



CONGOMA

DESK STUDY

ON THE

MALAWI SOCIAL SUPPORT:

CRITICAL ISSUES FOR REFLECTION

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1. Introduction

The problems of acute poverty and vulnerability have long been recognized. A number of studies have been conducted, strategies developed and programs implemented still the depth of poverty continue to increase. There has now been a significant new interest in adopting social protection as a mean of assisting those who are unable to rise sufficiently from their livelihood to address their basic needs. Social protection is considered a key strategy not only in combating pervasive and chronic poverty and vulnerability but also as a platform for the attainment of the Millennium Development Goals (MGDs). The importance of social protection in Malawi has intensified since the dawn of multiparty democracy in 1994 but with dismal impact on the population. The introduction of social protection brought in high hopes that the fight against poverty, food insecurity and poverty would register laudable progress following the dramatic change in the official position on the incidence let alone severity of poverty in the country. The view of the one party Malawi Congress Party (MCP) government was that as long as every Malawian was well fed, lived in a house which did not leak and had adequate clothing, the question of poverty did not arise at all (cf. Msukwa, et al., 1994 and Chinsinga, 2002a).

This, however, dramatically changed following the transition to multiparty democracy in May 1994. The United Democratic Front (UDF), which ousted the MCP one party government from power, campaigned on the poverty alleviation platform. Unlike its predecessor regime, which entirely denied the existence of poverty or viewed it from a grossly minimalist perspective, the UDF government quickly acknowledged its widespread existence, magnitude and depth. The UDF government in fact championed poverty reduction both as a policy and strategy that would guide its activities in the short, medium and long term. The major poverty reduction efforts since then have included the Poverty Alleviation Programme (PAP) launched in 1994 under which the Malawi Social Action Fund has been the main intervention. This was followed by the Vision 2020 in 1998; the Malawi Poverty Reduction Strategy Paper (MPRSP) in 2001; and the One Village One Product (OVOP) in 2003. (Chinsinga, 2008)

Recent assessments, however, indicate that the scales of poverty, food insecurity and vulnerability have dramatically worsened especially among smallholder farmers and the urban poor. The extent of poverty, food insecurity and vulnerability in the country is perhaps aptly captured by the comparative

analysis of the 1998, 2005 and the 2011 Integrated Household Surveys (IHS). The 1998 HIS estimated the overall incidence of poverty at 65.3% with rural and urban poverty pegged at 66.5% and 54% respectively. According to the 2005 IHS, 52% of Malawians eke their livelihood below the poverty line. The proportion of the ultra-poor has remained the same at 22%. The 2011 HIS 3 shows that poverty incidence across the country had declined to 50.7 percent indicating that almost half of the population is poor. This is a slight decrease in poverty rate by 2 percent from 52.4 percent reported in 2004/2005. The 2011 HIS also confirmed that 25 percent of the population is ultra poor. That is, about one in every four people lives in dire poverty such that they cannot even afford to meet the minimum standard for daily-recommended food requirement.

2. Chronicling the Social Protection Policy Process in Malawi

The social protection policy process can be traced back to December 2005 when DFID convened and supported a workshop, which drew participants from government, CSOs and donor agencies to consider the findings of studies that DFID had commissioned, namely:

1. Vulnerability and Chronic Poverty in Malawi.
2. Review of Social Protection Instruments in Malawi.

The workshop agreed that the practice with respect to safety nets was ad hoc, short term and uncoordinated. It was further recognized that despite a plethora of interventions under safety nets, poverty had not been effectively addressed. Instead it has progressively worsened. The meeting hence recommended a shift from safety nets to social protection with an appropriate institutional framework to address the ills that had characterized safety nets programme.

A follow up meeting was held in June 2006 where a road map for social protection was developed. The National Social Protection Strategy (NSPS) and four National Technical Committees were formed and mandated with essentially the same terms of reference, as was the case during the National Safety Strategy. DFID, World Bank and UNICEF were members of both committees. The technical committees were charged with the responsibility of developing the policy content with respect to their sectors.

During this period the role of development partners in the process intensified in particular with UNICEF, DFID, World Bank playing a very critical role in providing technical and operational support to the Government of Malawi a situation that

might have undermined the local ownership although the government Malawi tried to portray the process as entirely home-grown. While the technical committees were responsible for developing the policy content, it is important to note that the task of formulating a social protection framework, that is, the proposed list of the underlying principles and rules of engagement was left to consultants fully engaged by UNICEF and DFID. The World Bank also supported the process though it kept on claiming not to have significantly influenced the process because they joined later after the process had taken off.

During the policy drafting process, the position of most stakeholders in particular Civil Society Organisations (CSO) was that UNICEF, the World Bank and DFID were the ones pushing for the social protection agenda, especially unconditional cash transfers for the poorest of the poor and were prepared to pump in money to support the programmes. Their fear was that social protection might end up being supply-driven which may not be sustainable beyond the support period.

3. Participation and Inclusiveness of the Policy Process

As indicated above the policy formulation process was clearly considered to have been dominated by some donor agencies and government departments. The private sector and CSOs were not actively taking part in the policy process. The Private Sector and the academia were not represented at all during the first meetings. Only CONGOMA and CISANET were represented.

This lack of CSO interest in the process was clearly visibly during the third consultative meeting, which was held at the Malawi Institute of Management (MIM) where less than 50% of the invited CSOs turned up. The perception of most CSOs then was that this was merely a briefing rather than a consultative session. There was no time to assimilate let alone think through the issues in order to provide well thought input. But as the Social Protection Unit (SPU) were concerned then, CSOs society were consulted.

Another contentious issue then was whether the participation of CSOs ought to have been through consultations or through membership to the technical committees. It was very clear from this policy process that unless CSOs were to be part of the thematic technical committees they could not contribute to the quality of the policy content. Perhaps the more worrying development then was that the policy process did exclusively adopt a top-down and elitist approach. COS were of the position that there were no serious attempts to listen to the poor and vulnerable people the social protection policy was purported to target.

4. Overview of the Social Protection Policy

The National Social Support Policy is a medium term policy that has been formulated to contribute towards the reduction of poverty and vulnerability, in line with the Malawi Growth and Development Strategy One. (MGDS 1)'s theme of Social Protection and Disaster Risk Reduction. The Malawi Growth and Development Strategy II (2011-2016) went on to identify the following outcomes for the Malawi Social Support strategy:

1. Enhancing and promoting predictable transfers to the most vulnerable and the ultra poor households;
2. Promoting longer term, skills oriented and asset enhancing interventions;
3. Establishing coherent and progressive social support synergies;
4. Promoting existing livelihood activities for the poor;
5. Promoting village savings and loans programmes; and
6. Improving and scaling up the Social Cash Transfer Programmes.

The Social Support policy defines social support/social protection as all public and private initiatives that provide income or consumption transfers to the poor, and protect the vulnerable against livelihood risks. Social Support also enhances the social status and the rights of the marginalized with the overall objective of reducing ultra poverty as well as the economic and social vulnerability of the poor.

The policy notes that this can be achieved through enhancement in programme coordination, effectiveness, efficiency, reduced overlaps and sustainability.

The policy has four policy themes and these are:

- 1) Welfare support whose strategy:
 - Is to provide predictable transfers such as cash, shelter or food.
- 2) Protection of assets whose strategies are:
 - Implement Public works programme, at a wage indexed to the cost of living, consolidated eventually into a national employment guarantee scheme; and
 - Implement Social insurance schemes (e.g. community-based health insurance, burial societies and insurance schemes for livestock loss)
- 3) Promotion through productivity enhancement whose strategy is:
 - Implement Vouchers, pass on programmes and input subsidies/cash transfers to enable the poorest (agricultural) households to access agricultural inputs;
 - Implement Public works programmes – longer term, inflation-adjusted higher wage, predictable and guaranteed, based on creation of valuable community/household assets (e.g. irrigation, dam construction,

- afforestation, nutrition gardens, and home-based care), using appropriate technologies and linked to skills building;
- Promote village savings and loans programmes, and cooperatives; and
- Implement conditional cash transfers (e.g. cash-for-assets – where beneficiary households accumulate productive assets)

4) Policy linkages and mainstreaming whose strategy are:

- Key ministries and stakeholders collaborating in the social sector to ensure that all the poor and vulnerable access social services e.g. child care support, protection from abuse and exploitation, access to justice, access to school, access to treatment for people living with HIV&AIDS, Early Childhood Development and treatment from malnutrition.
- Collaborate with key ministries and other stakeholders:
 - To ensure that all the poor and vulnerable benefit from improved access to disaster risk management strategies; and
 - To establish early warning systems for Malawi through Vulnerability Assessment; and
 - To integrate disaster risk management into sustainable development planning at all levels.

5. Impact of the Programme to date

A number of reviews and evaluations conducted by both programme administrators and donors report that Social Protection programmes have positively impacted on people's lives. There have been noticeable improvements in the livelihoods of the beneficiaries. They have been able to purchase basic foodstuffs, buy clothes, renovate their houses and some have even invested in livestock. School attendance for kids in the beneficiary households has dramatically improved, as they are now able to afford basic school materials including uniform. For example a study by the Centre for Global Health and Development in collaboration with the Center for Social Research, University of Malawi concluded that there was evidence that cash transfers influenced economic development by: (1) enabling the poor to protect themselves against unforeseen expenses such as illness or disaster; (2) increasing the productive capacity and asset base of poor and vulnerable households; (3) encouraging investment by reducing risk through the predictability of transfers; and (4) stimulating demand for local goods and services and supporting enterprises in rural areas.

6. Critical Social Protection Issues in Malawi

6.1 Is Social Protection a right?

An assessment of literatures shows that there are varied views to the question whether social protection should be a right for Malawians or not. Some literature indicate that stakeholders in the country do not see it as a right at all; others see it as a right; and yet others contend it could be thought of somewhere between the two extremes. It is quite striking that none of the current Government policies or development strategies fully situate their conceptualization of social protection within a human rights framework in which case none of the local or international human rights instruments are invoked as the basis for social protection.

Championing social protection as a right is imperative because the goal of human development is to create an enabling environment in which people's capabilities can be enhanced and their choices expanded (Ultvedt, 2004). The human rights approach to social protection brings to the fore elements of duties and obligations as well as the ability to claim rights. A human rights based approach defines the objectives of development and translates people's need into rights, focusing on the individual person not as a passive beneficiary of development interventions but as its active subject. It thus attaches weight not only to development outcomes, as a majority of conventional approaches do but also to the development process itself.

The human rights approach to development has three guiding principles. These are as follows:

Action: It entails that all policies and programmes should be designed in such a way that they contribute directly to the realization of at least one human right. The approach therefore enhances democratic governance by supporting the state in identifying and fulfilling its responsibilities to citizens.

Guidance: This means that universal human rights standards and principles should guide all actions taken. These principles include universality and inalienability, indivisibility, inter-dependence, equality, inclusion, accountability etc. Thus the human rights based approach gives substance to universal ethics by translating principles of international declarations and conventions into entitlements and concrete action.

Empowerment: This is achieved by raising the capacity of duty bearers (state and non-state parties), which have obligations and rights holders (individuals or groups) to claim their rights. By focusing on the process, the human rights based approach promotes social transformation by empowering people to exercise their voice and to influence the process of change. The human rights based approach is therefore a framework for pursuing human development that is based on and directed towards the development of capacities to realize human rights.

It was striking to note that research conducted by CSO led by Action Aid concluded that much as the majority of the stakeholders perceive social protection as a right, they were quick to provide some caveats. The qualifications to social protection as a right were as follows:

- Social protection should not be publicized as a right because of inadequacy of resources. People should see it as a privilege but government should act on it as its obligation and a right for the people. It was argued that highlighting it as a right would create too much pressure for government and could collapse the economy. In the meantime it should be a privilege of 10% of the poorest population otherwise government will be overwhelmed and be brought down on its knees.
- If social protection is publicly declared as a right, it would entice people out of productive engagements and would therefore increase dependency on welfare transfers and other handouts.

The Action Aid Study however revealed that there were nonetheless a few stakeholders who did not make any caveat at all. They observed that social protection ought to be publicized, as a right since the population that needs social protection is proportionally higher. This in turn negatively impacts on the growth agenda through a pull down effect as benefits of growth dissipate into poverty. They therefore argued that government has a responsibility over this huge part of the population if the growth agenda has to be achieved while acknowledging that the resource implications are obvious on the part of the government. A progressive approach to full social protection is thus advocated as the most viable option. Still others argued that whether social protection was a right or not did not matter at all. The most important thing is that social protection is part of MGDS.

6.2 Delivery of Social Protection Programmes

The key question in Malawi so far has been whether or not the delivery of social protection programmes should be targeted to the deserving recipients (cf. Hoddinot, 1999 and Chinsinga, 2005a). It is striking to note that the preference for nearly all policy documents in Malawi is that the delivery of social protection interventions should be targeted. The primacy of targeting in the provision of social protection is a reaction against the assertion of the advocates of minimum universal social protection packages within the rights based framework. Under universalism, the entire population is the beneficiary of social benefits as a basic right, while under targeting; eligibility to social benefits involves some kind of means testing to determine truly deserving beneficiaries (cf. Mkandawire, 2005).

The conceptual questions that targeting grapples with pertain to the identification of the categories of people who should benefit from an intervention; and how to reach these people in order to achieve the greatest possible impact on poverty, vulnerability and food insecurity or, indeed, any other indicator of choice. The objective of targeting is therefore to better link the purposes of interventions with the intended groups of beneficiaries.

Two major justifications are invoked for targeting. It is argued that universal delivery of social protection benefits encourages and promotes dependency, which is inimical to the overall economic welfare. This in turn perpetuates poverty on a massive scale (cf. Gentilini, 2005). Perhaps more importantly, targeting promotes efficient allocation of resources, which raises benefit levels to poor, vulnerable and food insecure without adding to the overall fiscal burden.

In Malawi the primacy of targeting is a direct consequence of the increasing shortage of resources at the disposal of Government. The resource envelopes for country continues to plummet especially in the context of donor withdraw of budgetary support to the Government of Malawi. This is the main reason the Government has used as a justification against minimum universal social protection interventions because it cannot simply afford. In the face of limited fiscal resources, it is better to target the resources to the deserving poor in which case improved targeting means that more poverty alleviation could be achieved with less expenditure.

6.3 The Politics of Social Protection in Malawi

In Malawi it is clear from history that politics matters more in the conception, implementation, success and sustainability of all poverty reduction programs and issues of development more broadly. Ever since the country attained independency, all poverty reduction programs that have been tried and implemented have been viewed as sweeteners for public support and political survival of the ruling party and have tendered to receive less support from the opposition who viewed such programs as potential instruments for their political demise. In other words, the design, targeting and distribution of social protection programmes continue to be perceived as instruments for building political support for the ruling regime rather than appreciating its wider noble cause of socio-economic empowerment of the poor and vulnerable groups.

The political culture that has been entrenched in Malawi needs to be seriously looked into. For the past twenty years Malawians have been used to short term solutions to their problems with the electorate preferring to support the party or individuals that seems to solve people's immediate problems. As a result key social protection programs have been launched as personal initiatives of the sitting president of the day. These programs have proved to be unsustainable because the programs were believed to have been modeled as political incentives which in the end contributed to lack of consensus on basic national development strategies across regimes.

Malawi is still far from achieving a decentralized system of government. Some evidence from literature show that stakeholders perceive the centralized system of government in Malawi to be the major stumbling block that makes it extremely difficult to implement Social Protection programmes. The argument is that the centralized delivery systems are prone to bureaucratic corruption owing to problems in monitoring bureaucratic performance. Overall, there is greater need to focus on developing an institutional framework for social protection in Malawi that attracts political support from both the society and other political players within and outside government. The over-arching aim should be to strengthen and extend political contracts on social protection even in a situation where there is regime change. This can be successfully done by establishing a decentralized institutional arrangement and administrative capacity that recognizes the importance of political dynamics and that endeavors to create and mainstream its operations within the developmental framework and solidarity.

6.4 Public sector constraints

One of the major concerns with social protection implementation in Malawi is the lack of efficient executing agencies endowed with instruments and tools necessary to implement the programmes. For instance the Ministry of Gender and Social welfare often lack resources, skills and people leading to fragmentation and lack of coordination efforts. Currently social protection programmes are being implemented through different departments and led by different International Non-Governmental Organizations resulting in serious interagency conflicts and lack of coordination arising from lack of complementarities among programmes, inadequate managing capacity and lack of productive diversification among the projects. The problems are further compounded by the fact that the different implementing agencies have different approaches to measuring poverty, vulnerability and inequality making it difficult to measure and sustain the impacts of the interventions.

The leading public institutions in the Social Protection sector are characterized by limited experiences with institutionalization of public policies among different state organs. The situation is worsened by limited understanding of civil society of the role of the state vis a' vis public policies further compounding the ability of the public sector to conduct its business effectively.

The lack of capacity in the public sector to conduct extensive assessments and sound diagnosis placing on record the actual needs of people, reality of poverty, vulnerability and inequality is an issue of concern. There is clear lack of adequate understanding among government and civil society officials of how social policies can be an investment tool for economic growth alongside furthering human rights

Despite having clear development strategies that stipulate the priorities of Government, there at the same time an absence of efficient policies such as economic policy generating growth, policies against social inequality, tax policies aimed at properly distributing income which are clearly linked to aggressive social policy on adequate targeting criteria and efficient in terms of managing resources.

Further experience has shown that the lack of viable social policy frameworks have always resulted in improper governance (transparency and accountability) and hence inefficiency.

Existing's policies and development strategies are not clear enough in terms of providing a framework for the development of proper indicators to measure input, output, outcome and impact of policies and programmes often creating lack of wide economic and political consensus that ensures policy continuity.

6.5 Precarious financial resources

Currently the Government of Malawi is facing serious financial constraints to ensure clear correlation between priorities and resources. The Malawi Government finds itself facing the Catch 22 situation of social policies since the greater the need for social policies the lower the capacity of the state to provide it (where risk managements are most needed may not be where returns are highest). The ever increasing social outlays and fiscal contraction tend to happen in concert limiting government's ability to expand programmes at critical times

Limited finances strain direct budgetary support to build national capacity to introduce systems that are not only efficient but enable sound governance, transparency, accountability and coordination of social policies. This has resulted in the lack of government ownership of the social protection programmes because of donor and other development partners' disproportionately high financial contributions.

The unpredictability of donor fashions for example donors advice against increased social spending by Government is another issue of concern. It is clear that donor policy positions in Malawi are sometimes out sync with one another and those of the governments. The continued lack of coordination between donors, International NGOs and other funding agencies has been one of the major contributing factors potentially holding back the development of coherent social protection in Malawi. This has resulted in limited ownership of the resultant social protection by the Malawi Government in particular in cases where donors and INGOS prefer to prioritize their own fads and fashions with little regard to national interest.

7. Concluding Remarks and Reflections

Institutionalization of social protection in Malawi require technical, administrative and political capacities. The main challenge, however, is how should the formal and informal institutional frames be articulated so that a common agenda is

developed without including all expectations in structuring the social protection programmes.

There is thus need to:

1. Identify institutional mechanisms in order to take advantage of the potential in every community. CSO can lead in conducting related studies mostly regarding learning for actions, oriented to the political economy of social policy and the informal rules as well as institutional arrangements fostering proper consideration by the state, the government level, the civil society and the private actors of the most effective social protection interventions and supporting institutional arrangements that would have lasting impact and contribute to economic development of the country
2. The country needs to come up with a clear and shared definition of social protection which is context specific. This is crucial because there are different conceptual frameworks or understandings of social protection. Lack of such a definition is reflected in the way different players design their social protection interventions where in some cases such definitions tend to essentially equate social protection with safety nets.
3. There is need for the country to put in place principles of social protection e.g. universalism and principles of engagement for stakeholders (government, donors NGOs, private sector) which should guide the design of programmes by different stakeholders. Leaving stakeholders to decide and structure their own principles has so far proved problematic in terms of coordination of efforts and capturing impacts. It is important that Government takes leadership in ensuring that strong principles are put in place and that all players are should be bound by such principles. The principles should also facilitated proper poverty profiling and how to target interventions for different groups of the poor.
4. There is need to further develop guidelines for shifting beneficiaries between different social protection components and how to make this process smoother. This would allow for clarity in designing and provisions of various forms of support to the poor which would be essential to ensuring that there is progressive and positive movement among the beneficiaries.

5. There is need for the Malawi Government to consider anchoring Social Protection within the human rights-based approach. This should be motivated by the results of several evaluation studies of safety nets in which shows that the lack of anchoring programmes within the rights based framework has disproportionately contributed to managerial arrangements that have undermined the ability if beneficiaries to demand and access support based on their needs.
6. There is need to put in place sustainable financing mechanisms that are on budget and predictable. This would ensure that social protection programmes are not affected by donor politics and that support those who need the service is not abruptly discontinued due to unpredictable financial flows. Government should guarantee a certain percentage of the annual budget for social protection.

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