food supplies might be hoarded to create artificial scarcity thereby increasing demand. Increased demand can, in turn, inflate the prices of essential commodities making it difficult for people to buy those commodities. Coupled with this is the fact that the food supplies distributed might not actually be the kind of food that is consumed by the communities affected by drought.

In addition to this:

> Many households receiving food aid are in a state of chronic, rather than temporary, food insecurity. Governments and groups that recognized these issues were some of the first to begin experimenting with transferring cash instead of food. Major CT programs in Ethiopia (the Productive Safety Net Programme's Direct Support component, or PSNP-DS) and Kenya (the Hunger Safety Net Programme, or HSNP) were developed to address this ongoing food insecurity. (Garcia & Moore, 2012, p. 2)

Another justification for cash transfers over food aid is the impact it has on domestic markets in the communities where they are implemented. Garcia & Moore (2012) stated that cash transfers help "to stimulate local markets—a benefit that has both short- and long-term positive effects". These benefits work in various ways. For instance:

> the infusion of cash into local economies may have multiplier effects: it can help farmers reestablish local food production more quickly and efficiently by using some cash for productive inputs and it can improve their prospects of finding buyers of their produce in local markets. (Garcia & Moore, 2012, p. 95)

Cash transfers are also seen to have a major impact on dietary diversity compared to food aid. For instance, the World Food Programme (WFP) observed an increase in dietary diversity when it introduced a cash pilot in Sri Lanka to improve food security in the wake of the 2004 Indian Ocean Tsunami (Omamo et. al., 2010). Similarly, Omamo (2010) and his research team observed that "cash-receiving households are more likely to spend some of their benefits on improving the diversity of their diets, by buying more expensive cereals and larger amounts of meat, dairy products, and processed foods" (p. 79). This evidence shows the advantage of cash transfer over food aid in increasing dietary diversity.

Holmes and Bhuvanendra (2013) also observed that cash transfers can increase household food security through an increase in household income. It can increase the amount of money at the disposal of households. This cash can be used for a wide variety of food objectives. For instance, an increase in household income "can also increase access to food directly by enabling households to purchase food, increasing calorie consumption, and more indirectly by investing income in subsistence farming, through for example, agricultural inputs" (Holmes & Bhuvanendra, 2013, p. iii). Holmes & Bhuvandera also provide additional evidence on the efficacy of cash transfers on food.

> There is strong and consistent evidence that cash transfers increase household access to food, increasing household actual and share of expenditure on food: for the poorest households, a 10% increase in income can improve household food security by 5%, as measured by calories available for consumption. (Holmes & Bhuvandera, 2013, p. iii citing HLPE, 2012)

The multifaceted use of cash transfers to meet household food requirements shows the efficacy of cash transfer as a form of humanitarian intervention. It also highlights the advantages of a cash transfer program over food aid in ensuring food security.

Evolution of Cash Transfers

The efficacy of cash transfers as a means of social protection has its roots in Latin America. Davis (2016) and his colleagues observed that "much of the known evidence of effectiveness of transfer programmes has been from conditional programmes implemented in Latin America" (p.1). Cash Transfer evolved as a means of social protection in the wake of political and economic turmoil in Latin America. Thus, Davis (2016) and his research team indicated that "cash transfer programmes have become a key means of social protection in developing countries and have expanded dramatically, at least in part due to the convincing evidence of their effectiveness" (p. 1). This effectiveness was manifested in various sectors of the economy in Mexico.

The brainchild of the Cash Transfer Program in Mexico was Santiago Levy – a high ranking government official. The cash transfer program was termed *Progresa/Opportunidades* and was implemented in the wake of the extreme poverty prevalent in both rural and urban areas in Mexico at the time (Levy, 2006). The goal of *Progresa* was to address rising poverty levels and inequality through the infusion of cash in such areas such as nutrition, health and education (Levy, 2006). However, there was a certain degree of conditionality attached to these objectives. Levy (2006) noted that vulnerable household members got cash as long as they met certain conditions such as seeking preventive health care and enrolling children in schools. To achieve these goals, the *Progresa/Opportunidades* made use of a point-based system to identify vulnerable household members. The point-based system was crucial to the success of the program. Levy (2006) observed that the point-based system helped administrators and program organizers to know the demographics of each household such as gender, age, educational level, number of children and the level of household's access to basic amenities such as electricity and

water. Because of the use of the point-based system, the *Progresa/Opportunidades* led to so many positive results such as increasing school enrollment, improving household consumption and savings, improving the nutrition and diet of children as well as empowering women (Levy, 2006).

Without a doubt, the success of the program in Mexico and other places across the globe has culminated in the gradual evolution of the program as a form of humanitarian intervention to address a myriad of issues on the African continent. Some of these issues include, natural disasters, poverty, hunger, low educational attainment and malnutrition amongst others. The evolution of CT on the African continent will be discussed in greater detail as this literature progresses further.

However, there is a major difference between the Cash transfer that evolved in Latin America and Africa.

> One key characteristic of the majority of the transfer programmes in Sub-Saharan Africa (SSA) is that they are unconditional. This runs in contrast to many of those promoted elsewhere, particularly in Latin America, where conditions usually linked to child health and schooling behavior are placed in order to maintain status in the programme. There has been some attempt at experimentation in using conditions (e.g., Kenya, although it could not be properly implemented) and some stated conditions (e.g., Ghana, for some groups) although these have not been enforced so at most might be referred to as soft conditions; currently the Productive Social Safety Net in Tanzania is one of the few government programmes that invokes punitive conditions in SSA. (Davis et al., 2016, p. 6)

In CCT, "there are clear incentives to spend on health and education and basic foods since receipt of the transfer is conditional on health and education behavior" (Davis et al., 2016, p. 6). For instance, in Mexico, the CCT program was contingent on recipients seeking preventive care and enrolling children in primary schools (Levy, 2006). To this end, CCTs have emerged as an "important tool for redistribution to the poor, reducing poverty, increasing consumption, and

improving children's access to school and health facilities" (Davis et al., 2016, p. 3). On the other hand, while UCTs also focus on diverse objectives, they are not contingent on a particular behavior.

With UCTs, recipients have the complete liberty to use the funds based on their diverse needs. According to Pega (2016) and her research team, "one objective can be to prevent malnutrition among targeted individuals or groups by reducing food insecurity" (p. 9). To achieve this goal of reducing food insecurity, recipients have unlimited access to use the funds to buy food commodities from the market to feed their families. Furthermore, Pega and her research team indicated that:

> UCTs can be used to support, protect, and rebuild livelihoods after a disaster has occurred. For example, they may prevent recipients from engaging in unfavorable coping strategies such as the selling of productive assets and investments that may reduce future earning potential" (Pega et al., 2015, p. 11).

Thus, cash transfers are evolving as a key component of food assistance used by national governments and a host of international humanitarian organizations to address food insecurity across the globe. In no place has the widespread use of cash transfer been more prevalent than in sub-Saharan Africa (SSA).

Cash Transfers in Sub-Saharan Africa

Africa is a continent that is home to 54 independent nations. Africa consists of people from various ethno-linguistic and cultural backgrounds. The continent has a rich heritage, history and culture. Despite the rich cultural background of Africa, the continent is still plagued by a variety of socio-economic and political challenges. These challenges include poverty, unemployment, political instability, social unrest, natural disasters, inflation, increasing infant mortality rate amongst others. Against the backdrop of these challenges, African governments, non-governmental organizations (NGOs), international non-governmental organizations in recent

times, have adopted a wide range of strategies which aims at mitigating the impact of these challenges on households and communities.

One of such strategies is the Cash Transfer Program. The use of cash transfers in Africa gradually gained prominence due to the failure of other forms of humanitarian intervention to address some of the aforementioned challenges. For instance, Garcia & Moore (2012) observed that "cash transfers arose in Sub-Saharan Africa as recognition grew that some other types of aid were not effectively achieving their goals. For example, emergency food aid was responding to famines, but it was failing to contribute to food stability" (p. 12). This led to the injection of cash by African governments which aimed at increasing access to food.

Consequently, "many Sub-Saharan African programs have objectives related to food security. Those objectives reflect the region's relatively recently begun transition from emergency food aid to regular cash transfers and the recurrent extreme food insecurity confronted by many on the continent" (Garcia & Moore, 2012, p. 78). Another conundrum in the need to tackle food insecurity is the huge financial outlay that comes with food aid, hence the gradual use of cash transfers. For example, in Ethiopia, food aid cost an "average of US$265 million from 1997 through 2002" (Garcia & More, 2012, p. 12). This financial outlay can put enormous strain on the ability of poor countries to tackle certain socio-economic challenges.

Garcia & Moore (2012) also observed how the increasing weakness of social welfare programs in most African countries has contributed to the growth of cash transfers. They both pointed that:

> The ability of informal safety nets to protect individuals has weakened considerably in the face of increased demands brought on by the HIV/AIDS crisis. Certain groups—especially orphans and vulnerable children (OVC)—have been especially vulnerable to these changes. These problems are compounded when considered jointly with other sources of vulnerability and poverty in the region, such as exclusion, patronage politics, insecure property rights and landlessness, environmental degradation, and conflict stemming from ethnic differences. (Garcia & Moore, 2012, p. 12)

Based on this, one of the factors accounting for poor implementation of social welfare programs is the lack of concerted efforts by African governments. According to Garcia & Moore (2012), lack of effort on the part of governments is manifested in the limited statutory allocation to welfare programs. For instance, "spending on social protection has typically been about 0.1 percent of gross domestic product (GDP) in Sub-Saharan African countries, whereas this number is approximately 5.7 percent of GDP for North Africa and the Middle East" (Garcia & Moore, 2012, p. 31,32 citing Coudouel and others 2002). Given the population of African countries, that allocation is too low to bring about the desired improvement in the quality of life.

Garcia & Moore (2012) also stated how the "growing recognition that social protection is important, both for the well-being of vulnerable groups and for a country's overall economic health, has led to increased attention to how programs can protect the vulnerable and encourage their inclusion in the economy" (p. 32). Thus, the realization of the impact of huge investment in social welfare programs such as what is obtainable in other parts of the world is one of the factors that culminated in the growth of cash transfer programs in Africa.

Additionally, another factor that contributed to the growth of cash transfer program in Africa is the global financial meltdown that occurred in the first decade of the 21st century (Garcia & Moore, 2012). Although the global financial crisis originated from North America and Europe, it had far reaching implications on the African continent.

> For instance, from 2007 through early 2009, threats of financial collapse and global recession, food shortages, and rising food and fuel prices drew donors' attention to the need to mitigate the effects of these crises on vulnerable groups. Global leaders and individuals on the ground called for increased social protection for groups affected by the crises to help them cope with current and potential future adverse shocks. Better social protection measures were seen as a means to achieve pro-poor growth and the Millennium Development Goals (Garcia & Moore, 2012, p. 32 citing European University Institute 2010).

Thus, this crisis underscored the importance of providing protection to the most vulnerable population on the African continent.

Because of the need to provide an insurance to protect vulnerable populations from shocks, concerns over persistent poverty and low human capital has also led to the growth of cash transfer programs in Africa (Garcia & Moore, 2012). This is manifested in the number of people living below the poverty line. Garcia & Moore (2012) pointed out that "the share of people living on less than US$1.25 purchasing power parity per day in Sub-Saharan Africa is consistently higher than in all other regions of the world" (p. 33). This is further compounded by the frequent occurrence of natural disasters on the African continent. To this end:

> Recurrent famines exacerbate vulnerability in Sub-Saharan Africa. Drought and famine increase susceptibility to malnutrition, which remains a major concern for children under five in many countries in the region. Nutrition deficits are a major concern for young children, for whom food crises can have irreversible consequences in cognitive ability and future productivity and wages. (Garcia & Moore, 2012, p. 33)

However, the unintended consequences of drought and famine is food insecurity which adds a whole new dimension to the vulnerability debate especially because most African economies are predominantly agrarian. Garcia & Moore (2012) noted that "limited diversity in livelihoods increases households' reliance on subsistence agriculture for their survival and leaves them exposed to serious food security risks" (p. 34). The underdeveloped nature of markets also worsens the food security situation. The rudimentary nature of markets has culminated in price fluctuations (Garcia & Moore, 2012). Similarly, price fluctuations have in turn taken its toll on vulnerable populations which has culminated in the creation of several cash transfer programs (Garcia & Moore, 2012). One of such programs was adopted in West Africa. Garcia & Moore (2012) both observed that "Senegal's Child-Focused Social Cash Transfer was created as a

temporary response to sharp increases in food staple prices that resulted, in part, from rising world prices" (p. 34).

Consequently, policy makers on the African continent have earmarked cash transfers as a possible solution. Garcia & Moore (2012) observed that given "the success of cash transfers in other parts of the world, stakeholders have increasingly asked whether CT programs could address the complex challenges present in Sub-Saharan Africa" (p. 12). Some African countries have test-run cash transfers by initially starting pilot programs to examine its strengths and weaknesses. They have implemented the program on a lower scale within certain districts before implementing it on a bigger scale nationally. Some of these programs and their objectives are highlighted in the table below:

Table 1 Distribution of cash transfer programs in Africa

Country	**Name of Cash Transfer Program**	**Objective**
Botswana	Botswana Program for Destitute Persons.	To ensure that the government provides minimum assistance to genuinely destitute persons to ensure their good health and welfare.
Burundi	Burundi UNHCR (Office of the United Nations High Commissioner for Refugees) Cash Grants.	To encourage and support repatriation of Burundian refugees residing in Tanzania.

Eritrea	Eritrea Results-Based Financing.	To improve the health outcomes of mothers and children in rural areas of Eritrea by increasing the use of health facilities and services, improving children's health outcomes, and increasing the coverage and quality of health services.
Ethiopia	Ethiopia Productive Safety Net Programme.	To provide households with cash or food transfers to help meet their food needs and protect them from depleting their assets, and to build productive assets in communities to decrease the causes of chronic food insecurity.
Kenya	Kenya CT for OVC.	To provide regular cash transfers to households with orphans and vulnerable children to encourage fostering and retention of such children in households within

		communities and to promote their human capital development.
Malawi	Malawi Social Cash Transfer.	To decrease poverty, hunger, and starvation in all households that are ultra-poor, and, at the same time, labor constrained.
Nigeria	Nigeria Kano Conditional Cash Transfer for Girls' Education	To increase education levels of girls in Kano state to improve progression toward the Millennium Development Goals of universal primary education and gender equality.
Zambia	Zambia Kalomo Social Cash Transfer.	To decrease poverty, starvation, and hunger of targeted households, and to generate information about the viability of a social cash transfer program in Zambia.

Noted: Reprinted from "*The Cash Dividend -The Rise of Cash Transfer Programs in Sub Saharan Africa" by* Garcia & Moore, 2012, p. 76, 77 Retrieved from http://documents.worldbank.org/curated/en/435291468006027351/pdf/672080PUB0EPI0020Box367844B09953137.pdf

The table above shows that African governments in collaboration with international non-governmental organizations have adopted cash transfer programs as a form of social protection.

These programs were implemented by these governments to improve the quality of life of people in their various countries. However, for CTPs to work effectively in any given setting, certain pre-conditions must be in place. These pre-conditions will be explained in the following chapter.

CHAPTER 3

UNDER WHAT CIRCUMSTANCES ARE CASH TRANSFERS EFFECTIVE?

According to Bailey (2013), there are many factors that are important when considering the appropriateness of cash in any given context including markets, communities, cost, risk, gender and the impacts of different transfers on households. To investigate the circumstances under which cash transfers are effective, this study will focus on mechanisms such as the existence of markets, price stability, availability and timely disbursement of funds, coordination and communication, and availability of phones and mobile network coverage. The theory of change for cash transfers by Evie Browne explains how these mechanisms are crucial to the effectiveness of cash transfers.

Theoretical Framework

Theory of Change for Cash Transfers

According to the Center for Theory of Change (2019), the theory of change links outcomes and activities to explain how and why the desired changes are expected to come about. Thus, the theory of change seeks to explain how and why change happens as a result of cash transfers (Center for Theory of Change, 2019). To explain the theory of change for cash transfers, Browne (2013) borrowed from Devereux & Sabates-Wheeler's concept of transformative social protection. Social protection involves the provision of income or consumption transfers to the poor, to protect the vulnerable against livelihood risks and enhance the social status and rights of the marginalized (Devereux & Sabates-Wheeler, 2004). Thus, cash transfers are part of a broader social protection strategy, which aims at tackling both immediate needs and creating a more sustainable long-term social protection system (Browne, 2013).

Consequently, cash transfers are a form of social protection that insulates vulnerable households and communities from various types of shocks.

Figure 1 Theory of Change – Flow Chart (Browne, 2013)

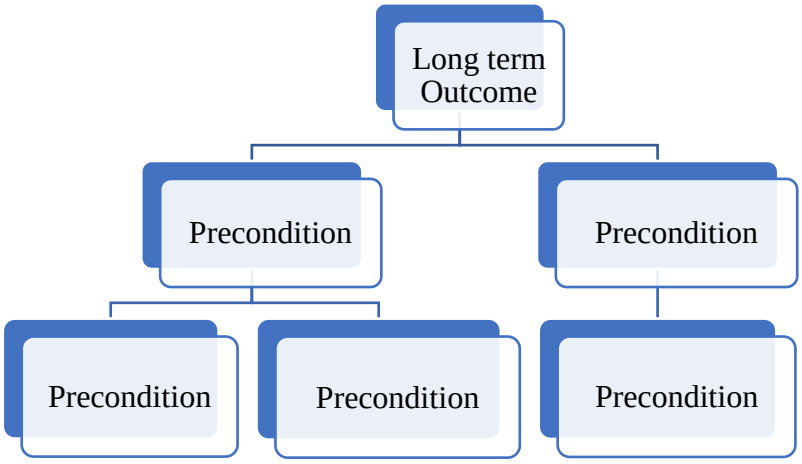
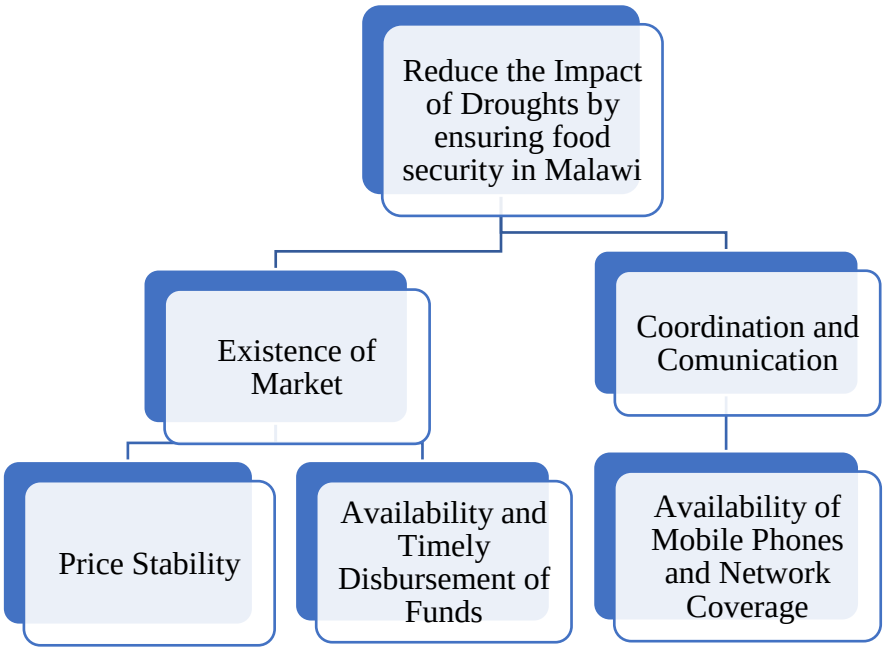


Figure 2 Cash Transfer Program according to the Theory of Change



According to the theory of change by Evie Browne, cash transfer performs a wide variety of functions. Browne (2013) observed that, cash transfer increases access to credit thereby providing more certainty and security in consumption. In addition, “cash increases income,

which allows purchase of better-quality food, leading to increased food security and diet quality" (Browne, 2013, p. 6). Increased access to cash also has an influence on vulnerable households. Cash transfer "promotes resilience through impact on behavior" (Browne, 2013, p. 2). Resilience here implies strengthening the ability of households to cope during food insecurity through the injection of cash. When cash is given to households, it is expected to lead to a change in behavior such as eliminating the frequent use of negative coping mechanisms. These mechanisms include borrowing of food by households, reducing the number of meals eaten daily, and eating food of lower quality (Maxwell & Caldwell, 2008). A change in behavior can also be reflected in the consumption of a wide variety of food commodities thereby increasing household dietary diversity. As previously indicated in Chapter 2, cash transfers give households the freedom of choice to buy various types of food while food aid might limit households to a certain type of food item.

According to the theory of change, for cash transfers to lead to a change in behavior – improved household food consumption and dietary diversity, certain pre-conditions or mechanisms must be in place. Figure 1 shows the theory of change flowchart. The chart shows the long-term goal and necessary preconditions. Figure 2 is an interpretation of chart in figure 1. The long-term outcome is to ensure food security in Malawi specifically Phalombe and Nsanje through the provision of unconditional cash transfers (food assistance). However, to achieve this long-term outcome of food security, certain preconditions must be in place. These preconditions include existence of markets, price stability, availability and timely disbursement of funds, coordination and communication and availability of mobile phones and network coverage. For instance, markets are critical because they provide households with a place to buy a wide variety of food commodities with the cash they have received. Price stability is essential because it

enables households to buy commodities at a reasonable price relative to the cash they have received. Price fluctuations or an increase in the price of food items after cash has been distributed to vulnerable households greatly limits what households can buy from the markets. The program must be well funded by the agency or organization in charge to achieve program objectives. In addition, the cash must be distributed in timely manner within a stipulated cycle. Coordination and communication within the INGO and between the INGO and volunteers on ground is crucial to the effectiveness of cash transfers. This will ensure that any challenges faced on ground are communicated effectively through the appropriate channels to the relevant unit. Lastly, availability of mobile phones and network coverage is important in the communities where the CT is implemented. Availability of mobile phones and network coverage will ensure that recipients receive cash transfer notifications after which they proceed to the cash distribution points. These pre-conditions are further explained in detail.

Pre-conditions

Pre-condition: Existence of Markets

According to Garcia & Moore (2012), "where markets are operating efficiently, cash transfers are argued to be the superior choice" (p. 95). Accessibility to market as a factor to ensure the effectiveness of cash transfers is largely informed by the rationale for the cash transfers. As stated earlier in chapter 2, cash transfers are used by national governments as well as humanitarian organizations for a wide variety of objectives. Some of these objectives might be focused on increasing food consumption, reducing poverty or strengthening community resilience. However, a cash transfer program that is anchored on increasing food security and improving household consumption will need to take into consideration the availability of markets and proximity of recipients to markets. This is because most of the food commodities are sold in

the markets and if markets are not easily accessible by beneficiaries, then the chances of cash transfers increasing food security will be severely hampered. To demonstrate the importance of markets in CTP, the WFP during its Emergency Operation (EMOP) in Sri Lanka after the 2004 tsunami observed how the presence of well-integrated food markets, large numbers of wholesalers, traders and active regional markets contributed to the success of the EMOP which aimed at ensuring food security (Omamo, et al., 2010).

Closely tied to proximity to markets is the availability of essential commodities in the markets. Markets provide an opportunity for beneficiaries to buy a wide variety of food supplies. In Sri Lanka, Omamo (2010) and his colleagues observed that "rural markets also had linkages with the central markets for obtaining adequate supplies of imported foods such as sugar and pulses. In general, the markets were not facing any significant bottlenecks and were capable of meeting increased consumer demand" (p. 87). This evidence shows how the availability of food items in the market contributes to the success of the cash transfer program.

The United Kingdom's Department for International Development (DFID) observed how the availability of commodities in markets led to the success of Bolivia's cash transfer program (BONOSOL) (DFID, 2011).

According to DFID:

> Recipients of Bolivia's BONOSOL programme in poor rural areas experienced an average increase in food consumption of almost 165 percent of the value of the transfer. This was achieved through the investment of part of the transfers in much needed agricultural inputs. Conversely, where markets are not able to respond by increasing supply in this way, cash transfers can have a negative impact by pushing up local prices. (DFID, 2011, p. 23).

UNICEF in its evaluation of cash transfer as a means of social protection intervention emphasized on the importance of markets to increase access to food (UNICEF, 2015).

The UNICEF evaluation report observed that:

> A key enabling factor for food access is market functionality: the accessibility of supply to meet the improved demand of households receiving transfers. The market for food is normally widespread, responsive to local tastes, quick to adapt with more or better supplies if demand increases, and accessible with small amounts of money. It is ideally designed to meet transfer beneficiaries' needs. But when the market is constrained, the benefits can disappear. (UNICEF, 2015, p. 11, 12)

Consequently, markets must be well stocked and equipped to deal with increased demand from potential buyers. When this happens, households stand a better chance having access to food because of reduced prices of food commodities.

Pre-condition: Price Stability

Just like existence of markets, price stability is another important pre-condition for unconditional cash transfers to be effective in increasing food security. As noted earlier, when analyzing the importance of markets, prices of essential commodities tend to spike when supply does not match demand (Holmes & Bhuvanendra, 2013). This can sometimes lead to price volatility. When supply matches demand, prices of food commodities have a chance of being stable but when demand outstrips supply, the price of food commodities increases. The effects of price volatility on households and the efficacy of a cash transfer program is manifested many ways.

Gentilini (2016) observed that the price volatility can turn a program that "was efficient in the design stage into a cost-inefficient program during implementation" (p. 6). At the household level, price volatility can outrightly prevent households from getting food items in the market. Generally, "prices can increase due to a general price inflation, seasonal cycles, or 'price spikes' associated with famines" (Sabates-Wheeler & Devereux, 2010, p. 274). Thus, an increase in the price of food commodities can undermine the value of the cash beneficiaries receive. For

instance, before an Organization A gives a cash transfer of $10 to beneficiary A, the price of commodity X could be $8. However, after receiving the cash, the prize of commodity X suddenly increases to $12. Automatically, the $10 cash transfer to beneficiary A becomes insufficient because the price of commodity X has increased. Thus, beneficiary A will have to look for a commodity of lower quality or wait for the price of commodity X to drop. In other situations, beneficiary A can adopt several negative coping strategies which include borrowing of food from neighbors, reducing the proportion size of meals or reduce the number of meals eaten a day to adjust to the price increase of commodity X.

Gentilini (2016) also observed that price volatility can have "an influence on beneficiaries' preferences" (p. 6). Thus, price volatility negatively affects the purchasing power of households. It will prevent households from buying a variety of food commodities. This in turn affects household dietary diversity. The increase in the use of negative coping strategies and a reduction in household dietary diversity shows the role that price volatility plays in driving up food insecurity. Gentilini (2016) citing Ellis and Manda (2012) noted that "predictable price seasonality has been recognized as one of the key drivers of food insecurity in Africa. For example, in Malawi, analysis on price trends over 20 years show mean inter-seasonal price fluctuations in the order of 60 percent" (p. 7).

The same price fluctuations were observed in the Productive Safety Net Programme (PSNP) that was launched by the Government of Ethiopia in January 2005 (Sabates-Wheeler & Devereux, 2010). Sabates-Wheeler & Devereux (2010) observed that in the first year of the implementation of the PSNP, grain prices rose significantly higher than normal in Meket, Ethiopia. There were multiple reasons for this.

> Firstly, traders failed to respond promptly to demand signal following injections of cash into local communities. Secondly, instead of being regular and predictable, cash disbursements were late and arrived in unpredictable lump-sums, resulting in price spikes due to demand surges when food supplies were scarce. Thirdly, some traders allegedly exploited cash recipients by charging excessive profit margins. Fourthly, many farmers who received cash transfers withheld their grain from the market, since they no longer needed to sell produce to meet essential expenses. (Sabates-Wheeler & Devereux, 2010, p. 275 citing Kebede, 2006)

Based on this evidence, Sabates-Wheeler & Devereux, (2010) citing Kebede (2006) arrived at the conclusion that increases in prices of commodities in Meket prevented beneficiaries from purchasing the necessary food basket.

Several solutions have been proffered as a way out of the price volatility quagmire. Firstly, domestic markets should be equipped and stocked adequately. This will ensure that they meet the demand from consumers. Another option is to "index-linking cash transfers to food prices, such as in the DECT program in Malawi" (Gentilini, 2016, p. 7). This approach "protected household food security until prices started falling just before the next harvest, [although] it required a degree of administrative and budgetary flexibility that is inconceivable for most governments and donor agencies" (Gentilini, 2016, p. 7, as cited in Devereux, 2012).

Pre-condition: Availability and Timely Disbursement of Funds

Every project relies on successful funding. When projects are adequately funded, the chances of attaining the objectives of the project are greatly increased leading to the success of the project. Cash transfer programs are not an exception.

O'Brien and her research team (2014) while carrying out research on the economic impacts of cash transfer programme in Sub-Saharan Africa observed how delays in payment during cash transfers can affect the efficacy of a cash transfer program. This delay was observed

during the evaluation of the effect of the Malawi Social Cash Transfer on Education (SCTP) in the Salima district of Malawi (O'Brien et al., 2014).

> Households who wished to spend more money on education were unable to do so because the transfer arrived at the wrong time, too late for the start of school in September; those households had in fact to withdraw their children from school owing to a lack of funds. (O'Brien et al., p. 39)

According to Barrera-Osorio (2017) and his research team, the delays in disbursement of payments are striking. A simple change in the timing of disbursement has long term implications on education enrollment (Barrera-Osorio et al., 2017). A delay in the disbursement of funds during cash transfers can exacerbate the use of negative coping strategies. For instance, O'Brien (2014) and her co-researchers observed how delays in payments in Phalombe district of Malawi led households to involve school-age children in *ganyu* – casual day labor during school hours as a survival strategy "especially after the long delay in disbursement in 2013" (p. 42). In some situations, the effects of delays in disbursement were more severe.

> The long delay in payment of the cash transfer in 2013 had caused some households to cease enrolling their children in school altogether. A key informant in Khonthi, Salima, observed that some girls from beneficiary households had managed to reach secondary school with the assistance of the cash transfer, but that because no funds were available in September, they abandoned their studies because they were not able to pay the fees. (O'Brien et al., 2014, p. 42)

While these observations of the delay in payments in Malawi are not related to food security, the idea can be extrapolated to explain how availability and timely disbursement of funds is crucial to ensure the efficacy of a cash transfer program in ensuring food security. For instance, the O'Brien (2014) and her colleagues observed that "delays in payments could have a dramatic adverse effect on household's ability to buy food" (p. 39). In particular, "the long payment delay in 2013 was said to have caused beneficiaries to express despair" during the Social Cash

Transfer Program in Malawi. The effect of the delay in cash disbursements were expressed in the supposed comments of beneficiary. In Khnothi, Salima, one of the beneficiaries, commented:

> "Cash disbursement is delayed; we shall die of hunger." (O'Brien et al., 2014, p. 39)

In addition, another beneficiary that lived in Chabuka, Phalombe reflected on their experience running out of food.

> "'The food ran out on the 8th October'. Between that date and receipt of the transfer, he reported having survived on vegetables and handouts from neighbor." (O'Brien et al.,2014, p. 39)

The experience of the beneficiary presented above is an example of how delay in disbursement of payment can force households to adopt negative coping strategies. The beneficiary in Chabuka, Phalombe adopted negative coping mechanisms such as eating less quality/less preferred foods and borrowing from neighbors. Thus, cash transfer programs targeting an increase in household food security have a higher chance of success when they are adequately and properly funded and when the disbursement of funds are timely.

Pre-condition: Availability of Mobile Phones and Mobile Network Coverage

The availability of mobile phones and network coverage is another important mechanism or precondition needed for the success of cash transfer programs. Mobile phones have reduced the cost and risk involved in traveling over a long distance for business transactions. Families and friends across the globe are also adopting mobile technology – audio and video conferencing, SMS and multimedia messages to stay in touch with one another. Because of this importance, humanitarian organizations are exploring how mobile technology can be adapted to make the delivery of humanitarian aid more effective.

Thus, mobile phone technology is increasingly part of the humanitarian logistics used by relief agencies to deliver humanitarian aid in the 21st century to some of the most remote locations of the world (Abushaikha & Schumann-Bölsche, 2016). In addition to this,

> Humanitarian logistics aims to reduce the suffering of the affected population, especially in aftermaths of the acute or permanent disasters and crises. It is that part of humanitarian aid which should bring the right products of humanitarian aid, to the right (most affected) people, at the right time (quickly), in the right (good) quality, in the right amount (as needed), and to the right costs (with regard to efficiency). (Abushaikha & Schumann-Bölsche, 2016, p. 191)

Consequently, Abushaikha & Schumann-Bölsche (2016) noted how the government of Sierra Leone in collaboration with a local phone provider and the IFRC sent out health reminders in the wake of the West African Ebola crisis. On the other hand, the WFP sent out text surveys to monitor food security in Guinea, Liberia and Sierra Leone (Abushaikha & Schumann-Bölsche, 2016). Feedbacks from such surveys help make the provision of humanitarian aid more effective and efficient.

Given the general efficacy of mobile phones in the provision of humanitarian aid, mobile phone technology is increasingly being used in the provision of cash during cash transfer programs. Abushaikha & Schumann-Bölsche (2016) noted that Kenya was the first country in the world to use mobile phones for cash transfers in the wake of the 2008 post-electoral violence. The use of mobile phones in cash transfers has had a tremendous impact on addressing food insecurity. Abushaikha & Schumann-Bölsche (2016) indicated how "mobile phone technology offers a unique and empowering approach to efficiently deliver assistance to the most vulnerable people living in insecure and remote rural areas where adequate supplies of food are locally available" (p. 194). This is partly because it is easier to deliver cash safely through mobile technology than physically. Secondly, it is much more secure to receive cash electronically. Martin (2011) noted that "it is also easier to track payments if they are sent electronically, which

can reduce corruption and increase confidence that the right amount of money ends up with the right individuals" (para. 1)

However, receiving cash electronically can only happen when there is a mobile telecommunications operator, when proposed beneficiaries have mobile phones and when there is mobile network coverage in the area where the cash transfer is being implemented. Abushaikha & Schumann-Bölsche (2016) observed that "a mobile operator must be integrated into the project supporting bulk electronic cash transfer system via SMS (without the necessity of bank accounts) and a registration process must be developed" (p. 196). Proposed beneficiaries of cash have to register their mobile numbers with not only the mobile phone operators but also with the agency coordinating the cash transfer. By registering their numbers with the agency, beneficiaries receive alerts when the cash is transferred. Once beneficiaries receive the alerts, they go to registered mobile money agents in their area/district to get the cash.

Pre-condition: Coordination and Communication

Every project requires personnel to achieve its core objectives. To achieve those core objectives, the INGO implementing a cash transfer program must have personnel in terms of quality and quantity. This is important because a CTP is usually implemented in various districts or regions of a country, hence there is a need for massive staff strength to coordinate activities of the INGO in each district where the program is implemented. In a CTP, some of the personnel can include volunteers and paid employees of the INGO. These personnel can perform a variety of functions including working with mobile money agents, monitoring the CTP at designated cash distribution points to ensure that households are not benefiting at the expense of others, or even observing how the process of cash disbursement to households can be further improved. An

INGO must also coordinate and organize the activities of its personnel to ensure they are all working in tandem to realize the core objective of the CTP.

In addition to coordination is the need for communication. According to Youngupstarts (2017), “great communication is at the heart of every successful project, business or otherwise” (para. 5). Cash transfer programs are not an exception to this project management rule. To achieve coordination and communication, volunteers and INGO employees operating in the field need effective feedback mechanisms where they can provide an update about how the CTP is impacting the lives of beneficiaries to the organization. Beneficiaries also need an avenue to provide feedback to the organization especially when it pertains to any grievances harbored towards the CTP. Receiving feedback from beneficiaries will enable the INGO to have an unbiased view of the CTP. When feedback is forthcoming from both beneficiaries and INGO staff, the INGO is better placed to improve the provision of humanitarian aid. For instance, in a cash transfer program dedicated to improving food security, when there is an effective feedback mechanism, beneficiaries and volunteers on the ground can provide information to the INGO on increase in the price of food items. Accordingly, the INGO can respond by increasing subsequent cash transfer payments to reflect the increase in the price of food items. This, in turn, will reduce the chances of households using negative coping strategies due to their inability to afford food commodities.

On the other hand, from the INGO perspective, effective communication can also ensure that INGO keeps its staff and volunteers working in the field updated about any important decisions taken at hierarchical level. These decisions could relate to changes in the objectives of the CT program, a change in the payment schedule of cash to beneficiaries or even an impending termination of the program.

In sum, the existence of markets, price stability, availability and timely disbursement of funds, availability of mobile phones and network coverage and coordination and communication are essential preconditions which are needed for CTP to be effective in ensuring food security. Based on Browne's (2013) theory of change model, these are the preconditions necessary to achieve the long-term outcome of food security. Without these preconditions, achieving the long-term outcome will be nigh impossible. In the next chapter, I explore how this theoretical model investigates the extent to which the IFRC cash transfer program was effective in ensuring food security. More specifically, this theory will provide an explanation of why the IFRC CTP was insufficient to ensure food security in both Phalombe and Nsanje.

CHAPTER 4

FINDINGS AND ANALYSIS

To what extent was the IFRC's cash transfer program able to ensure food security in Phalombe and Nsanje?

Overview of the IFRC/MRCS Cash Transfer Response

As previously mentioned in chapter one, the 2015 drought in Malawi affected the agricultural production season. The drought had a negative impact on food security. Consequently, the IFRC, through its national society in Malawi, implemented a CTP to mitigate the impact of food insecurity on vulnerable households.

The IFRC/MRCs response to address food insecurity in both Phalombe and Nsanje focused on two outcomes:

Outcome 1: 10,000 beneficiaries[3] (2000 households) receive food assistance over 5 months through cash transfer (Ibrahim et al., 2016, p. 5).

Outcome 2: Livelihoods of 1,000 households are reinforced to build community resilience in targeted regions (Ibrahim et al., 2016, p. 5).

To achieve these outcomes the IFRC, in its Emergency Appeal Operation Update on Food Insecurity, proposed a CTP covering a period of five months from November 2015 to March 2016 (IFRC, 2015). To successfully execute the CTP, the MRCS relied on funding from the IFRC. According to the Emergency Plan of Action (EPOA), the total amount budgeted for

[3] The total population of Phalombe is 231, 990 (Ibrahim et al., 2016). In Phalombe, the total number of people designed to benefit from the program was 1,000 households (5,000 beneficiaries) which represents 2.16% of the people targeted (Ibrahim et al.,2016). On the other hand, the total population of Nsanje is 194, 924 (Ibrahim et al.,2016). In Nsanje, the total number of people designed to benefit from the program was 1,000 households (5,000 beneficiaries) which represents 2.57% of the people targeted (Ibrahim et al., 2016). This shows that the program was designed to serve a small proportion of the population in the two districts (Phalombe and Nsanje).

the appeal was CHF 749,268 (IFRC, 2015). However, the MRCS received a Disaster Relief Emergency Fund (DREF) of CHF 74,900[4] to kickstart the operation to meet the immediate needs of vulnerable communities (IFRC, 2015). The monthly cash transfer program initially aimed at providing each household with "43 Swiss Francs per household per month over 5 months" (Ibrahim et al., 2016, p. 13). The cash transfer value was calculated based on the prices of a standard food basket (50kg bag of maize, 5kg beans, 2 liters of cooking oil) at the time (Ibrahim et al., 2016). As of December 2015, when the actual disbursement of the CT started, 43 CHF was equivalent to MWK 25437.64 (Fx-rate, 2019). However, the amount beneficiary households got was different.

According the IFRC evaluation report, during the focus group discussions (FGD) and beneficiary satisfaction survey (BSS), "the beneficiaries indicated that they received the following amounts: first (MK 14,000-18,000), second (MK 16,500) and third transfer (MK 17,500)" (Ibrahim et al., 2016, p. 15). The reason for this might not be unconnected to the supposed grievances of beneficiaries towards the CTP. Ibrahim (2016) and his co-researchers, while evaluating the IFRC CTP noted that, some of the beneficiaries were asked to share a part of the cash with village committee members so that they could remain on the project as a beneficiary although this was later addressed by the assistant project officer. Furthermore, beneficiaries interviewed noted that "it was their village's arrangement that those who were on the project as beneficiaries should be surrendering a portion of their money to a pool to support other equally deserving but not targeted households". (Ibrahim et al., 2016, p. 17). This

[4] Based on IFRC calculations, the total humanitarian staple food needed to support the affected population was estimated at 124, 183 metric tons of maize, equivalent to Malawi Kwacha (MK) 18.6 billion (if sourced locally) (Ibrahim et al., 2016, p. 22). According to Fx-rate currency converter, as at June 2015, when the identification of food insecurity in the affected communities started, MK 18.6 billion was equivalent to CHF 39,542,168.39 (Fx-rate, 2019). This shows that the 74,900 provided to the MRCS to kickstart the operation was too little in comparison to the amount needed to meet the food needs of the affected population.

arrangement must have been done to ensure a level playing field between beneficiaries and non-beneficiaries. In addition, the evaluation report by Ibrahim (2016) and his colleagues also indicated that the MRCS deducted MWK 2,450 to cover the cost of providing 1,000 phones although the report did not mention if this was deducted per household.

Despite the IRFC's original intent of disbursing funds for five months, they were only disbursed for three months (Ibrahim et al., 2016). The IFRC stated in its final evaluation report that the actual disbursement started a month late in December 2015 running up to February 2016 (Ibrahim et. al., 2016). The reason for the delay was due to an underfunding of the Emergency Appeal (EA) (Ibrahim et. al., 2016). According to the IFRC evaluation report, the delay in payments was due to the IFRC funding procedure. This was occasioned by the late liquidation of flood funds given that an Emergency Appeal for floods was also being implemented at the same time of CTP operation (Ibrahim et al., 2016). Additionally, out of the five months, "only 3 cash transfers were implemented as opposed to the earlier planned 5 disbursements. The Finnish and Swiss Red Cross funded the cash transfer for the remaining 2 months (4th and 5th disbursement)" (Ibrahim et al., 2016, p. 12). This shows that the MRCS was not adequately funded by the IFRC.

To achieve the goals of the CTP, the MRCS targeted the most vulnerable members of the two districts – Phalombe and Nsanje. Based on the IFRC evaluation report, the three cash transfers were "implemented successfully, and all 2,000 targeted households were reached. Responses from the beneficiaries indicate that the cash transfers were highly relevant and welcome" (Ibrahim et al., 2016, p. 23). This information shows that outcome 1 of the CTP was achieved and successful. In addition, the IFRC also provided additional information to justify the success of the program in addressing food insecurity.

According to the evaluation report of Ibrahim (2016) and his research team, there was an improvement in household meal consumption; from two meals to three meals a day. There was also an improvement in households meeting their dietary and diversity needs (Ibrahim et. al., 2016). This diversity needs included the ability of households to buy a variety of food commodities. Households also reported their lives had also changed because of investment in food-related business (poultry and goat rearing) (Ibrahim et. al., 2016). According to Ibrahim (2016) and his colleagues, "when the beneficiaries were asked if they were satisfied with the way the program was being implemented in meeting their needs, 77% of the respondents reported that they were satisfied with the project" (p. 20). Findings from the evaluation report also reveal that beneficiaries of the CTP in both Phalombe and Nsanje spent a larger proportion of the cash on food (Ibrahim et. al., 2016). This was followed by expenses on basic household items, education, clothing, hygiene items, debts and agricultural inputs (Ibrahim et. al., 2016).

Although Outcome 1 of the emergency appeal was successful, outcome 2 was never implemented (Ibrahim et al., 2016). Outcome 2 aimed at strengthening community resilience through the provision of agricultural inputs such as hybrid seeds of maize, groundnuts and beans, and fertilizers to farmers (Ibrahim et al., 2016). The failure to implement Outcome 2 was attributed to the underfunding of the Emergency Appeal Malawi Drought Operation by the IFRC (Ibrahim et al., 2016).

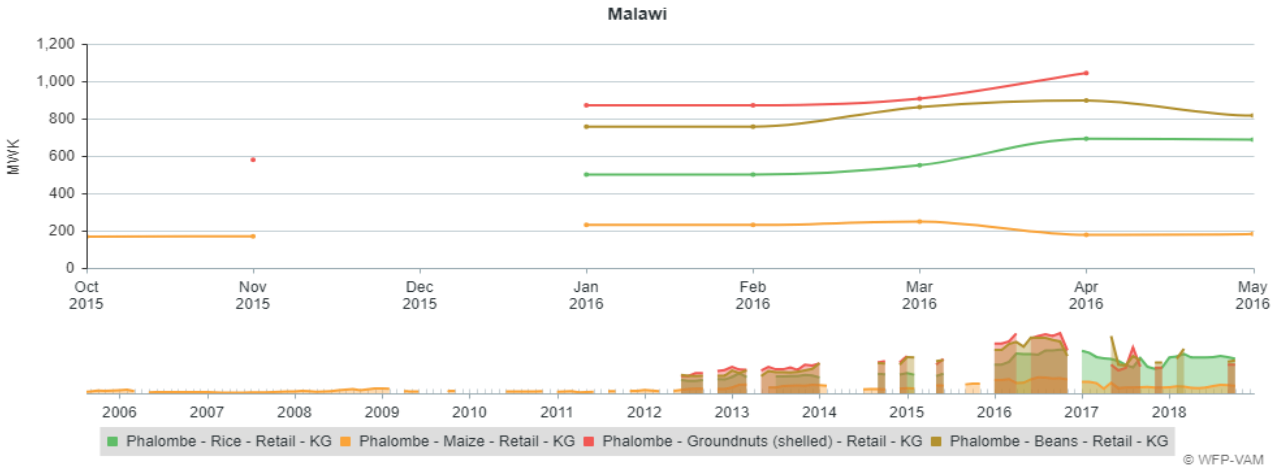
The IFRC evaluation report by Ibrahim (2016) and his research team stated that the CTP program was successful in helping beneficiaries to meet their immediate needs through the provision of cash transfer, thereby ensuring food security. However, independent reports from the WFP mVAM and the Malawi integrated household survey suggests that food security did not improve during and after the CTP in both Phalombe and Nsanje.

The WFP Mobile Vulnerability Analysis and Mapping (mVAM) Monthly Report

December 2015

The World Food Program started publishing monthly reports about the food security situation in Malawi in December 2015 (WFP, 2019). As previously noted, the IFRC cash transfer program did not start on its original target date in November 2015 but started in December 2015 (Ibrahim et al., 2016). According to the WFP mVAM December 2015 bulletin, "national average maize prices have doubled year-on-year, driving down people's ability to purchase food" (WFP mVAM, 2015, p. 1). The increased cost of food had an intended consequence on the ability of households to purchase food, thereby worsening the food security situation. The WFP mVAM (2015), in its December bulletin, noted that high prices were hampering food access in Southern Malawi where Phalombe and Nsanje are both located (WFP mVAM, 2015, p. 1). In the following sections, figure 3 through figure 10 shows the trends in food security situation in Phalombe and Nsanje during and after the IFRC CTP.

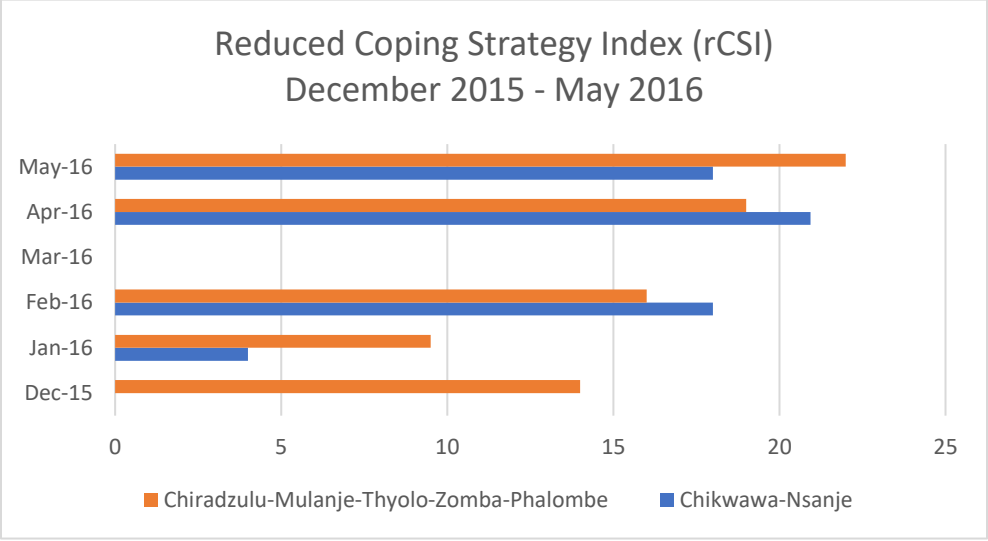
Figure 3 Prices of Commodities in Phalombe October 2015 – May 2016



Note: Reprinted from "mVAM Food Security Analysis Economic Explorer" by WFP mVAM, 2019. Retrieved from http://dataviz.vam.wfp.org/economic_explorer/prices

Figure 3 shows the prices of essential commodities (Rice, Maize, Groundnuts, and Beans) in Phalombe from October 2015 – just before the start of the IFRC CTP to May 2016 – a few months after the completion of the CTP. This chart shows a general increase in the price of essential commodities in Phalombe from October 2015 to February 2016 – the end of the CTP. More specifically, the WFP mVAM economic explorer reveals that the price of maize increased from 167 MWK in October 2015 to 170 MWK by November 2015 (WFP mVAM, 2019). While no figures were collated in December 2015, the WFP mVAM in its monthly bulletin for December 2015 report noted a general increase in prices of food commodities across all districts in Malawi (WFP mVAM, 2015).[5]

Figure 4 Median rCSI December 2015 - May 2016



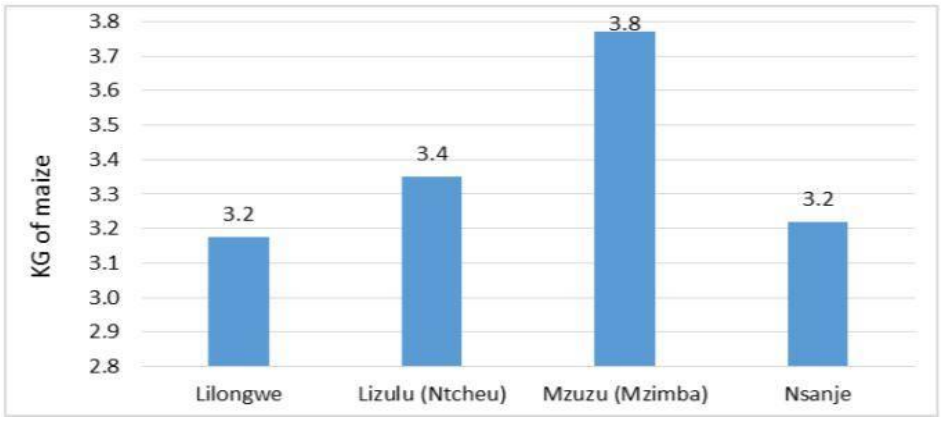
Note: Reprinted from "mVAM Food Security Analysis Economic Explorer" by WFP mVAM, 2019. Retrieved from http://vam.wfp.org/mvam_monitoring/DataBank_Csi.aspx?iso3=mwi

[5] While the price data index of food commodities in Phalombe were available on the WFP mVAM Economic Explorer between October 2015 to May 2016 per figure 3, the price data index for food commodities were unavailable for Nsanje for the same time frame. However, the WFP mVAM in its monthly bulletins for December 2015 noted high maize prices (WFP mVAM, December 2015). In addition, there was a major increase in the price of Maize across all districts including Phalombe and Nsanje from January 2016 to February 2016 (WFP mVAM, February 2016). Information from these bulletins demonstrates that there were high food prices in Nsanje.

The high food prices led to the use of negative coping strategies in Phalombe. For instance, the WFP mVAM in its December (2015) bulletin observed that the Blantyre-Mwanza-Neno-Balaka aggregated district in the southern region coped significantly less (rCSI = 8) than the Chiradzulu-Mulanje-Thyolo-Zomba- Phalombe aggregated district (rCSI = 14).[6] This shows that the Chiradzulu-Mulanje-Thyolo- Zomba-Phalombe aggregated district was more food insecure compared to the Blantyre-Mwanza-Neno-Balaka district.

An increase in the price of commodities can also limit the purchasing power of households. This was shown in the WFP mVAM December (2015) bulletin which noted the high maize prices were affecting purchasing power in the southern region of Malawi, especially in Nsanje. The high prices of maize were largely informed by poor maize harvest of fall 2015 (WFP mVAM, December 2015).

Figure 5 Purchasing Power of Selected Districts in Malawi - December 2015



Note: Reprinted from "Malawi December 2015: Concerns for Food Security in the South" by WFP mVAM, December 2015, p. 3 Retrieved from https://documents.wfp.org/stellent/groups/public/documents/ena/wfp280131.pdf

[6] The bar chart illustrated in figure 4 shows that the median rCSI of the Chiradzulu-Mulanje-Thyolo-Zomba-Phalombe region is 14. However, because the WFP started publishing the mVAM's rCSI in December 2015, it is difficult to predict if this was an increase or a decrease in rCSI relative to previous months. However, the WFP mVAM December (2015) bulletin suggested an increasing concern for food security as a result of the high rCSI in most districts. In addition, rCSI observations from the aggregated districts of Chikwawa-Nsanje were not presented for the month of December due to low sample sizes (WFP mVAM December Bulletin, 2015)

Figure 5 shows that respondents in Nsanje could only afford to purchase 3.2kg of maize compared to Mzuzu where respondents had the highest household purchasing power (3.77 kg of Maize) (WFP mVAM, December 2015). The low purchasing power (3.2kg of Maize) reported in Nsanje shows how an increase in food prices can also affect the purchasing power of vulnerable households. Consequently, the decrease in purchasing power heightened food insecurity for the month of December 2015.

In sum, information from WFP mVAM's December (2015) bulletin, as well as figures from the rCSI for December 2015, show an increasing concern for food security in the southern part of Malawi – Phalombe and Nsanje where the IFRC cash transfer was implemented. The food security situation was heavily influenced by the increase in food prices across Malawi. Thus, the increase in the price of food commodities shows the importance of price stability in not only increasing access to food but ensuring food security.

January 2016

Unlike December 2015 when there were concerns for food security in Malawi, in January 2016, the food security situation improved markedly. Figure 4 shows that the rCSI had improved for Phalombe (rCSI = 9.5) compared to the rCSI of 14 in December 2015. However, because, there were no observations for the Chikwawa-Nsanje aggregated district by the WFP mVAM for December 2015, it is difficult to conclude if the food security situation improved or not in Nsanje. However, figure 4 shows that for the month of January, the rCSI for Chikwawa-Nsanje was 4 which is considerably lower than 9.5 reported for the Chiradzulu-Mulanje-Thyolo-Zomba-Phalombe region for the same month.

The WFP mVAM in its January 2016 bulletin provides a summary of the improvement in the food security situation.

> In this round, the southern region was using slightly fewer negative coping strategies (median rCSI = 10) than the northern and central regions (median rCSI = 12) and than last month (rCSI = 13; $p < .05$). In the southern aggregated district of Chiradzulu-Mulanje-Thyolo-Zomba-Phalombe the median rCSI fell from 14 to 9.5, indicating that people were better off ($p < .05$). (WFP mVAM January 2016, p. 2)

According to the WFP mVAM January (2016) bulletin, the reason for an improvement in the food security situation was because of humanitarian assistance – food and cash distribution. However, the report does not specify the organizations that were providing the humanitarian assistance, but since the month of January covers the period of the cash transfer program (CTP) implemented by the IFRC/MRCS, it is likely that the IFRC CTP is also part of what is driving the improvement in food security. Going by this logic, in the preceding month of December 2015, when the IFRC CTP started in both Phalombe and Nsanje, food security should have also improved. This begs the question of what accounts for the difference in the food security situation between December 2015 and January 2016.

Apart from cash distribution, food distribution also played a role. However, it is unlikely that the IFRC was able to provide food aid during the CTP. According Ibrahim (2016) and his co-researchers, the beneficiaries that were interviewed during the evaluation reported only receiving non-food items (NFI) such as kitchen sets, shelter tool kits, tarpaulin and blankets.[7] The provision of non-food items was partly due to the fact that the IFRC was also providing

[7] The inability to distribute food items can be attributed to poor funding. Furthermore, the IFRC as part of Outcome 2 had initially planned to distribute agricultural inputs such as cassava cuttings and sweet potato vines to strengthen community resilience but as a result of poor funding, this outcome was dropped by the IFRC. (Ibrahim et al., 2016). Beneficiaries that were interviewed by the IFRC evaluation team led by Ibrahim (2016) noted that they only received agricultural inputs from the government and other humanitarian agencies operating in the area.

humanitarian assistance to people affected by flood at the same time of the CTP operation (Ibrahim et al., 2016).

While the WFP mVAM January bulletin did not state the organizations providing humanitarian assistance in Malawi, the IFRC CTP evaluation report indicated that other NGOs in Malawi were either providing cash transfer or food aid within the same period of IFRC/MRCS CTP (Ibrahim et al., 2016). Some of these NGOs include CAMFED, Adventist Development and Relief Agency (ADRA), the Malawi Social Cash Transfer Program (SCTP) and the Goal Malawi Cash Transfer Program in Nsanje (Ibrahim et al., 2016). In addition, the IFRC in its Emergency Appeal Operational Update for Malawi on Food Security also stated that it conducted regular stakeholder meetings prior to the onset of the CTP with the government and these NGOs (IFRC, 2015). The rationale for these meetings was to provide a platform for INGOs to share their plans as well as modalities for the transfers to avoid overlapping and double targeting of beneficiaries (IFRC, 2015). Despite this arrangement, the sheer number of NGOs providing humanitarian assistance in both Phalombe and Nsanje makes it difficult to disaggregate the effects of multiple interventions. However, the independent data - rCSI & IHS4, that this study relies on, reveals that by the end of the IFRC CTP, food security did not improve in both districts. Consequently, since overall outcome was not improved food security, regardless of which intervention was most successful, none were successful enough to achieve their objective.

The improvement in food security situation demonstrates that while the month of January 2016 falls within the implementation of the CTP by the IFRC/MRCS, it is unlikely that the IFRC/MRCS cash transfer was the sole driving factor behind an improvement in the food security situation. Furthermore, beneficiaries during the IFRC evaluation did not report receiving food items from the IFRC/MRCS. On one hand, the improvement in food security for the month

of January 2016 was informed by food distribution from other humanitarian agencies in addition to the IFRC's CTP. On the other hand, the change in food security situation shows that cash can be effective when combined with food distribution. This ties directly into Gentilini's (2016) theory. To address household food insecurity, Gentilini (2016) proffered a solution of delivering "transfers half in cash and half in food" (p. 7). To buttress his point, Gentilini (2016) citing Devereux and Jere (2008) noted that "in Swaziland, a program was designed in 2007/08 where people were given a half ration of food (maize, beans, and oil) plus equivalent in cash, each month for 6 months from November 2007 until harvest of April 2008" (p. 7).

February 2016

Compared to the month of January 2016 where there was a significant improvement in the food security situation in Phalombe and Nsanje, in February 2016, the food security situation worsened. Nowhere was this more manifested than in the reduced coping strategy index(rCSI) for February 2016. According to the WFP mVAM February (2016) bulletin, "Chiradzulu-Mulanje-Thyolo-Zomba-Phalombe district experienced the highest rCSI increase (68%) from January 9.5 to February 16" (p. 1). Chikwawa-Nsanje also showed a similar increase. According to figure 4, in Chikwawa-Nsanje, there was an increase in rCSI from 4 in January 2016 to 18 in February 2016. This shows that compared to January 2016, more households in both Phalombe and Nsanje were employing more negative coping strategies and therefore, were more food insecure. A combination of factors such as an increase in the price of food items as well as the effects of the lean season, accounted for the deteriorating food security situation in February 2016.

The WFP mVAM (2016) in its February bulletin observed that the "national level deterioration in rCSI levels is likely attributable to the lean season and record high food

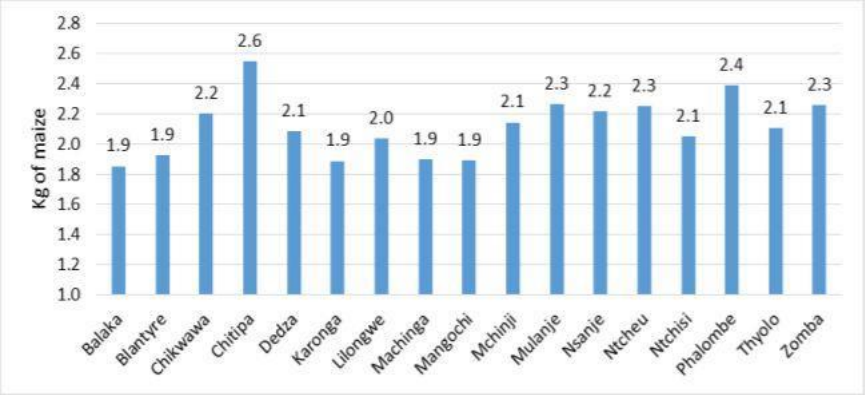
commodity prices" (p. 2). Figure 6 shows an upward progression in the prices of maize in both Phalombe and Nsanje from January 2016 to February 2016.

Figure 6: Price increase of 1kg of maize across districts, 1 February 2016 – 8 February 2016

Note: Reprinted from "Malawi February 2016: Increase in food insecurity as food prices spike" by WFP mVAM, February 2016, p. 2 Retrieved from https://documents.wfp.org/stellent/groups/public/documents/ena/wfp281851.pdf

The increase in prices of maize was occasioned by the unavailability of maize in most districts and poor harvest due to lack of rains (WFP mVAM, 2016). In addition, manual labor wage was lower because of insufficient rain has reduced labor demand (WFP mVAM, 2016). Low rainfall led to poor crop production which in turn diminished labor opportunities (WFP mVAM, 2016). This is hardly surprising because Malawi is generally an agrarian society where a lot of people make a living through farming. Just like the month of December 2015, purchasing power reduced in Malawi in February 2016. The WFP mVAM (2016) noted in its February bulletin that "purchasing power has dropped by 20 to 30 percent since January, likely because of the steep increase in maize prices throughout the country coupled with the end of the peak demand for labor." (p. 3). Figure 7 provides additional information about the drop in purchasing power in each district.

Figure 7: Purchasing power by district February 2016



Note: Reprinted from "Malawi February 2016: Increase in food insecurity as food prices spike" by WFP mVAM, February 2016, p. 2 Retrieved from https://documents.wfp.org/stellent/groups/public/documents/ena/wfp281851.pdf

Figure 7 shows that the purchasing power for maize in February 2016 had dropped significantly compared to December 2015. For instance, in Nsanje, people could only afford 2.2kg of maize compared to December 2015 where people could afford 3.2kg of maize. Figure 7 also shows that in Phalombe, people could only afford 2.4kg of maize.

Figure 4 shows an upward trend in the use of negative coping strategies in both Phalombe and Nsanje from April 2016 through May 2016 even after the IFRC's CTP program had ended in February 2016. The increase in the prevalence of negative coping strategies after the conclusion of the IFRC/MRCS CTP as indicated by the rCSI can be largely attributed to a continued increase in the price of essential food commodities in the markets in Phalombe. Figure 3 shows that except for the price of maize that dropped in April and May 2016 following a brief increase in March, the prices of other commodities such as beans, rice and groundnuts continued to soar from March 2016 to May 2016. For instance, according to the WFP mVAM (2019) economic explorer, in Phalombe, the price of rice increased from 550.3 MWK in March 2016 to 692.5 MWK in April 2016 although this figure dropped to 686.7MWK in May 2016. Likewise, in

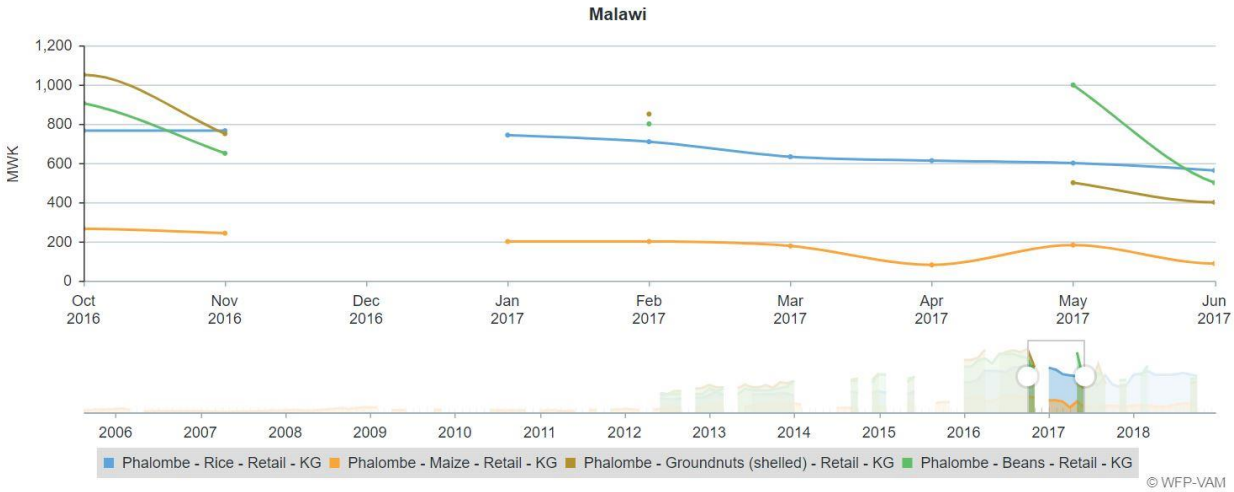
March 2016, the price of beans increased from 862 MWK in March 2016 to 897 MWK in April 2016 although this figure dropped to 815.5 MWK in May 2016 (WFP, mVAM, 2019). The price of groundnuts also increased from 906.67 MWK in March 2016 to 1043.9 MWK in April 2016 although no figures were reported in May 2016 (WFP, mVAM, 2019). This evidence shows that even after the IFRC/MRCS CTP had ended in February 2016, the food security situation continued to worsen as illustrated by the continuous rise in rCSI in both Phalombe and Nsanje.

To further corroborate the role of price stability in ensuring food security, the WFP mVAM (2017) in its February 2017 bulletin, about a year later, reported a decrease in prices of food commodities especially maize. This decrease was observable in the southern part of Malawi (WFP mVAM, 2017). For instance, figure 8 shows a general decrease or stability in the prices of food commodities from October 2016 through May 2017, except for Maize that recorded an increase in April 2017.[8] Correspondingly, there was a decrease in the use of negative coping strategies as well as an increase in purchasing power by districts. Figure 9 also shows an increase in purchasing power of Maize from January 2017 to February 2017 in both Phalombe and Nsanje. (WFP mVAM, 2017). According to the WFP mVAM's February (2017) bulletin, food prices decreased because of the "beginning of the harvest season in the southern districts as households began to depend on their own production in addition to humanitarian aid" (p. 5). Because of the decrease in the prices of food commodities, the use of negative coping strategies by households reduced markedly. Figure 10 shows a general reduction in the rCSI in the aggregated districts of Chiradzulu-Mulanje-Thyolo-Zomba-Phalombe and Chikwawa-Nsanje between the month of January 2017 and May 2017. The continuous reduction in rCSI reflects the

[8] The prices of food commodities were not reported by the WFP mVAM Economic Explorer for December 2016. Also, the price of beans and groundnuts were not reported for the Month of January, March and April 2017 by the WFP mVAM Economic Explorer. Figure 8 also illustrates that there was also a brief increase in the price of groundnuts and beans for the month of February 2017 although those prices had dropped by May 2017.

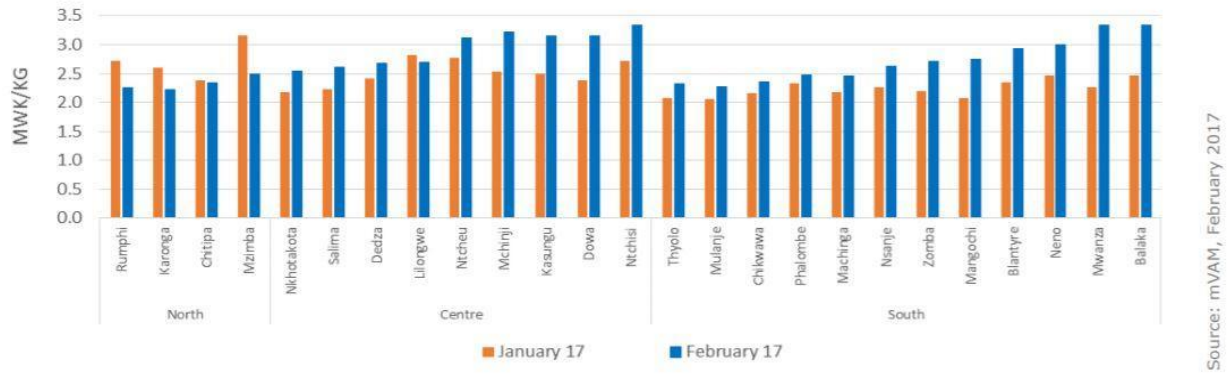
improvement in the food security situation in both Phalombe and Nsanje. The food security situation improved because of a decrease in the price of essential commodities.

Figure 8 Prices of Food Commodities in Phalombe October 2016 – May 2017



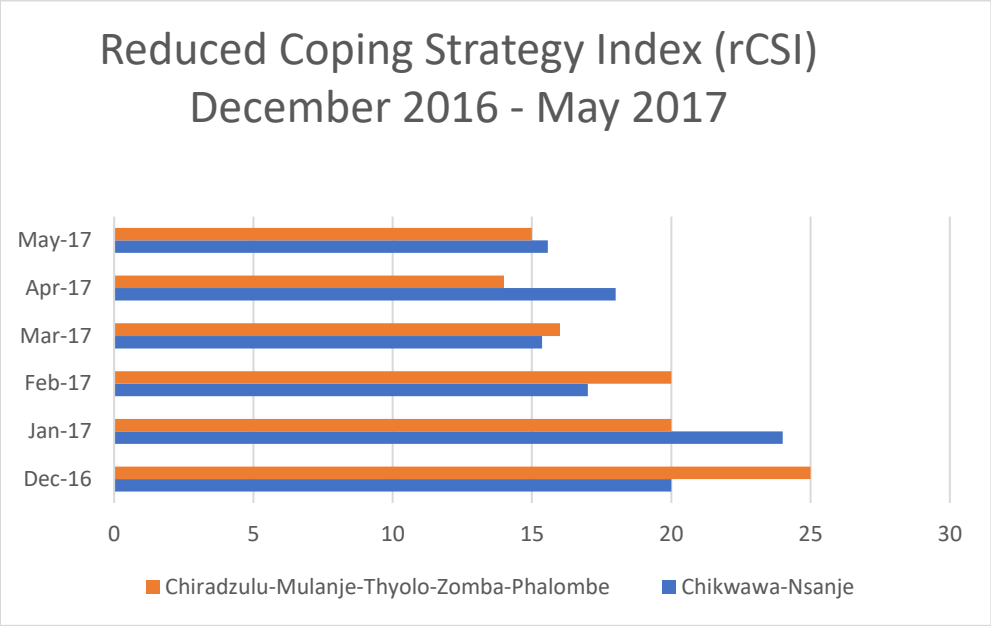
Note: Reprinted from "mVAM Food Security Analysis Economic Explorer" by WFP mVAM, 2019. Retrieved from http://dataviz.vam.wfp.org/economic_explorer/prices

Figure 9: Purchasing power by district (kg of maize per day's labor) January 2017 – February 2017



Note: Reprinted from "Malawi February 2017: Maize prices fall as the harvest starts in the southern region" by WFP mVAM, February 2017, p. 4 Retrieved from https://documents.wfp.org/stellent/groups/public/documents/ena/wfp291342.pdf

Figure 10 Median rCSI December 2016 - May 2017



Note: Reprinted from "mVAM Food Security Analysis Economic Explorer" by WFP mVAM, 2019. Retrieved from http://vam.wfp.org/mvam_monitoring/DataBank_Csi.aspx?iso3=mwi

In sum, the evidence presented by the WFP mVAM rCSI and monthly bulletins shows that through the period of the IFRC/MRCS CTP (December 2015-February 2016) in both Phalombe and Nsanje, the situation of food security was volatile. The volatility of food security situation was largely informed by the increase in the prices of food commodities in the market. As the price of essential food commodities continued to increase from October 2015 through May 2016, the use of negative coping strategies as indicated by the rCSI was more frequent. January 2016 was the only exception and that was because of cash transfer and food distribution.

The Fourth Integrated Household Survey Report (IHS4) (2016/2017)

The Malawi Integrated Household Survey Report 4 (IHS4) provides information about food security situation in all the districts in Malawi. The survey was carried out by the National Statistical Office (NSO) with support from the World Bank between April 2016 and April 2017

(NSO, 2017). Consequently, this report will provide an overview of the food security situation in Phalombe and Nsanje after the IFRC/MRCS CTP ended in the February 2016.

Definitions

High Food Security

High food security is defined as "households that did not experience any concern about accessing enough food and did not alter their quality, variety, and quantity or eating patterns" (NSO, 2017, p. 185).

Marginal Food Security

Marginal food security is defined as households that had concerns about the "adequacy of food supply but the quantity, the variety, and the eating patterns were not disrupted" (NSO, 2017, p. 185).

Low Food Security

Low food security is defined as households that might have been concerned about not having access to enough food and subsequently "reduced the quality and variety of the food consumed but the quality of food intake and normal eating patterns were not disrupted" (NSO, 2017, p. 185).

Very Low Food Security

Very low food security is defined as households that experienced "multiple indications of disrupted eating patterns and reduced food intake. They report reduction in food quality, variety, quantity and frequency of food consumed" (NSO, 2017, p. 185). In addition, "consumption by

adults could have been restricted in order for small children to eat and could also depend on food assistance from relatives or friends" (NSO, 2017, p. 185, 186).

Food Security Assessment

According to the IHS4 report, "a large proportion of the population in Malawi experienced high food insecurity during the week prior to their interview" (NSO, 2017, p. 186). According to the IHS4 report, 61 percent of the population in Malawi experienced very low food security (NSO, 2017). Table 2 shows the food security status of the various districts in Malawi in the week prior to the survey including Phalombe and Nsanje

Table 2 Food security status by districts in the week prior to survey 2016/2017.

	Food Security Status				
Districts	**High**	**Marginal**	**Low**	**Very Low**	**Total**
Chitipa	24.4	2.4	20.8	52.4	100
Karonga	26.1	1.7	13.5	58.7	100
Nkhata Bay	16.8	2.3	14.7	66.1	100
Rumphi	22.7	2	15.4	59.9	100
Mzimba	20	3.6	11	65.4	100
Likoma	20.8	5.5	10.9	62.7	100
Mzuzu City	31.8	8.8	16	43.4	100
Kasungu	16.9	3.3	14.4	65.4	100
Nkotakota	19	2.7	16.2	62.1	100
Ntchisi	21.3	1.3	11.6	65.8	100
Dowa	12.3	4.8	17.3	65.6	100
Salima	19.3	1.7	17.5	61.5	100
Lilongwe	26	1.7	9.8	62.5	100
Mchinji	32.2	1.3	4.3	62.2	100
Dedza	18.5	1.1	13.8	66.6	100
Ntcheu	19.8	3.6	14.5	62.1	100
Lilongwe city	36.7	5.5	14.2	43.6	100
Mangochi	15.9	1.5	18.2	64.5	100
Machinga	8.9	0.4	4.3	86.5	100
Zomba	6	2	3.5	88.4	100
Chiradzulu	28.2	2.4	10.9	58.4	100
Blantyre	39.7	3	8.2	49.1	100
Mwanza	39.6	3.5	6.4	50.6	100
Thyolo	26.8	1.9	13.3	58	100
Mulanje	24.1	2.6	12.3	61.1	100
Phalombe	12.4	2.4	11.9	73.3	100
Chikwawa	12.5	2.3	9.2	76.1	100
Nsanje	9	1.6	5.3	84.1	100
Balaka	15	1.1	17	66.9	100
Neno	37.8	2.6	6.1	53.5	100
Zomba City	29.5	2.2	9.3	58.9	100
Blantyre city	57.9	3.4	5.9	32.8	100

Note: Reprinted from "*Fourth Integrated Household Survey (IHS4) 2016-2017*" *by National Statistical Office (NSO),* 2017, p. 187,188 Retrieved from http://www.nsomalawi.mw/images/stories/data_on_line/economics/ihs/IHS4/IHS4%20REPORT.pdf

Table 2 above illustrates that in Phalombe, 12.4 percent had high food security, 2.4 percent had marginal food security, 11.9 percent had low food security and 73.3 percent had very low food security. On the other hand, in Nsanje, table also shows that 9 percent had high food security, 1.6 percent had marginal food security, 5.3 percent had low food security and 84.1percent had very low food security. These figures show a high level of food insecurity in both Phalombe and Nsanje. In addition, it shows that both Phalombe and Nsanje had an increasing proportion of households that experienced multiple indications of disrupted eating patterns and reduced food intake (NSO, 2017).

Food Security and Livelihood Strategies

Table 3 shows the population that was food insecure in the 7 days preceding the household survey by coping mechanisms (NSO, 2017). The NSO (2017) indicated that about 64 percent of the general population in Malawi relied on less expensive or less preferred foods as a coping mechanism, 48 percent reduced the portion size of the food they consumed, 46 percent reduced the number of meals they consumed, 24 percent reduced food consumed by adults to meet the food needs of children and 30 percent borrowed food from relatives. The National Statistical Office (2017), observed that "Nsanje reported the highest proportion of the population who reduced the number of meals as a mitigation measure (75 percent)" (p. 189). Also, at the district level, Ntcheu reported the least proportion of the population restricting the consumption of adults while Nsanje had the highest proportion of adults (63 percent) who adopted this mechanism (NSO, 2017).

Table 3 Population that was food insecure in the 7 days preceding the survey by coping mechanisms 2016/2017

	Coping Mechanisms				
Districts	**Relied on less preferred or less expensive food**	**Limit Portions**	**Reduced number of meals taken**	**Restrict consumptionby adults in order for small children to eat**	**Borrow food, or rely on help from a friend or relative**
Chitipa	69.3	40.8	41.3	14	17.7
Karonga	65.2	48.5	47.8	17.9	17.1
Nkhata Bay	70	51.1	46.2	25.6	24.2
Rumphi	68.3	47.3	42.8	22.5	22.4
Mzimba	65.1	56	46.6	24.9	23.3
Likoma	63.3	46.5	39.6	23.7	31.3
Mzuzu City	54.6	34	29.1	16.1	13.6
Kasungu	66.9	43.5	43	18.7	34.9
Nkotakota	67.8	47.3	46.2	15.3	28.1
Ntchisi	61.2	49.9	51.5	22.7	29.4
Dowa	69.9	43.7	39.2	15	33.9
Salima	62.4	45.7	44.9	25.2	26.1
Lilongwe	57	50.5	44.8	22.1	29.4
Mchinji	64	56.8	55.4	28.4	36
Dedza	72.9	41.1	56.4	25.1	35.7
Ntcheu	72.2	34.4	52.3	11.6	27.1
Lilongwe city	47.6	33.9	28.9	17.3	16.9
Mangochi	78	57.7	46.2	19.1	29
Machinga	85.1	74.2	73.5	49.8	52.9
Zomba	80.3	75.7	74.1	50	44.7
Chiradzulu	58.7	43.7	40.2	15.1	28
Blantyre	46.2	37.5	35.3	17.4	26.6
Mwanza	46.5	40.1	34.4	18.6	28
Thyolo	63.8	46.3	50.3	25.2	31.5
Mulanje	63.7	50.4	44.2	21	30.4
Phalombe	66.4	55.1	53.4	24.9	38.4
Chikwawa	81.8	65.9	65	57.1	33.4
Nsanje	84.6	68.5	75.2	63.1	37.8
Balaka	78.8	58.8	52	29.5	36.1
Neno	48.8	41.6	36.6	20	30.7
Zomba City	57.8	47.6	42	28	23.6

	Coping Mechanisms				
Districts	**Relied on less preferred or less expensive food**	**Limit Portions**	**Reduced number of meals taken**	**Restrict consumptionby adults in order for small children to eat**	**Borrow food, or rely on help from a friend or relative**
Blantyre city	32.3	25.9	20.2	12.3	16.4

Note: Reprinted from "*Fourth Integrated Household Survey (IHS4) 2016-2017*" *by National Statistical Office (NSO),* 2017, p. 190, 191 Retrieved from http://www.nsomalawi.mw/images/stories/data_on_line/economics/ihs/IHS4/IHS4%20REPORT.pdf

According to Table 3, in Phalombe, 66.4 percent relied on less preferred or less expensive food, 55.1 percent limited the portion of food eaten, 53.4 percent reduced the number of meals taken, 24.9 percent restricted consumption by adults in order for small children to eat, and 38.4 percent borrowed food or rely on help from a relative. On the other hand, in Nsanje, the information in Table 3 illustrates that 84.6 percent relied on less preferred or less expensive food, 68.5 percent limited the portion of food eaten, 75.2 percent reduced the number of meals taken, 63.1 percent restricted consumption by adults in order for small children to eat, and 37.8 percent borrowed food or rely on help from a relative. These figures show that relying on less preferred or less expensive food was the most frequent negative coping mechanism in the two districts – Phalombe and Nsanje.

Household Food Consumption Profile

The household food consumption profile indicates "the number of meals consumed in a typical day by adult household members and children under five years of age" (NSO, 2017, p. 191). According to NSO (2017), "about 44 percent of adults in households in Malawi consumed three or more meals daily" (p. 192). However, the story is different when analyzed regionally. The Phalombe district "registered the highest proportion (87 percent) of households whose

members consumed less than the customary three meals per day followed by Zomba (81 percent)" (NSO, 2017, p. 192). At face value, this refutes the findings of the IFRC/MRCS evaluation report which stated that there was an increase in the number of people of people eating three meals because of the CTP (Ibrahim et. al., 2016). However, while the IFRC/MRCS conducted its evaluation in February 2016, the IHS4 was conducted between April 2016 and April 2017. Thus, from the IHS4 report on food security, even though households were consuming three meals a day during the CTP, there was a reduction in the number of people eating the customary three meals a day in Phalombe after the IFRC/MRCS CTP had ended. The IHS4 (2017) report also noted that 52 percent of households in Malawi provided three or more meals to their under-five children daily.

Table 4 Percentage distribution of households by the number of meals taken per day by adults and children under 5 years of age 2016/2017

	Number of meals (adults)					**Number of meals (children 6-59 months)**				
Districts	**1**	**2**	**3**	**4 or more**	**Total**	**1**	**2**	**3**	**4 or more**	**Total**
Chitipa	0.9	44.9	54	0.2	100	0.8	42.9	55.3	0.9	100
Karonga	0.3	38.5	58.5	2.8	100	-	33.5	61.7	4.8	100
Nkhata Bay	0.5	40.9	58.7	-	100	1.2	35.4	62.4	1.1	100
Rumphi	1.6	33	63.7	1.7	100	0.7	27.3	68.7	3.3	100
Mzimba	3.4	51.8	43.8	0.9	100	1.3	37.4	58.4	2.9	100
Likoma	1.8	12.7	85.1	0.4	100	1.6	11.8	85.5	1.1	100
Mzuzu City	1	15.6	79.2	4.2	100	0.3	8.9	82.3	8.5	100
Kasungu	2.7	54.4	42.5	0.4	100	2.2	47.7	48.4	1.7	100
Nkotakota	1.1	37.2	60.3	1.4	100	0.9	33.5	63.3	2.3	100
Ntchisi	3.6	49.2	46.1	1.1	100	2.6	43.8	52.2	1.4	100
Dowa	1.4	43.3	53.2	2.1	100	1.1	37.3	57.4	4.2	100
Salima	3.7	60.8	35.4	0.2	100	2.7	53.2	44.1	-	100
Lilongwe	3.4	62.3	33.7	0.6	100	2.2	54.7	41.7	1.5	100
Mchinji	7.5	60.9	31.2	0.4	100	4.6	57.2	36.4	1.9	100

Districts	Number of meals (adults)					Number of meals (children 6-59 months)				
	1	2	3	4 or more	Total	1	2	3	4 or more	Total
Dedza	3.9	66.6	29	0.5	100	3.7	61.3	35	-	100
Ntcheu	-	64.7	35.3	-	100	2.3	50.3	47.1	0.4	100
Lilongwe city	0.8	19.5	75.3	4.4	100	0.3	13.4	78.7	7.6	100
Mangochi	1.8	50.4	47.4	0.4	100	1.2	33.6	63.9	1.3	100
Machinga	3.4	75.1	21.3	0.2	100	1.5	71.3	26.9	0.3	100
Zomba	8.4	72.1	19.5	-	100	5.9	65.6	28.4	0.2	100
Chiradzulu	2.3	68.1	29.3	0.4	100	1.2	59.7	37.8	1.3	100
Blantyre	3.5	48.5	46.5	1.6	100	3.5	45.7	48.2	2.6	100
Mwanza	6.6	55.3	36.5	1.6	100	3.6	49.6	44.8	2	100
Thyolo	5.5	63.5	31	-	100	5.8	59.1	35.1	-	100
Mulanje	6.3	62.8	30.6	0.3	100	5.4	60.6	33.6	0.4	100
Phalombe	16.8	69.8	13.4	-	100	17.3	67.9	14.8	-	100
Chikwawa	6.7	66.7	25.7	0.9	100	6.3	56.7	36.2	0.8	100
Nsanje	8.5	62.9	28.4	0.2	100	4.9	58.6	36	0.5	100
Balaka	2.3	63.1	34.2	0.4	100	0.6	54.6	43.9	0.8	100
Neno	5.3	58.5	35.9	0.3	100	2.7	46.6	48.9	1.8	100
Zomba City	2.3	23	67.5	7.2	100	0.1	17.9	67.3	14.6	100
Blantyre city	2.8	13.6	78.5	5.2	100	0.9	12.3	78	8.8	100

Note: Reprinted from "*Fourth Integrated Household Survey (IHS4) 2016-2017*" *by National Statistical Office (NSO),* 2017, p. 193, 194 Retrieved from http://www.nsomalawi.mw/images/stories/data_on_line/economics/ihs/IHS4/IHS4%20REPORT.pdf

The information presented in Table 4 illustrates that in Phalombe, 16.8 percent of the adult population were consuming one meal a day, 69.8 percent were consuming two meals a day and 13.4 percent were consuming 3 meals a day. In Phalombe, no one was consuming 4 or more meals a day. In Nsanje, 8.5 percent of the adult population were consuming one meal a day, 62.9 percent consumed two meals a day, 28.4 percent were consuming three meals a day while 0.2 percent noted they were consuming four or more meals a day. Thus, Table 4 indicates that in

both Phalombe and Nsanje, most of the adult population were consuming two meals a day and not the standard three meals a day.

Table 4 also demonstrates that in Phalombe, 17.3 percent of children under the age of five were consuming one meal a day, 67.9 percent were consuming two meals, 14.8 percent were consuming three meals a day. Table 4 also illustrates that in Phalombe, there was no child below the age of five consuming 4 or meals a day. In Nsanje, 4.9 percent of children under 5 were consuming one meal a day, 58.6 percent were consuming two meals a day, 36.0 percent were consuming three meals a day and 0.5 percent were consuming 4 or more meals a day. Thus, Table 4 shows that more children under the age of five in both Phalombe and Nsanje were consuming two meals a day and not the standard three meals a day.

Households Reporting Food Shortage

According to the IHS4 report, "73 percent of the population in Malawi did not have enough food in the 12 months prior to the survey" (NSO, 2017, p. 194). The report also states that the Nsanje district is the most affected district with 96.5 percent of the population that was affected by food deficiency (NSO, 2017). However, there were different factors that accounted for food deficiencies. Some of these factors include small land holding size, food prices, drought, floods, and crop pests and lack of farm inputs (NSO, 2017). The lack of farm inputs as a reason for food shortage is a reminder of the rationale for the CTP program implemented by the IFRC in Malawi. The IFRC, in its evaluation report, stated its goal of providing farm inputs such as fertilizers, hybrid seeds of maize, groundnuts, and beans to reduce the impact of food insecurity in both Phalombe and Nsanje (Ibrahim et al., 2016). However, this goal (Outcome 2) was dropped due to insufficient funding by the IFRC (Ibrahim et al., 2016). The inability of the IFRC

to implement this goal could explain why a lack of farm inputs contributed to an increasing situation of food shortage in both Phalombe and Nsanje.

Table 5 Proportion of population that did not have enough food in the 12 months preceding the survey 2016/2017

Districts	Population that did not have enough food	Causes of food shortage						
		Drought, poor rains, floods, water logging	Food in the market was very expensive	Lack of farm input	Small land size	Crop pest damage	Other	Total
Chitipa	65	22.8	34	35.1	3.2	0	4.9	100
Karonga	74.2	26.7	37.7	20.2	9.8	0.7	4.8	100
Nkhata Bay	61.2	32.4	27.6	20.2	13.8	1.6	4.4	100
Rumphi	62	33.6	23.9	29.3	8.5	0.5	4.2	100
Mzimba	68.8	28	19.6	36.8	11.9	0.7	3	100
Likoma	55.1	11.9	63.9	3.3	16.2	0	4.7	100
Mzuzu City	45.2	7.9	54	5.6	6.7	1.7	24.1	100
Kasungu	83.2	30.1	20.1	34.5	8.2	0.2	7	100
Nkotakota	65.5	26.2	25.8	27.5	13.3	1	6.2	100
Ntchisi	66.6	28.9	17.1	39.2	9.7	0.6	4.6	100
Dowa	80.4	27.9	24.2	35.6	8.7	0.4	3.1	100
Salima	76.2	29.3	28	18.1	13.8	0.4	10.4	100
Lilongwe	73	24.2	18.1	30.2	16.8	0.5	10.1	100
Mchinji	83	19.9	9.9	38.9	20.7	0.3	10.4	100
Dedza	82.2	33.3	20.9	31.8	8.7	1.1	4.2	100
Ntcheu	76	40.7	23.3	29.6	2.5	1.1	2.7	100
Lilongwe city	53.8	9.2	63.1	6.5	5.7	0	15.5	100
Mangochi	85.5	52	38.5	6.4	1	0.4	1.7	100
Machinga	93.9	48	27.4	19	3.8	0.7	1.2	100
Zomba	89.3	47	21.8	22.1	5.3	0.5	3.2	100
Chiradzulu	72.3	39.3	16.2	31.2	10.2	0.3	2.9	100
Blantyre	61.4	41	26.5	16.1	9.6	1.1	5.8	100
Mwanza	72.1	54.8	19.1	20.2	2.8	0	3.1	100
Thyolo	73.1	39	20.8	26.2	8	1.2	4.9	100
Mulanje	76.6	36.6	26.5	13	18.4	1	4.6	100

Districts	Population that did not have enough food	Causes of food shortage						
		Drought, poor rains, floods, water logging	Food in the market was very expensive	Lack of farm input	Small land size	Crop pest damage	Other	Total
Phalombe	88.1	41.7	21.7	20.4	14.5	0.3	1.4	100
Chikwawa	89.6	45.1	44.2	1.5	1.8	5.3	2.2	100
Nsanje	96.5	45.8	42.3	2.2	2.2	5.4	2.1	100
Balaka	87.9	52.1	34.3	9.6	2.1	0.7	1.2	100
Neno	78.7	57.5	16.4	20.6	1.7	0.3	3.5	100
Zomba City	54.1	28.9	36.6	14	5.7	0.3	14.5	100
Blantyre city	29.2	10	60	1	2	0	27	100

Note: Reprinted from "*Fourth Integrated Household Survey (IHS4) 2016-2017*" *by National Statistical Office (NSO),* 2017, p. 196, 197 Retrieved from http://www.nsomalawi.mw/images/stories/data_on_line/economics/ihs/IHS4/IHS4%20REPORT.pdf

The information presented in Table 5 above indicates that in Phalombe, 88.1 percent of the population did not have enough food. There are several reasons for the lack of sufficient food. For 41.7 percent of the population, the reason for food shortage was drought, poor rains, water logging was responsible for food shortage, for 21.7 percent of the population, food was very expensive, 20.4 percent indicated that there was lack of farm inputs, for 14.5 percent of the population, that there was food shortage because of small land size, 0.3 percent revealed that food shortage was because crops that were damaged by pests while 1.4 percent indicated other reasons from the aforementioned factors.

On the other hand, Table 5 indicates that Nsanje representing 96.5 percent had the highest population of people that did not have enough food in the twelve months preceding the survey. There are several factors responsible for the high proportion of the population that did not have enough. According to 45.8 percent of the population, food shortage was because of drought, poor

rains, floods and water logging, for 42.3 percent of the population, food shortage was because of expensive food items, 2.2 percent indicated there was lack of farm inputs, another 2.2 percent stated that there was food shortage was because of small land size, 5.4 percent noted that food shortage was because of crops that were damaged by pest while 2.1 percent indicated other reasons from the aforementioned factors.

Food Shortage During the 12 months Preceding the Survey

The IHS4 report observed that in Malawi, "22 percent of the population was unable to access enough food during three months of the year, while 19 percent reported that the situation was for two months, 13 percent reported prolonged food scarcity for a period of over six months" (NSO, 2017, p. 197).

Table 6 Distribution of population by months that they experienced food shortage in Malawi 2016/2017

Districts	Number of Months							Total	Average number of months
	One	Two	Three	Four	Five	Six	Seven and more		
Chitipa	8.3	16.6	20.2	22.9	16.6	9.2	6.2	100	4
Karonga	9	19.1	18.9	16.9	20.4	8.4	7.4	100	4
Nkhata Bay	34.6	30.5	18.5	9.1	4.6	1.1	1.5	100	2
Rumphi	22	24.3	23.6	14.2	7.6	4	4.4	100	3
Mzimba	18.6	29.3	26.9	12.6	6.1	3	3.4	100	3
Likoma	35.4	25.6	20	8.8	4.1	4.3	1.7	100	2
Mzuzu City	27.2	35.7	19.4	4.5	5.5	2.3	5.4	100	3
Kasungu	9	20.9	26.2	14.4	12	6.9	10.6	100	4
Nkotakota	9.2	25.7	22.1	14.6	8	11	9.4	100	4
Ntchisi	9.2	25.7	22.1	14.6	8	11	4.1	100	3
Dowa	10.9	22	24.3	11.9	9.1	11.9	10	100	4
Salima	3.9	20.6	19.4	16.4	12.3	11.7	15.6	100	4
Lilongwe	8.2	19.3	24.3	17.1	13.7	6.5	10.9	100	4
Mchinji	6.5	20.4	29.4	19.9	11.6	7.1	5.1	100	4
Dedza	25.4	11.7	20.3	16.6	9.6	9.2	7.2	100	3

Districts	Number of Months							Total	Average number of months
	One	Two	Three	Four	Five	Six	Seven and more		
Ntcheu	27.9	13.5	19.5	13.1	15.8	4.1	6.2	100	3
Lilongwe city	27.5	33.2	20.7	8.5	3.7	3.5	2.8	100	4
Mangochi	2.8	19.6	23.4	24.6	16.5	11.2	1.9	100	4
Machinga	4.6	14.4	17.9	12	10.7	10.8	29.7	100	5
Zomba	8.4	16.5	14.9	11.8	9.8	6.8	31.9	100	4
Chiradzulu	2.2	17.4	27.1	19.4	10.9	11.1	12	100	4
Blantyre	7.6	13.9	19	22.4	13	10.6	13.6	100	4
Mwanza	7	20.1	24.3	14.3	11.1	4.5	18.7	100	4
Thyolo	4.7	17.7	23.4	17.3	8.7	8.3	19.9	100	4
Mulanje	3.9	17.5	24.0	17.1	15	11.5	10.9	100	4
Phalombe	1.7	13.5	24.8	16.5	22.7	11.5	9.3	100	4
Chikwawa	1.9	8.4	11.9	11.2	10.6	8.7	47.3	100	5
Nsanje	2.9	6.7	11.6	12	9.9	10.2	46.6	100	5
Balaka	8.3	16.3	20	20.9	14.9	6.3	13.2	100	4
Neno	10.2	16.4	14.3	13.1	11.8	7.6	26.5	100	4
Zomba City	13.2	22.5	17.9	8.8	10.5	7.1	19.9	100	4
Blantyre city	10.6	24.6	20.6	16.2	13	6.9	8	100	4

Note: Reprinted from "*Fourth Integrated Household Survey (IHS4) 2016-2017*" *by National Statistical Office (NSO),* 2017, p. 198, 199 Retrieved from http://www.nsomalawi.mw/images/stories/data_on_line/economics/ihs/IHS4/IHS4%20REPORT.pdf

At the district level, in Phalombe, Table 6 above indicates that 1.7 percent of the population was unable to access food for one month, 13.5 percent reported they were unable to access food for two months, 24.8 percent reported inability to access food for three months, 16.5 percent reported their inability to access food for four months, 22.7 percent were unable to access food for five months, 11.5 percent reported they were unable to access food for six months and 9.3 percent were unable to access food for seven or more months. Table 6 also illustrates that the average number of months that people were unable to access food in Phalombe was four months.

In Nsanje, the evidence presented in Table 6 above demonstrates that 2.9 percent of the population were unable to access food for one month, 6.7 reported their inability to access food for two months, 11.6 percent noted they were unable to access food for three months, 12 percent were unable to access food for four months, 9.9 percent indicated that they were unable to access food for five months, 11.5 percent reported their inability to access food for six months and lastly, 9.3 percent were unable to access food for seven or more months. Table 6 also shows that the average number of months that people were unable to access food in Nsanje was five months.

Aside from an increase in food prices mentioned in the WFP mVAM monthly bulletins, other factors could have accounted for the inability of the IFRC/MRCS CTP to improve the food security situation in both Phalombe and Nsanje during and after the implementation of the CTP. These factors lay in the challenges faced by the IFRC/MRCS during the implementation of the CTP in both districts. These challenges are also explained by the preconditions in the theory of change for cash transfers stated earlier in chapter 3.

Firstly, Ibrahim (2016) and his research team, noted that at the beginning of the CTP in Phalombe and Nsanje, "40 percent of markets had the capacity to support cash interventions, while 60 percent of markets did not have the capacity and as such will benefit from in-kind/food distribution interventions" (p. 13). This implies that before the beginning of the CTP, only a few markets had the capacity to support the IFRC/MRCS CTP. The importance of a fully functional market to the success of a CT program has been emphasized previously in chapter 3. Cash transfer programs have a higher chance of success when people can buy essential food items from the markets. According to a UNICEF (2015) evaluation report on cash transfers, "a key enabling factor for food access is market functionality: the accessibility of supply to meet the improved demand of households receiving transfers" (p. 11, 12). Thus, when markets are stocked

up with food supplies consumed by households, the chances of improved food security are greatly enhanced. However, in Phalombe and Nsanje, beneficiaries of the IFRC/MRCS CTP "mentioned that they were not able to meet all of their needs at the local market since the food prices had increased and that the cash transfers had not been adjusted sufficiently to reflect this" (Ibrahim et. al, 2016, p. 14). The report also noted that the local markets ran out of rice at some point and as such beneficiaries had to improvise by getting rice at other markets or shops within the districts (Ibrahim et. al, 2016).

Secondly, another challenge observed by Ibrahim (2016) and his research team that could have contributed to the inability of the CTP to improve food security is the lack of mobile phones by beneficiaries. Mobile phones are crucial to cash transfers because the cash is transferred electronically. Once the cash has been transferred and beneficiaries receive notification of the transfer, they proceed to the mobile money agents located in designated parts of the community to receive the cash. The situation was no different in Phalombe and Nsanje. Beneficiaries upon receiving alerts of the cash transfers made their way to Airtel mobile money agents located in strategic points of the districts to collect the cash (Ibrahim et. al., 2016). However, when beneficiaries lack mobile phones, it is impossible to receive alerts and do mobile cash transfer transactions. To this end, the IFRC in collaboration with the MRCS "provided mobile phones to be used during the cash transfer to beneficiaries" (Ibrahim et. al., 2016, p. 21). Ibrahim (2016) and his research team also noted that the IFRC "deducted MWK 2,450 to cover the cost of an extra 1000 phones which had to be purchased" (p. 15). The report, however, does not state whether the money was deducted per household while giving the cash or just from the general funds earmarked for the cash transfer operation in Malawi. However, regardless of how the money was deducted, the deduction of MWK 2,450 can reduce the purchasing power of

households. It can reduce the quantity and quality of food items to be bought in the market considering that the prices of food commodities were already on the rise during the IFRC/MRCS CTP.

Thirdly, the availability and timely disbursement of funds from the IFRC to the MRCS also played a role in reducing the impact of the cash transfer on food security. Ibrahim and his research team observed that:

> The cash transfer frequency was not timely as the first transfer was delayed for at least a month and the fourth and fifth disbursement were scheduled for February 2016 and were to be effected in March only. During the FGD, the beneficiaries were unaware when the next cash transfer would be and also were unsure about the total length of the project (3, 5 or 6 months). (Ibrahim et al., 2016, p. 15)

When such situations arise, households in response, might resort to the use of negative coping mechanisms to adjust pending when cash payments are made. The delay in payments can also be a reason why rCSI was high in both Phalombe and Nsanje for the months of December 2015 and February 2016. The “delay in receiving funds from IFRC was attributed to late liquidation of the floods funds to IFRC” (Ibrahim et al., 2016, p. 16). The MRCS was also funding the humanitarian response to floods in Malawi at the time and subsequently “had to liquidate funds before requesting for another disbursement” (Ibrahim et al., 2016, p. 16). In addition to the availability and timely disbursement of funds, the CTP was not adequately funded by the IFRC. Inadequate funding led the MRCS to drop outcome 2 (provision of farm inputs fertilizers and seeds to farmers) of the CTP (Ibrahim et al., 2016). Ibrahim (2016) and his research team also noted that the CTP was only implemented for 3 months. Due to funding constraints, "the Finnish and Swiss Red Cross funded the cash transfer for the remaining 2 months (4th and 5th disbursement)" (Ibrahim et. al., 2016, p. 12).

Lastly, the poor coordination and communication identified by the IFRC evaluation team could have affected the outcome of the IFRC CTP in Malawi. As Ibrahim (2016) and his research team noted, that there were no updates about the programme such as the next cash transfer transactions to the beneficiaries. Further evidence on the importance of coordination and communication to the success of the CTP was provided by the MRSC personnel.

> MRCS staff indicated that IFRC should consult them on every step as they were unhappy that the Federation dropped Outcome 2 (Provision of farm inputs) as part of the intervention without consultation. This could be interpreted as lack of trust and perception that IFRC does not trust MRCS in implementing the activity. (Ibrahim et. al., 2016, p. 13)

Lack of coordination and communication can have unintended consequence on a CTP project. It can affect the smooth running of the project and cause tensions at beneficiary and district level (Ibrahim et. al., 2016). The need for effective feedback mechanisms also underscores the importance of communication to the success of a CT program. Easterly (2006) emphasized on the importance of feedback in his analysis on the failure of the global aid system. Feedback works only when somebody listens to beneficiaries of aid (Easterly, 2006). Thus, the importance of feedback between beneficiaries of CTP in Malawi and the IFRC is also crucial to the success of the CTP program. However, the IFRC in its evaluation report noted that the feedback mechanisms were insufficient in both Phalombe and Nsanje (Ibrahim et al., 2016).

> The feedback mechanism was not considered to be effective, as the beneficiaries were unsure who to communicate with at branch level. The lack of information on the status of the program became evident particularly during the Key Informant Interviews: 25% of the interviewees cited that the extent to which mechanisms were put in place to provide and receive information from beneficiaries was average. (Ibrahim et. al, 2016, p. 15)

If the feedback mechanisms were effective, beneficiaries of the CTP in Phalombe and Nsanje might have been able to inform the IFRC or its national society – the MRCS about the continuous increase in food prices. In return, the IFRC/MRCS might have provided solutions to

address this challenge such as ensuring subsequent cash payments reflected the increase in price of food commodities.

In sum, while the rCSI and the WFP monthly bulletins show a volatility in food security situation between December 2015 and February 2016, the ISH4 report shows a deteriorating situation of food security across all 28 districts in Malawi inclusive of Phalombe and Nsanje (NSO, 2017). The report indicates that a high number of households in both Phalombe and Nsanje were employing more negative coping strategies, consuming a fewer number of meals per day and experiencing general food shortages. This evidence demonstrates that after the IFRC/MRSC CTP ended in both Phalombe and Nsanje, the situation of food security didn't improve as the IFRC evaluation report stated. Thus, the WFP mVAM's rCSI and monthly bulletins and the IHS4 report show that the IFRC/MRCS CTP was insufficient to improve food security situation during the period of the CTP and after the CTP ended.

CHAPTER 5

SUMMARY AND CONCLUSION

In recent times, Cash Transfers have evolved as an instrument of humanitarian intervention by national governments and nongovernmental organizations to address a variety of social problems. The efficacy of cash transfer in addressing social problems such as poverty, low educational attainment and poor nutrition in Latin America and other parts of the world led to calls for its implementation in Africa. In Malawi, there was a drought in 2015. To address food insecurity arising from drought, the International Federation of Red Cross and Red Crescent Societies implemented a cash transfer program. Due to the limited literature on the impact of CTP to address drought, this study aims at exploring the circumstances under which cash transfers are effective in ensuring food security. Malawi provides a useful platform to investigate this research question because of the availability of independent data to appraise the IFRC CTP. This is important because the IFRC evaluation report stated that food security improved with the implementation of the CTP in Phalombe and Nsanje.

To investigate the circumstances under which cash transfers are effective in ensuring food security, this study incorporated Browne's (2013) Theory of Change for Cash Transfers. The theory of change links outcomes and activities to explain how and why desired changes are expected to come about (Center for Theory of Change, 2013). Thus, the theory of change explains how and why change happens because of cash transfers. For instance, in Malawi, the long-term outcome is to reduce the impact of drought on vulnerable households by ensuring food security. To achieve this long-term outcome, certain mechanisms or preconditions must be in place. These mechanisms include existence of market, price stability, availability and timely

disbursement of funds, coordination and communication and availability of mobile phones and network coverage.

To realize the long-term goal of achieving food security in Phalombe and Nsanje, the IFRC implemented a CTP from December 2015 to February 2016. The CTP focused on two outcomes:

Outcome 1: 10,000 beneficiaries (2000 households) receive food assistance over 5 months (Ibrahim et al., 2016, p. 5).

Outcome 2: Livelihoods of 1,000 households are reinforced to build community in targeted regions (Ibrahim et al., 2016, p. 5).

According to the IFRC evaluation report by Ibrahim (2016) and his co-researchers, outcome 1 of the CTP was achieved as all 2,000 targeted households were reached. However, outcome 2 was not implemented due to inadequate funding of the CTP (Ibrahim et al., 2016). Ibrahim (2016) and his research team observed that food security improved in both Phalombe and Nsanje following the implementation of the CTP. The improvement in food security is evidenced by the improvement in household meal consumption from two meals to three meals, and an improvement in households meeting their dietary and diversity needs (Ibrahim et al., 2016). This was not the only evidence of improvement in food security situation. Households also reported that their lives had changed following investments in food-related business such as poultry and goat rearing (Ibrahim et al., 2016).

Despite these evidence of success, independent sources of data such as the WFP mVAM Reduced Coping Strategy Index, WFP mVAM monthly bulletins and the Malawi Integrated

Household Survey Report (IHS4) point to a situation of food insecurity during and after the IFRC CTP.

According to the WFP mVAM monthly bulletins and rCSI, the food security situation was volatile during the period of the IFRC CTP. Except for January 2016 when food security improved due to humanitarian assistance, in December 2015 and February 2016, there were increasing concerns for food security in both Phalombe and Nsanje. This is evidenced by a high rCSI score reported for both Phalombe and Nsanje in those two months. The rCSI is an important indicator of food security as it monitors the frequency of use of negative coping strategies by households. The higher the rCSI score, the more frequent households are employing negative coping strategies. Consequently, the higher the use of negative coping strategies by households, the higher the situation of household food insecurity. The major reason for the frequent use of negative coping strategies was the increase in the price of essential food items such as maize, beans, rice and groundnuts. During the period of the IFRC/MRCS CTP, prices of food commodities continued to increase driving down the purchasing power of households. Thus, households used negative coping strategies to adjust to their inability to access food. Additionally, beneficiaries interviewed by Ibrahim (2016) and his research team indicated that the value of the transfer wasn't adjusted to reflect the increase in the price of food items.

However, in January 2016, food security improved in both Phalombe and Nsanje and this was attributed to humanitarian assistance (cash transfer and food distribution) (WFP mVAM, January 2016). Because of the improvement in food security situation in January 2016, the rCSI for both Phalombe and Nsanje dropped drastically meaning fewer households were using negative coping strategies. The WFP mVAM January 2016 bulletin did not specify the organizations providing humanitarian assistance but since the IFRC/MRCS CTP was

implemented within the January 2016 timeframe, it is fair to say that the IFRC/MRCS CTP was one of the factors driving an improvement in food security for the month of January 2016. While the IFRC transferred cash, it did not distribute food items although beneficiaries reported receiving nonfood items such as kitchen sets, tarpaulins and blankets from the IFRC. The IFRC evaluation report also noted that beneficiaries received agricultural inputs from the government and other humanitarian agencies during the period of the CTP after the IFRC dropped outcome 2 of the CTP (provision of agricultural inputs).

Thus, the WFP mVAM rCSI and monthly bulletins demonstrates the importance of price stability in ensuring the effectiveness of the CTP. When prices of food were high, more people struggled to buy food items. In response, households employed negative coping strategies to adjust to food insecurity. Price stability becomes very imperative for the success of a CTP considering that a year later, from January 2017 to May 2017, the frequency of the use of negative coping strategies by households had reduced drastically. This was due to a stability or reduction in the price of food items which was occasioned by the harvest season. The harvest season ensured that food items were available in the markets thereby ensuring that supply was able to meet demand.

While the WFP mVAM rCSI and monthly bulletins point to the volatility of food security during period of the IFRC/MRCS CTP, the IHS4 2016/2017 report shows that the food security situation deteriorated after the CTP ended. For instance, the Phalombe district had the highest proportion of households whose members were consuming less than the customary three meals a day (NSO, 2017). The Nsanje district had the highest percentage of people (96.5%) that suffered from food shortage (NSO, 2017). In addition, Nsanje also had the highest proportion of the population who reduced the number of meals and restricted the consumption of adults as a way

of adjusting to the food security situation (NSO, 2017). The Theory of Change on Cash Transfers emphasized by Browne (2013) provides further evidence on the lack of sufficiency of the IFRC/MRCS CTP to improve food security in both Phalombe and Nsanje. The theory of change identifies the "necessary and sufficient conditions required to bring about a given long term outcome" (Center for Theory of Change, 2019, para. 1). In chapter 3, the long-term outcome of the IFRC CTP was linked to five preconditions. These same pre-conditions resurfaced in the results of the study.

Precondition: Existence of Markets

In addition to the increase in the prices of food commodities, the challenges faced by the IFRC during the CTP could have contributed to the deteriorating food security situation in both Phalombe and Nsanje. Firstly, the IFRC evaluation report noted that at the inception of the CTP, only 40 percent of the markets were able to support the CTP (Ibrahim et al., 2016). Functional markets are crucial to the success of CT because the markets provide a platform where households can purchase food and other household items. Thus, the limited capacity of the markets in both Phalombe and Nsanje could have impeded households' access to food thereby driving down food consumption.

Precondition: Availability and Timely Disbursement of Funds

Secondly, the inadequate funding of the CTP by the IFRC could have also played a role in the volatility of the food security situation during the CTP. Ibrahim (2016) and his research team while evaluating the CTP observed that Outcome 2 of the CTP program which aimed at providing agricultural inputs such as hybrid seeds of maize, groundnuts and beans, and fertilizers to farmers was dropped because of poor funding. Similarly, beneficiaries also noted the

payments were not timely enough as they did not know when the next timing would be. Delay in payments can force households to resort to use of negative coping strategies pending the disbursement of funds by the IFRC.

Precondition: Coordination and Communication

Thirdly, the poor coordination and communication between the IFRC and its personnel operating in the field and between the IFRC and beneficiaries on the other hand can also be a contributing factor. The MRCS personnel operating in the field noted that they were not consulted before outcome 2 of the CTP was dropped (Ibrahim et al., 2016). Beneficiaries also reported that they were unsure of who to communicate with at branch level (Ibrahim et al., 2016). Poor coordination and communication highlight a massive vacuum in the provision of feedback to the MRCS/IFRC. Perhaps, if the appropriate feedback mechanisms were available, the MRCS and IFRC would have been aware of the increase in price of food items and ensured that subsequent cash payments to beneficiaries reflected this increase.

Precondition: Availability of Mobile Phones and Mobile Network Coverage

Lastly, the lack of mobile phones by beneficiaries is another factor to take in consideration while analyzing the limited impact of the CTP on food security situation in Phalombe and Nsanje. While the IFRC should not be held accountable for the households that lacked mobile phones, the decision to deduct a certain sum from the cash already earmarked for the CTP can reduce the amount available for households to purchase food items. Ibrahim (2016) and his colleagues indicated that MWK 2,450 was deducted to cover the extra cost 1000 phones because the cash was to be transferred electronically. The amount deducted automatically

reduces the purchasing power of household especially as the price of food items was increasing during the IFRC/MRCS CTP.

In sum, this study reveals that cash transfer is a very important tool used in the provision of humanitarian intervention in a wide variety of contexts such as addressing poverty, low educational attainment, poor nutrition and food insecurity. However, while cash transfers are an important tool of humanitarian intervention to address drought, it does not automatically guarantee food security. For cash transfer to ensure food security, certain mechanisms or pre-conditions must be in place. Accordingly, the findings from this study demonstrate that if mechanisms such as existence of markets, price stability, availability and timely disbursement of funds, coordination and communication and the availability of mobile phones/network coverage are in place, Unconditional Cash Transfers (UCT) will be effective in ensuring food security. However, these findings are just applicable to one case study. Due to the unavailability of independent data as at the time of writing this report, I was unable to compare these findings to another case study such as Kenya where the IFRC had equally implemented a CTP to address drought.

Limitations of the Study

This study was limited by the following factors:

1. The findings and conclusions would have been strengthened through the comparison to another case study such as Kenya where the IFRC had equally implemented a CTP in 2017. However, due to the unavailability of independent data such as the rCSI and integrated household survey for Kenya as it the time of writing this paper, it was difficult to appraise the IFRC CTP in Kenya. Consequently, it is difficult to say if the mechanisms identified through the theory of change would have applied to Kenya. However, what we

know from various sources of literature cited in chapter 2 and 3 of this report, these mechanisms are equally crucial to the efficacy of CTP in ensuring food security.

2. In Nsanje, the WFP mVAM economic explorer did not report food prices for the Nsanje district from 2015 to 2017. Consequently, I was unable to compare the prices of different food items between Phalombe and Nsanje. However, to address this, I used the WFP mVAM monthly food security bulletins which reported an increase of food items across board in Malawi. These bulletins also provided mini-charts showing an increase in the price of maize from January 2016 to February 2016 in both Phalombe and Nsanje
3. The WFP mVAM did not report any rCSI figures in Nsanje for December 2015 due to low sample size. Because of this, I was not able to compare the rCSI for Nsanje in January 2016 with the rCSI for December 2015 to know the variation in the use of negative coping strategies.

Recommendations

To further improve Cash Transfers as a form of humanitarian intervention, the following policies can be adopted by the IFRC/MRCS:

1. Feedback is crucial to the efficacy of any project. To make CTP more efficient in addressing food security, the IFRC should improve communication channels between the beneficiaries of the CTP program and the IFRC/MRCS staff. This will provide the organization with an opportunity to improve the provision of humanitarian aid. For instance, adequate feedback channels can keep the IFRC updated about changes in the price of food items as well as the unavailability of certain food items in the market. It can also make the IFRC more efficient through suggestions from people. Feedback can be provided through monthly meetings with head of households, village elders, suggestion box, SMS or even emails depending on the availability of internet.
2. The evidence from this paper indicates that there was delay in the disbursement of funds for cash payments to beneficiaries. According to the IFRC evaluation report, this was because the IFRC was funding a flood appeal at the same time as the drought appeal. Consequently, funding for the flood had to be liquidated before the funds for the CTP were allocated. To forestall a further occurrence of this situation, the funding for various projects should be separated.
3. Although the provision of food aid presents certain challenges such as high overhead cost as well as other logistical challenges, the IFRC can explore the providing in-kind food aid with cash transfers. Gentilini (2016) citing Devereux and Jere (2008) provided an example of the success of this approach in Swaziland. This can be done especially in

situations where markets are not properly equipped to deal with increased demand for food items or during the lean season.

4. To ensure that cash transfers are effective in ensuring food security, cash transfer payments must be timely and be within a designated interval. Beneficiaries during the IFRC/MRCS CTP noted that they did not know when the next cash transfer disbursements will happen. Sticking to a designated payment cycle will ensure that beneficiaries are able to prioritize their needs and adequately manage the resources at their disposal.
5. To ensure that cash transfers have significant impact in improving food security, adequate funding is necessary. The IFRC in its evaluation report indicated that funding was a major challenge during the CTP. Because of low funding, outcome 2 of the CTP (provision of agricultural inputs to strengthen community resilience) was dropped. The program which was originally earned for a five-month time frame was only implemented for 3 months. This shows the magnitude of this challenge. Consequently, to address this issue, the MRCS can increase its partnership with other Red Cross-National Societies and other NGOS to solicit for funds.
6. To cover the cost of purchasing mobile phones, the IFRC should consider giving the cash in envelopes to beneficiaries. While this method does not guarantee the advantage electronic cash payments provides in terms of monitoring which households received the funds, it is a method worth considering. Alternatively, cash can also be provided through designated banks. However, this is contingent on the availability of banks or automated teller machines (ATM) in the area.

7. As noted by Gentilini (2010) in his analysis of the DECT program in Malawi, to address the issue of price fluctuation, the IFRC should consider index-linking cash transfers to the prices of food items in the market. Index-linking cash transfers to local food prices will ensure that cash disbursements for every month is reflective of the prices of food commodities for that month. This approach has been adopted by other humanitarian organizations such as Concern worldwide and has proven to be effective. Thus, index-linking cash transfers to local food prices will insulate beneficiaries of cash transfers from fluctuation in the prices of food commodities.
8. The IFRC must devote a lot of resources into conducting a market survey prior to implementing a CTP (Ibrahim et al., 2016). An accurate awareness of the markets will help the IFRC to know the extent to which markets can support cash transfers. It will also help the IFRC to adequately solicit for additional funds from national societies and other aid groups to cover any additional cost that will arise from index-linking cash payments to prices of food items.
9. As already stated by Ibrahim (2016) and his research colleagues, to make cash transfers more effective, it is important that the IFRC include all stakeholders – local MRCS staff and volunteers in the decision-making process. This will help to address feelings of alienation identified by local MRCS staff during the implementation of the CTP. An inclusive approach will also strengthen the feedback mechanisms which is crucial to the success of the CTP.
10. To avoid the over-reliance on rainfall as a source of water for farmers in Malawi, the IFRC, government as well as other humanitarian agencies can explore working collaboratively to construct artificial irrigation systems. While this project might be

expensive, a collaborative approach will provide an alternative to reliance on rainfall for crop production in a region prone to drought.

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