ACCOUNTABILITY AND POLITICS IN SOCIAL SAFETY NETS
SOCIAL SAFETY NETS CORE COURSE

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Three elements of policy design (Pritchett, 2005)

Achievable gains if …
the politicians, the technicians and
the bureaucrats talk …
with the citizens
Outline

1. Attitudes and perceptions matter
2. Electoral politics and implementation: a three-legged race for central and local governments
3. Organizational politics
4. Accountability in the new social contract
1. Attitude and perceptions matter
Who should provide safety nets?

- Wide variability across countries about
- Extent of collective responsibility for those who are unable to provide for themselves
- Attitudes about distribution of opportunities and government’s role in equalizing opportunities and outcomes

*Source: Graham, 2002.*
Who deserves assistance?

- More deserving if:
  1. Less in **control** of neediness
  2. Greater **need**
  3. Higher **identification**
  4. “Better” **attitude**
  5. Higher probability of **reciprocity** (past or future paybacks)
Who deserves assistance? (2)

- Matter for:
  - Narrow/broad targeting
  - Regional disparity
  - Racial/ethnic diversity
  - Welfare and workfare
  - Types of interventions (cash, in-kind, subsidies, “education”, social work)

- The poor, the vulnerable and the middle class

- Do the “misfits” (i.e. Rom, children, single mothers) have rights?
What do the public (and politicians) care about?

The press paid more attention to inclusion errors in electoral periods

Source: Lindert and Vincensini, 2010
2. Electoral politics and implementation: central and local governments

• Bolsa Escola (Janvry et al. 2005)
  • Study of 260 municipalities in the Northeast
  • Confusion about the roles of municipalities => heterogeneity of implementation
  • Greater electoral support if social councils existing, larger program coverage, low leakages to non-poor

• Corruption and votes (Ferraz and Finan, 2011 in Brazil)
  • Report of corrupt violations (CGU) decreases probability of re-election
Central and local governments

• Local knowledge vs. Clientelism
• Central design/local implementation
• Funding sources (taxes, donors)?

• Progresa/Oportunidades: started very centralized, now bringing states and municipalities back in
• Bolsa Familia: decentralized targeting based on allocations but centralized payments plus incentives
• CBT in Africa (make discretion explicit)
• Workfare more localized
• India: RTI as a way for local politicians to ally with citizens in controlling local administration.
Central and local governments

• Fairness and transparency
• Grievance redress mechanisms

• Fairness and horizontal equity
  • «Like be treated alike» :

• Process and administrative fairness
  • Appeals at different levels
  • Process to update eligibility

• Effectiveness and results
  • Narrow targeting
  • Importance of M&E and results dissemination
  • Managing expectations (donors, staff, gvt, public opinion)
3. Organizational politics

• Fit between program and implementing agency
  • Ministry of Public Works in Indonesia in 1998 and labor-intensive building programs (quality of the works of the unskilled labor) vs. BULOG subsidized rice to half of Indonesia’s households in 6 months
  • Moving RPS in Nicaragua from FISE to Ministry of Family

Heterogeneity of competencies
  Wage and on-monetary compensation, training

Lack of competition
  Beneficiaries can not walk away
  Street-level bureaucrats key: who is their allegiance to?

Dealing with corruption
  Simplifying program operations, automation
  Increasing cost of corrupt activities to corrupt individuals
Organizational politics

• Fit between program and institutional framework
  • Central vs local administration in low capacity environments
  • Strong interest groups (organized labor) may require adapting to their concerns

• Expectation management
  • Conditions in (C)CT as a way to build political support for transfer programs
  • (Workfare)-cum-nutrition as a way to build political support for nutrition interventions when employment is seen as more pressing
  • (Workfare) for women with children in PJH in Argentina in 2001
  • Role of public sector in ECA (compared to EAP)
Organizational politics

• Who implements can affect support
  • Social Funds in LAC as a way to:
  • Moving Bolsa Familia from President office to MDS in 2006
  • Caisse de Compensation (subsidy funds) under PM and social programs under weak social ministries or powerful Ministries of Interior (Morocco)
  • Ministries of Labor or Social Assistance

Placing a new program is an important decision and can affect political support (weigh pros and cons of options)
Who controls the registry?
Politics of reform

• When and how fast to move?
  • **Constitutional changes:** South Africa, Brazil (Rights-Based SN) and paced implementation
  • **Consensus** on goals and commitment: US 1996 welfare reform, Colombia health insurance reform 1990s (with new push with Right to Health)

• Crises

• Entrenched controversy: pilot, evaluate and scale-up if successful while building political support:
  • Progresa 1997, Oportunidades 2000
  • MENA 2013?
  • Africa CTs (with remaining questions about domestic ownership)
Crisis: opportunity or obstacle to reforms?

- Building a complement to informal safety nets: Korea 1997 unemployment insurance

- or providing perverse incentives to potentially productive individuals: Europe now?
The Arab Spring?

- Traditional redistribution system through universal subsidies (food and fuel) and public employment
- Hard to sustain and disempowering

BUT

- New surveys in Egypt, Jordan, Lebanon and Tunisia show:
  - 90 percent think government should provide SN
  - Perceptions that present SN regressive
  - Low awareness
  - Preference for poverty targeting and cash
4. Accountability in the new social contract

- Rights based social agenda
  - New relationships between civil society and the State
    - Democratization: **electoral laws**
    - Strengthening of the **rule of law**
    - Stronger **press**
    - Emergence of middle class
  And...
    - Erosion of **traditional safety nets** with repeated crises
    - Growing **disenfranchisement** (Arab Spring, Occupy)
    - Role of the State in service provision (transfers vs. services)
Why does accountability matter in SN?

Specific challenges

- Large number of vulnerable beneficiaries
- Shared program responsibilities across many government levels (central/local) and departments
- Highly visible programs
How to Provide incentives to SN operators?

- Courts
  - Formal
  - Third-party monitors
  - "Informal"
- Press
  - Social control, beneficiary representatives
- Audits (process and value for money)
- Top down
  - Cross-checks
  - Call centers
  - Spot checks
- Competitors
- Donors

SN program entity

Process and impact evaluation
Three Paths of Social Accountability

1. **Access to information and audits**
   - Countries with A to I acts: x4 between 1995 and 2008

2. **Grievance redress mechanisms**
   - Once informed, citizens need opportunities to transform information about standards and performance into actions

3. **Participation**
   - Identity
   - Community participation in targeting: from validation to decision (AFR CBT)
   - Mechanisms for voice of beneficiaries
Three assumptions

1. People have the ability and incentives to access and use information. *But*…
   … citizens may have other priorities and information asymmetries complicate judging performance in targeting, quality of services.

2. People are willing to use information and redress channels to pressure policy-makers and providers. *But*…
   … citizens may be reluctant /skeptical to challenge authority.

3. Policy-makers and providers (duty-bearers) will respond to citizen influence (as right holders). *But*…
   … changing behaviors and incentives is difficult and takes time.
   … breaking with clientelism and nanny state culture is very difficult.
Key moments

A. Informing
   Communicating

B. Targeting,
   Exiting re-certifying

Informing beneficiaries:
AusAid Malawi

Informing beneficiaries:
Oportunidades, MX

Targeting:
Applying in the UK

Targeting:
Providing IDs to claim payments by mobile phone (phone contract).
Concern Worldwide Kenya
Key moments

B. Providing services, work
C. Paying
D. M&E

Paying through the Army: Juancito Pinto BO

Paying through an ATM: Progresando con Solidaridad, DR

Providing work in NREGA
Generations of Social Accountability

Understand
Communicate
Inform
Question
Govern
## A. Access to Information

### Inform: Publication
- Operational manuals (with standards for operation),
- Beneficiary lists (LAC)
- Rigorous independent IEs
- Some budget information

### Understand
- Language
- **Format:** IT (SMS) vs. people, social communication
- **Power issues:** Targeting (registries/programs), exit
- Guaranteeing an answer to questions:

### Question
- A to I acts and requests (IN)
- Making standards understandable (RECURSO PE, payment agencies)
- Beyond beneficiary satisfaction: *(Reportes Comunitarios RD)*

### Govern
- Formal and social audits and **performance of providers**
- Linking to program as part of performance management
B. Grievance Redress Mechanisms

Input:
Three types:
• Within govt (donor-funded) programs
• Independent redress institutions (CSOs, ombudsmen)
• Courts

Understand
Two functions:
• Handling individual complaints (payments, poor treatment, eligibility)
• Provide feed-back for improvements by aggregating

Monitor
• Follow-up plans: (Reportes Comunitarios RD)
• Make it justiciable

Govern
Follow-up to grievance ($) especially where State is far

What happens?
What works?
C. Participation

**Inform:**
- Community validation of targeting (MX)
- Social control committees (BR)
  Program information w/enlace/madres-líderes model (MX, PA)

**Understand**
- Include youth in decision-making
- *Community-based targeting; checks and balances*
- Vulnerabilities: gender, ethnicity, exclusion

**Question**
- Participatory evaluation?
- Giving cash vs. improving services
- Why a given intervention? A contract, an investment or a right?

**Govern**
- Coordination with local managers
- Provide opportunities
- Putting $ to intentions and not increase opportunity costs
Challenges

• “Plus ça change”

• The long route to accountability or… favors at scale?

Again the political economy of:
- who the deserving poor are
- who funds the program
frames accountability relationships
In the long-run

- Rise in per capita incomes
- Expansion of the right to vote
- Increase in taxation for wide-base social safety nets
- Expansion of SSN (except maybe in ECA?)
- Universal services + insurance (good to bad states)

Social transfers as a percent of GDP, OECD, 1930-1995 (Lindert 2004 and Pritchett 2005)
Now:

After the double FFF crisis:
High unemployment
Youth unemployment
New vulnerabilities:
- Rapid aging
- Churning around the poverty line

- Who votes (SN bring votes)?
- Who scares politicians?
- Who will benefit most?
- What’s feasible?
Conclusions

Every society has its own values about
- The deserving poor
- Who is responsible to support them

• Policy-makers need to be attuned to them to run successful safety nets and navigate:
  - Politics of budget
  - Inter-organizational politics
  - Bureaucratic capacity and organizational dynamics
  - Public opinion expectations

- The first best technical solution may not be the best fit
- Social accountability alone will not fix program management issues
- Technical process change faster than political ones… but not always
More information

- [www.worldbank.org/safetynets](http://www.worldbank.org/safetynets)
  - Incentives and provision of SN – SP Discussion Paper 0226
  - Public attitude matters – SP Discussion Paper 0233
  - Political economy of targeted Safety Nets – SP Discussion Paper 0501
  - Social Policy, Perceptions and the Press – SP Discussion Paper 1008

- Sustaining SSN. Crucial for Economic Recovery (Foxley, 2010)