Rethinking the Conditions in Conditional Cash Transfers in Africa: Towards a Transformative Social Contract Approach

By

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Outline

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- What are conditional cash transfers and where did they come from?

- Where are they in Africa and what are their main characteristics?

- Why do we need to rethink the conditions in CCTs to suit the African context and how do we go about it using a transformative social contract approach?

- Conclusion
Conclusions

- If we ever hope to achieve meaningful and progressive outcomes from current social protection programmes in Africa, it is crucial that we rethink the current approaches and move beyond simply engaging in what Pritchett et al., (2004) refer to as “SYSTEMIC ISOMORPHIC MIMICRY.”

- As such, adopting more holistic approaches will mean ensuring we address the structural issues underlying poverty and inequality on the continent while taking important steps towards achieving national development and state capacity building.

- A transformative social contract approach constructed around socially democratic and developmental state systems can help in this regard. In addition, by getting our priorities right, social protection will not only generate progressive economic returns but will also be politically and fiscally sustainable.
Introduction

- Since the late 1990s, social protection has returned as a major paradigm in national and international development.

- Events such as the food, fuel and financial (3F) crises of the past decade have only made the role of social protection more crucial for addressing vulnerabilities and risks of poor individuals, households and communities.

- This has led to the introduction of Conditional Cash Transfer (CCTs) programmes and other programmes for addressing poverty and inequality in many countries.

- Indeed, according to Nancy Birdsall, CCTs “are as close as you can come to a magic bullet in development. They [a]re creating an incentive for families to invest in their own children's futures. Every decade or so, we see something that can really make a difference, and this is one of those things” (cited in New York Times, 3 January 2004). But what are CCTs?
What are CCTs?

- CCTs are “programmes that transfer cash, generally to poor households, on the conditions that those households make prespecified investments in the human capital of their children” (Fiszbiern and Schady 2009:1).

- These investments are usually health and education related, such as periodic medical checkups for women, immunization and school attendance for children.

- CCTs are among, and sometimes implemented alongside, a number of social protection instruments such as public works, food transfers, unconditional cash transfers, inputs and asset transfers etc.

- Their main objectives are to reduce poverty and break the intergenerational cycle of poverty by developing the human capital of household members.

- But we may ask, where the CCTs come from?
The current forms of CCTs available globally (over 100 of them) are mainly modelled after the PROGRESSA/OPORTUNIDADES and BOLSA ESCOLA/FAMILIA programmes initiated in Mexico and Brazil respectively.

Mexico began its national CCT programme in 1997 while Brazil launched its programme nationally in 2001.

Based on extensive impact evaluations of these two main programmes and positive results in the areas of increased school enrolment in particular, foreign governments and donors like the World Bank have encouraged the adoption of CCTs globally.

Some African countries now have Latin American style CCTs even as the numbers of these programmes continue to grow on the continent.
Some of these countries include but are not limited to...

- Eritrea Results-Based Financing
- Ghana Livelihood Empowerment against Poverty
- Kenya Cash Transfer for Orphans and Vulnerable Children
- Malawi Zomba Cash Transfer
- Mali Bourse Maman
- Nigeria Kano Conditional Cash Transfer for Girls’ Education
- Senegal Conditional Cash Transfer for Orphans and Vulnerable Children
- Tanzania Rewarding STI Prevention and Control in Tanzania (RESPECT) (Garcia and Moore, 2012). For more examples see Fiszbien and Schady (2009).
While CCTs vary in Africa in their target populations, they are mostly for female headed households with at least a child of school age who live below a set poverty threshold e.g below $1.25 per day.

The transfers are often between $10 and $15 per child and are made to the household heads on the condition they ensure every participating child achieves at least 80 per cent school attendance every month.

Participating household members are also required to take part in routine immunization at designated hospitals or clinics.

Many programmes in Africa use community based targeting in combination with geographic and categorical targeting methods.

Quotas are used to determine the number of beneficiaries per community. That is, coverage is limited and not universal for all community members.

In some cases, money is given to families for economic empowerment once the transfer period ends. This forms the “graduation” or exit strategy.
So why do we need to rethink these conditions?

- They mainly focus on demand side issues while supply side structural infrastructure like good schools and health centres needed to make them succeed remain abysmally poor in most places.

- These programmes are mostly influenced by risk management approaches and not rights based. In other words, they represent the “charity not right” approach to social protection.

- They also lack any serious graduation strategy and the short duration (1-2 years) they last makes achieving their objectives almost impossible.

- The level of transfers are too low to make any meaningful impacts in the lives of many poor people who often fall back into poverty soon after exiting the programmes.

- They therefore do not represent holistic approaches to addressing the problems of ignorance, poverty and diseases in Africa.
How do we rethink these conditions?

- A transformative social contract approach requires that citizens and states respect peoples rights to quality education and good health care in the pursuit of social justice and equality.

- The prerequisite conditions for CCTs should be the provision of necessary education and health infrastructure. In other words, supply side conditions MUST be fulfilled first.

- Citizens should be able to claim their justiciable rights without fear or discrimination.

- To achieve a more transformative social contract approach, it is imperative that African countries embrace socially democratic and developmental state systems with the main objective of tackling poverty and inequality.

- Quite importantly, social protection needs to be seen within the larger context of national development and nation building.

Thank you for listening.
References

