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Malawi: Elections, Key Issues, and U.S. Relations

On June 23, 2020, 59% of voters in Malawi, a small, poor southeast African country, ousted incumbent President Peter Mutharika in favor of opposition presidential candidate Lazarus Chakwera during a rerun of a presidential election held in May 2019. The country's High Court ordered the rerun after annulling the 2019 vote in early 2020, citing a raft of serious irregularities. Mutharika, who won the 2019 election, called the decision a “travesty of justice” and sought its reversal, but the Supreme Court rejected his appeal and upheld the High Court’s ruling.

Opposition parties in other African countries, analysts, and U.S. officials have welcomed the electoral and judicial oversight processes that produced this outcome. Such processes, which have rarely produced analogous results in sub-Saharan Africa, may provide insights and precedents for other countries in the region—as well as inform ongoing U.S. efforts to support democratic strengthening and the rule of law in Africa. In particular, they may suggest a need to prioritize support for impartial electoral dispute mediation and independent judicial oversight to ensure free and fair electoral processes. The importance of such support could grow if Malawi’s example—the ouster of an incumbent president—were to prompt other sitting African leaders to endeavor to control their own countries’ electoral processes and judiciaries to preclude a similar outcome.

2019 Elections

While campaign rhetoric and pledges during the 2019 election focused on issues important to voters, such as corruption, job growth, small business and agricultural aid, and infrastructure investment, the parties’ policies on these issues only differed moderately. Mutharika, of the Democratic Progressive Party (DPP), won the May 2019 presidential election, with 39% of votes, despite vulnerabilities arising from corruption scandals linked to officials in his government and party. Chakwera of the Malawi Congress Party (MCP), a former ruling party, won 35% of votes, while 20% went to then-Vice President Saulos Chilima, who had broken with Mutharika and left the DPP to launch his own party, the United Transformation Movement (UTM); minor candidates won the balance. In concurrent parliamentary polls, no party won a majority; the DPP won 62 seats, the MCP 55, independents 55, and the United Democratic Front (UDF) 10 seats.

The pre-poll period featured some political violence, which the United States condemned. Initial international election observers noted campaign tensions, pro-DPP use of state resources, and bias by state media, but otherwise positively assessed the election process. The MCP and UTM, in contrast, sued to annul the election, citing systematic pro-DPP irregularities and, alongside some civil society groups, called for Malawi Electoral Commission (MEC) chair Jane Ansah to resign. Mutharika was sworn in on May 31, but the matter remained in litigation for months, during which

Malawi faced many, often large election protests. Some featured violence, perpetrated variously by protesters, security forces, and ruling party youth. A Malawi Human Rights Commission report alleging that police assaulted and raped counter-protesters also raised a furor.

Court Ruling and 2020 Presidential Re-Run Election

On February 3, 2020, the High Court, citing “widespread, systematic and grave” irregularities and procedural flaws by the MEC, unanimously annulled the 2019 presidential election. It also urged that a new MEC be appointed and validated Mutharika’s post-May 2019 tenure, pending new elections. In a ruling that overturned Supreme Court precedent, the court also invalidated the entire plurality-based presidential election system. Asserting that the constitution requires presidents to be directly elected by a majority of voters (as bills twice rejected by parliament would have required), it ordered that parliament enact an election system requiring the winner to earn 50% of votes plus one or more additional votes.

Prior to the ruling, a DPP-linked businessman’s alleged attempt to bribe the High Court over the poll case fueled further mass protests. In the months after the High Court’s decision, which the Supreme Court affirmed in May 2020, there were clashes in court and in parliament over the election date, the makeup of the MEC, and an electoral reform bill that Mutharika refused to sign. The 2020 polling date was not finalized until June 9, leaving little time to prepare for the election or to enact new election enabling laws (none were ultimately passed). Mutharika, who won 40% votes, ran alongside Atupele Muluzi (UDF), the son of ex-president Bakili Muluzi (in office 1994-2004).

Chakwera and his running mate, Chilima, were backed by the four-party Tonse Alliance. A marginal third candidate also ran. Polling day, on June 23, was preceded by isolated political violence and mass opposition campaign events that flouted a Coronavirus Disease 2019 (COVID-19) ban on large gatherings.

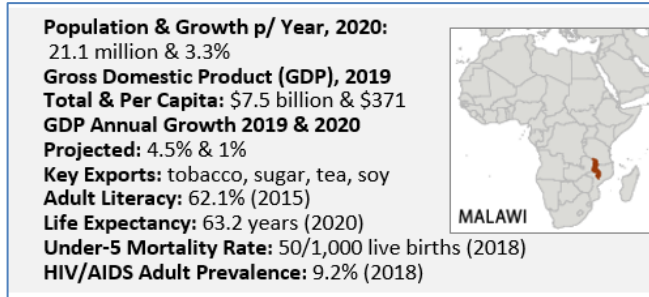
Country Background

Malawi, an ex-British colony, is a landlocked, poor, donor-reliant country with an agriculture-based, undiversified economy. It is import-dependent for many products (e.g., fuel and manufactured goods). Its poor infrastructure contributes to high transaction and production costs and hinders economic growth and trade. Poverty is widespread. Gross domestic product (GDP) in 2019 per capita stood at \$371, the fourth lowest globally. Cycles of drought and floods often undermine food security, and in 2019 a cyclone hit southern Malawi and caused population displacement. The country also faces health challenges, including a 9.2% HIV/AIDS adult prevalence rate.

Malawi underwent a democratic transition in the early 1990s after nearly three decades of one-party rule under founding President Hastings Banda and his MCP. It has

since held regular elections and made some progress in institution-building, but a mixed governance record has hindered development. Donors cut aid in response to an autocratic bent under the late President Bingu wa Mutharika (Peter Mutharika’s brother), who served from 2004 to 2012 and died in office. Donor ties improved under his successor, Joyce Banda (in office 2012-2014). She pursued politically difficult political and economic reforms, but left office under the cloud of a corruption scandal known as “Cashgate,” which prompted renewed donor aid cuts.

Figure 1. Malawi at a Glance



Sources: CIA, World Bank, and IMF reference databases.

Mutharika Administration

Peter Mutharika, who had served as foreign minister under his brother after a career as a U.S.-based academic—and had attempted to foil his predecessor Banda’s accession to office—came to power after a controversial 2014 election. (It was marred by MEC technical errors, some political violence, lawsuits citing MEC malfeasance, and an unsuccessful attempt by Banda to annul the election.) As in 2019, the 2014 elections resulted in a hung parliament.

Donor ties improved under the Mutharika administration, which endeavored to expand and diversify agricultural production and agro-processing, notably in the tobacco sector (Malawi’s main export). It also sought to increase sugar exports, reform the tea sector, promote other crop commodities, and develop the mining sector. Infrastructure investment was another priority, and included rural-urban road links and efforts to increase the electricity system’s capacity and reform the power sector. A \$351 million U.S. Millennium Challenge Corporation (MCC) Compact (2013-2018) supported some of these efforts, as did Power Africa, an Africa-wide U.S. Agency for International Development (USAID) effort to increase access to electricity.

Efforts to foster investment, market liberalization, and private sector activity enjoyed some success. Malawi improved significantly on the World Bank’s annual *Doing Business* index between 2015 and 2020, with notable gains in expanding access to credit. Stronger donor confidence, meanwhile, was reflected in the International Monetary Fund’s 2018 approval of a \$112 million, three-year Extended Credit Facility (ECF) arrangement that supports structural reforms. This followed Malawi’s completion of a prior ECF program that the IMF had suspended in 2015 for poor performance but reinstated in 2016 after improvements. In May 2020, the IMF also approved a \$91 million Rapid Credit Facility loan to help the government address COVID-19-linked balance of payment challenges.

Despite some economic policy progress, corruption has remained a persistent challenge. Malawi’s ranking on

Transparency International’s annual *Corruption Perceptions Index* slipped substantially under Mutharika, and in 2017, an inquiry into “Maizegate,” a maize import price inflation scheme, revealed large diversions of funds by top officials. This and other scandals helped fuel periodic large protests against corruption and poor governance starting in 2018.

Chakwera Administration: Initial Actions

During the 2020 election campaign, Chakwera, formerly a Pentecostal pastor and lecturer in religion, pledged to govern transparently and inclusively. He has acted to do so by suspending new state contract awards and reportedly may seek to rescind or renegotiate the terms of some prior investment deals, notably in the mining sector, as well as any that were illegally awarded. He also has dissolved the boards of most state-owned firms, institutes, and other entities, and is to review their operations for signs of possible malfeasance. He has partially appointed a cabinet, which he has pledged will be at least 40% female, but has come under fire for selecting six members from a single family of allies. In addition to Malawi’s diverse and longstanding development challenges, the new government faces health and economic challenges resulting from the COVID-19 global pandemic. As of July 9, Malawi had nearly 2,000 cases and an accelerating infection rate.

U.S. Relations

U.S. relations with Malawi center mainly on U.S. aid focused on addressing a range of development challenges and periodic humanitarian needs. U.S.-Malawi relations were strained during Bingu wa Mutharika’s presidency due to his government’s violent suppression of protest, restrictions on other civil rights, and human rights abuses, which prompted the MCC to suspend a planned Compact. Relations improved under Banda—and the Compact was restored—and ties remained cordial under Mutharika (see CRS Report R44859, *Malawi: Key Developments and U.S. Relations*). U.S. officials and some Members of Congress have lauded the process resulting in Chakwera’s election. USAID supported the electoral process, including through training for journalists, domestic election observers, and civic educators, as well as political party capacity-building and technical assistance to the MEC. The National Endowment for Democracy and the State Department also supported election-related programs.

Malawi has received over \$3.6 billion U.S. development aid since 2000, including more than \$1.7 billion for health. It is slated to receive an estimated \$300 million in FY2020 U.S. development aid programmed prior to the COVID-19 pandemic, and an additional \$4.5 million in special U.S. COVID-19 assistance. Much of the non-COVID-19 aid flows through U.S. global HIV/AIDS, malaria, and food security initiatives. Malawi’s military receives U.S. International Military Education and Training aid and periodic U.S. peacekeeping training and support. Malawi also participates in the U.S. Young African Leaders Initiative and is eligible for selected U.S. duty-free benefits. A Peace Corps program prioritizing education, health, and the environment, is currently suspended due to COVID-19.

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