

Social assistance in the 21st century

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The presentation:

Large expansion of social assistance provision in low and middle income countries

...pointing to an emerging architecture of welfare institutions

with social assistance having a prominent role

...and highlighting significant research gaps

Why the expansion of social assistance in LMICs?

The relative weight of protection and social investment

The politics of vertical redistribution

Social policy, social protection, social assistance and emergency assistance

Social Policy			
<i>Basic service provision</i>	<i>Social protection</i>		
Education, health, housing, etc.	<i>Social insurance:</i> Contributory programmes addressing life cycle and employment contingencies	<i>Social assistance:</i> Budget-financed rules-based programmes addressing poverty and vulnerability	<i>Labour market policy:</i> 'Active' and 'passive'

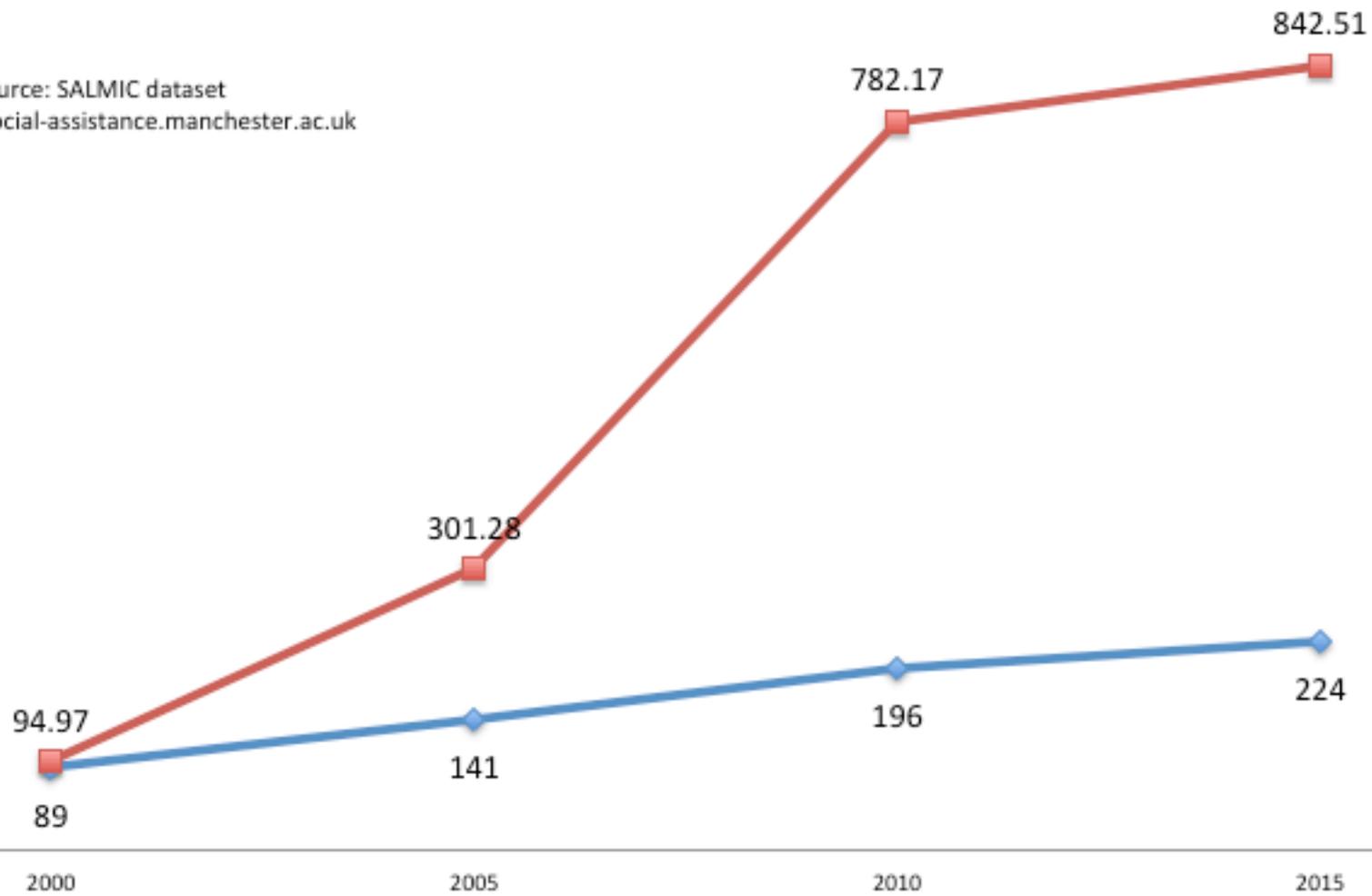
'Safety nets' merge social assistance and emergency assistance

Emergency assistance	Social assistance
addresses misfortune	addresses poverty and vulnerability (generated by economic system)
short term	regular and reliable transfers
targets people affected by hazards and does not select by socio-economic status	targets citizens with incomes below a minimum income threshold
financed by budget reserves or international assistance	budget/tax financed
Samaritan principle - help those affected by disasters/hazards	Citizenship principle - commitment to ensuring minimum living standards
no link to domestic politics	requires domestic political support
transfers are discretionary	transfers are entitlements; they are rules-based
NGOs; charities; UN emergency agencies	Ministries of Social Development
limited legal framework except human rights if applicable	Legislation/regulations
dominant instrument: transfers in-kind although increasingly in cash	dominant instrument: old age transfers(budget)/ ccts (participants)
consumption and recovery	consumption and social investment

Social assistance expansion in LMICs

Programmes (#) Beneficiaries (m.)

Data source: SALMIC dataset
www.social-assistance.manchester.ac.uk

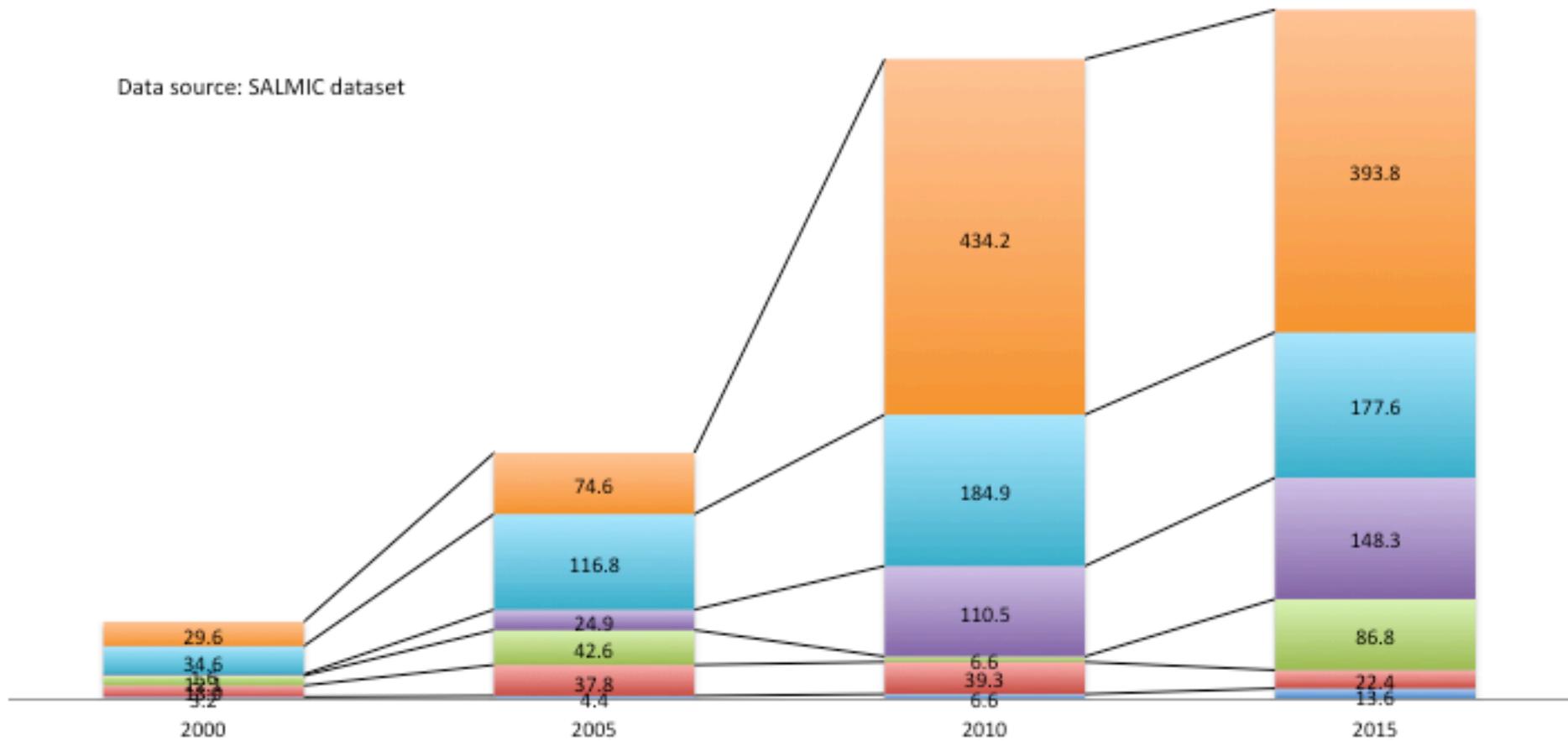


Uneven expansion across regions

Reach of social assistance by region
(direct and indirect beneficiaries in millions)

■ Middle East & North Africa
 ■ Europe & Central Asia
 ■ Sub-Saharan Africa
 ■ East Asia & Pacific
 ■ Latin America & Caribbean
 ■ South Asia

Data source: SALMIC dataset



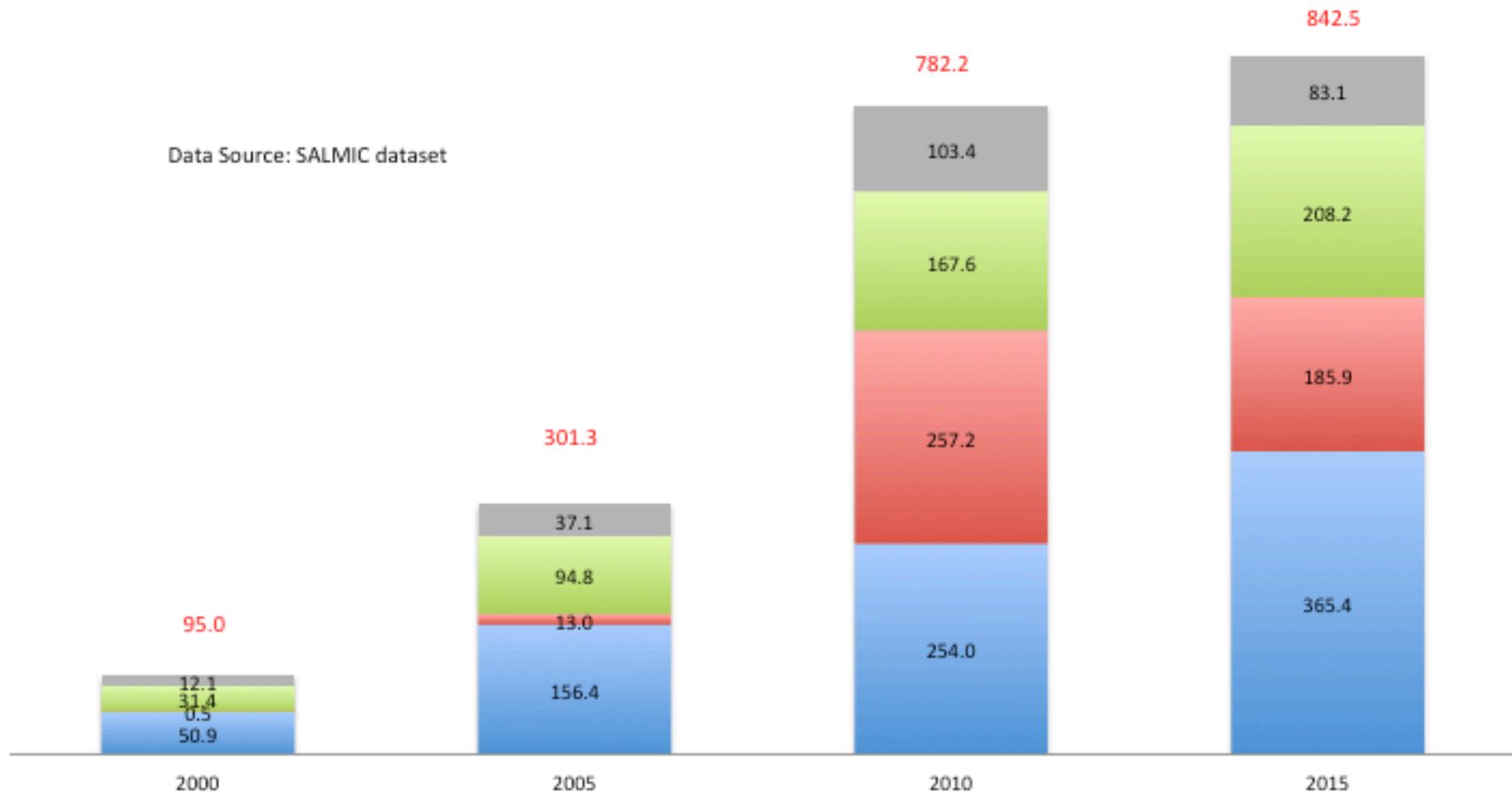
Transfer programme types

<i>Understanding of poverty</i>	<i>'Ideal type' of social assistance programme</i>
Poverty as consumption deficit	Pure income transfers
Poverty as productivity deficit	Income transfers combined with asset accumulation Human development income transfers Employment guarantees (community assets)
Poverty as inclusion deficit	Integrated antipoverty transfer programmes
<i>Source: (Barrientos, 2013)</i>	

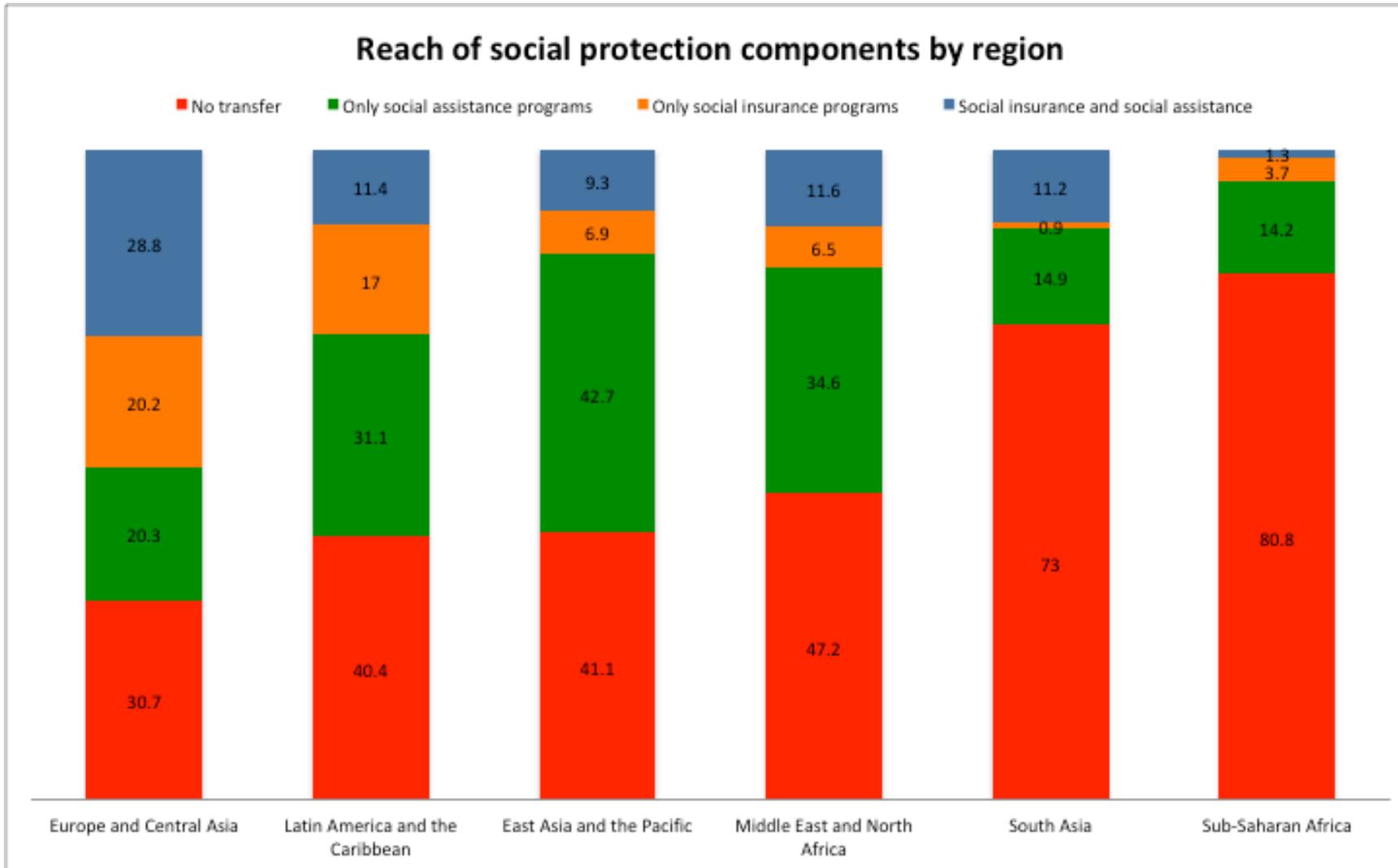
Reach of social assistance in LMICs by programme type (direct and indirect beneficiaries in millions)

■ Pure transfers
 ■ Employment guarantees
 ■ Conditional income transfers
 ■ Integrated programmes

Data Source: SALMIC dataset



The emerging architecture of welfare institutions in LMICs



Data Source: ASPIRE
accessed Oct 2017

The values reflect the share of individuals in households with at least one participant in social insurance or social assistance as defined by ASPIRE, and estimated from household survey data.

Country's most recent value between 1998 and 2014

The primary role of social assistance in social protection constitutes an anomaly for theories of the development of welfare institutions in high income countries

European theories of the welfare state focus on the role of interest stratification, class coalitions and policy-to-politics feedback

In a context in which comprehensive social insurance dominates, social assistance is redundant and even counterproductive ["...targeted model creates a zero sum conflict of interests between the poor and the better off workers and the middle class who must pay for the benefits of the poor without receiving any benefits...[targeting] drives a wedge between the short-term interests of the poor and those of the rest of the population "(Korpi & Palme, 1998: 672).]

This perspective has been influential in scholarship on developing countries:

Huber and Stephens acknowledge that "although policies targeted at the poor have a place in the overall [social policy A.B.] package, they cannot be the center-piece of the package because they don't tie the middle of the income and class distribution to the political coalition" (Huber & Stephens, 2012, p. 66).

Along similar lines and considering the development of welfare institutions in Latin America, Asia and Eastern Europe, Haggard and Kaufman write "[a]lmost by definition the poor and vulnerable are deprived not only of assets and income but of social and political connections and influence as well...The fate of the poor and vulnerable is therefore never in their hands alone but will depend on the self-interest of other social groups and the formation of cross-class coalitions with an interest in equity and social justice" (Haggard & Kaufman, 2008, p. 362).

Research gaps I

What explains the expansion of rules-based social assistance in the 21st century?

Democratisation facilitating demand for social policies

Economic growth generating employment and fiscal space

Left- coalitions championing inclusion

International context underlined poverty reduction

Lack of dynamism/Failure of social insurance model

Social assistance as an electoral tool

Research gaps II

What is the relative weight of social investment and protection?

A significant number of programmes focus on improving productive capacity of groups vulnerable to poverty, especially conditional income transfers and integrated antipoverty transfer programmes

Consistent with a shift towards social investment

Complements or substitutes?

Social investment for outsiders?

Research gaps III

Understanding the politics of vertical redistribution

Social insurance works by pooling risks among groups, effecting horizontal redistribution

Social assistance works instead through vertical redistribution, from the better off to the worse off

Highlighting the need to understand the politics of vertical distribution: social contracts? Left coalitions? Transfers as an electoral tool

Combined effects of taxes and transfers? Tax structures?

Conclusions

LMICs show a significant expansion of social assistance provision and institutions in the new century

Social assistance describes budget-financed and rules-based transfer programmes addressing poverty and vulnerability

In terms of reach, social assistance is the dominant social protection component in LMICs

This suggests an emerging architecture of welfare institutions in LMICs with social assistance at its core

It also highlights important research gaps relating to: causal explanations for this expansion; the relative weight of protection and investment; and the politics of vertical redistribution.