PATHWAYS' PERSPECTIVES
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The Seven Deadly Myths of Social Protection

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In a stimulating blog dated 03 May 2013 – *click here* – Stephen Kidd discussed the issue of myths in social protection. In this article, I would like to take this further and try to dispel a number of the more common myths surrounding social security systems in developing countries.

Coincidentally, I have just returned from a trip to Madrid. Naturally I visited the Prado museum, where one of the highlights was a splendid table attributed to Hieronymus Bosch, called *The Seven Deadly Sins* and *The Four Last Things*. Here it is:

It occurred to me that there are some interesting parallels between the myths I want to dispel, and the Seven Deadly Sins depicted.

But first, by way of introduction, let us start by clarifying the two very distinct ideologies around social protection that Stephen has delineated.

On the one hand, we have a neo-liberal, small state approach – let us call it Tea Party social protection in memory of Boston, and the resultant philosophy of low taxation and low government expenditure. This approach is firmly rooted in a nineteenth-century "Anglo-Saxon" worldview of "poor relief" and "workhouses". It is tightly poverty-targeted, based on the argument that scant resources should be focused on the poorest, often identified through (highly inaccurate) mechanisms such as proxy means testing, community targeting, or self-selection. It is also premised on a belief that "beneficiaries" should do something in exchange for receiving their benefits. So it imposes conditions: either work (as on a workfare programme), or a set of behaviours (such as visiting a health clinic or sending a child to school). There is an emphasis on – not to say obsession with – "graduation" and "exit strategies"; and there is no recognition of entitlement or rights. Examples abound: Latin America's much-lauded Conditional Cash Transfers (CCT); Ethiopia's Productive Safety Net Programme (PSNP); Indonesia's Program Keluarga Harapan (PKH); Pakistan's Benazir Income Support Programme (BISP); etc. The major proponents of this ideology are the Bretton Woods institutions.

On the other hand, we have a more "universalist" approach, akin to a Nordic view of social security. This places the emphasis on tackling inequality as a means of combating poverty. It tends to provide support to much broader "vulnerable groups" such as people with disabilities, the elderly and children. And it provides benefits to all (or almost all) in these identified groups, even those that are not poor. It represents a more inclusive, so more expensive approach; but it is also more popular, with stronger political appeal, so ultimately better funded and more fiscally sustainable. The argument is that the poor get a more valuable (and more sustainable) transfer than if a much smaller programme had been targeted exclusively at them.

These programmes tend not to be conditional, but entitlement-based; and there is much less emphasis on graduation, since exiting happens naturally. Again there are many examples: South Africa's suite of social grants; old age pensions in Lesotho, Nepal and Thailand; India's employment guarantee scheme (MGNREGA). The major global proponents of this approach are the United Nations, embodied in the concept of a social protection floor.

As Stephen argues so cogently in his blog, it is – regrettably – the former ideology that is currently predominant in the development discourse. But it is predominant largely because it is based on a set of myths. And it is these myths that I think can be linked to Hieronymus Bosch's Seven Deadly Sins. They might thus be termed the ***Seven Deadly Myths of Social Protection***.

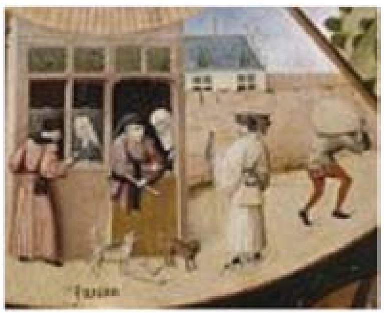
Sloth

The first is the Sin of Sloth (*accidia* in the Latin of the Catholic Catechism), which is linked to the myth propagated by protagonists of the Tea Party approach that providing people with social transfers will result in laziness and dependency. Whilst this may indeed be a concern in developed countries, as current debates in the UK show, it is demonstrably not the case in developing countries where benefit levels tend to be low. In fact all the evidence points to the opposite conclusion: that social transfers, by mitigating risk and allowing investment, actually reduce dependency and improve productivity. Recipients of social transfers in Mexico and South Africa look for work more intensively and extensively, and find employment more successfully, than do workers in comparable households that do not receive social grants; an evaluation of the Mchinji cash transfer programme in Malawi found that 50% of recipients were more likely to produce crops since receiving the cash transfer; and beneficiaries of the Mexican agricultural support programme, Procampo, raised their income by 1.5 to 2.6 times the value of the actual transfer.

The second is the old and much-repeated myth that social transfers encourage irresponsible spending – in other words that they encourage the Sin of Lust (*luxuria*). Quite apart from being patronising and hypocritical, this assertion is also demonstrably wrong. Poor households are by far the best judges of how to use effectively any resources they are given; and a number of studies have confirmed that they spend their transfers wisely: on food, on health, on education, on productive investments ... not on sex, alcohol and cigarettes. Recipients of the old age pension in Lesotho spent less on all such "luxuries" combined than they did in contributions to the church collection-plate! And a study in South Africa showed that households that receive social pensions have higher expenditure shares on food and education and lower expenditure shares on alcohol, tobacco and entertainment, than other households do. As the t-shirts distributed to recipients of the Kalomo social cash transfer in Zambia proudly proclaim: "the poor are not irresponsible"!

Lust

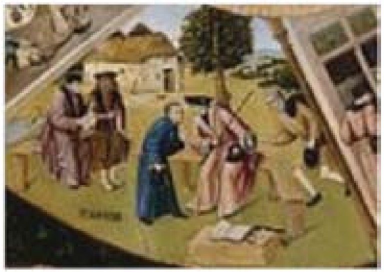
The third myth of the Tea Partiers is linked to the Sin of Envy (*invidia*). Described by Aquinas as "sorrow for another's good", this is manifested in social protection as a reluctance to "give something for nothing".



Envy

This argument, linked to the ones above, is as commonly heard among politicians and commentators in OECD countries as it is in developing countries. It is often used to justify "productive safety nets" (such as workfare) or conditional schemes as a basis for social transfers. But the "productivity" of such schemes, sometimes imposed with minimal consultation by external agents such as governments and donors, is often far less productive than the alternative of providing individuals and households with the means to make their own consumption and investment decisions, without obliging them to waste valuable time and energy on misguided and frequently "unproductive" initiatives.

The fourth argument used to support tightly poverty-targeted social protection programmes may be associated with the Sin of Greed (*avaricia*). This is the argument that any broader, more universal approach is "unaffordable". But this is arrant nonsense. Affordability is much more closely associated with political will than with fiscal resources. First, the OECD countries which now rely heavily on social security were themselves much poorer when they introduced social security. Arguably this is indeed part of the reason why they have now become so much richer: there is a strong correlation between national wealth and the amount countries spend on social protection. Another example is Mauritius, where even the IMF cites its early adoption of comprehensive social transfers as a key reason for its dramatic improvements in living standards. Finally, ILO studies of selected African countries calculate that the cost of an $18 per month pension for all over-65s and all people with disabilities would typically represent no more than 0.3% to 1.0% of GDP. Lesotho, for example, introduced a universal social pension which was denounced by the Bretton Woods Institutes as unaffordable…but has gone on increasing its value ever since.


Greed

Fifth, and closely linked, is the Sin of Gluttony (*gula*). Interestingly, gluttony is defined both as "a misplaced desire of food or its withholding from the needy", with the latter being most relevant in this context. What those who argue that social protection is unaffordable are actually saying is that they do not accept a greater degree of redistribution: they do not wish current government expenditure from which they may benefit to be redirected to others. The typical example here is encapsulated in consumer subsidy programmes, which by definition benefit those who consume more, to a much greater extent than those who consume less. So, for example, 55% of the benefit of Indonesia's fuel subsidy goes to the richest 20%, and less than 5% of the benefit to the poorest 20%. And this fuel subsidy costs the government 2.5% of GDP, compared with the 0.5% of GDP that it spends on social assistance programmes. As Galbraith put it so succinctly, quoted in one of the links on Stephen's blog: "The modern conservative is engaged in one of man's oldest exercises in moral philosophy: that is, the search for a superior moral justification for selfishness".


Gluttony

Sixth is the myth that grievance systems can compensate for flawed programme design and substandard implementation. This is linked to the Sin of Wrath (*ira*) and the mistaken assumption made by Tea Partiers that beneficiaries will demonstrate their anger and frustration through appeals procedures. But there is little evidence to support this myth. Grievance systems are often non-existent. Where they do exist, beneficiaries do not use them because they do not understand the basis on which they were, or were not, selected for a programme; they are not fully aware of their entitlement; or they see the whole process as a lottery where the benefit may be taken away as inexplicably as it came…especially if they are so brazen as to complain about any aspect of it. Interestingly, in one or two cases where appeals procedures were properly introduced, such as Kenya's OVC programme, they had to be retracted because so many angry citizens protested that the system was overwhelmed.


Wrath

The last, and most egregious, sin of the Tea Party movement is the hubris inherent in the myth that it is possible to target the poorest in any but the most arbitrary fashion. It is not. This represents the Sin of Pride (superbia). Often considered the most serious of the Seven Deadly Sins, Dante defined pride as "love of self, perverted to hatred and contempt for one's neighbour". So we see advocates of the poverty-targeted approach establishing a range of inherently inaccurate systems to "identify" their poorer brethren; and then


Pride

passing these targeting approaches off as being transparent, reliable and authoritative. Yet there are serious, well-documented flaws in all the main poverty-targeting methods: proxy means testing exhibits error rates of 60%-70%, especially in programmes with low coverage (the norm in developing countries); community-based targeting is as likely to perpetuate entrenched inequalities as to overturn them; and self-targeting is often either demeaning (for example when it relies on the provision of inferior goods) or distorted (for example when it excludes those without labour capacity, often the very poorest, from workfare).

So, we are faced with a stark choice, represented on Bosch's table by the "Four Last Things".

1	2	3	4
In the first of these we see angels and devils weighing a man's soul: think of this as being an allegory for the decision we have to take between perpetuating the Seven Deadly Myths of social protection, or refuting them.	We need to get the right answer, because the next panel shows the Last Judgement:	This choice we make will determine whether we end up with social protection systems in developing countries that are worthy of hell (one of Bosch's specialisms!)...	...or of heaven.
			

And, be warned: as the good Hieronymus is keen to point out in the very centre of his table, *Cave Cave Deus Videt* ("Beware, Beware, God Sees"). So let's refute those Tea Party myths!

Pathways' Perspectives

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We are a group of international development practitioners who specialise in the fields of social protection and social development and work and with a range of development organisations and country governments across the developing world. We are committed to bold and innovative thinking and our aim is to provide creative and context-specific solutions to the social and economic policy challenges facing developing countries.

We believe that policy and programming needs to be evidence-based and uniquely appropriate for the political realities of the countries in which we work, which may mean challenging prevailing orthodoxy to deliver the best policy and programme solutions. All of our work is grounded in social and political analysis, ensuring that policies and programmes promote gender equity and women's empowerment, and benefit the most vulnerable.

About The Author

Nicholas Freeland graduated from the esoterically-named 'School of Arts and Humanities' at Cambridge many years ago. This is the first time he has been able to combine the two disciplines in a single article.

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