Debate

Policy Merchandising and Social Assistance in Africa: Don’t Call Dog Monkey for Me

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ABSTRACT

The title of this article draws on a Yorùbá aphorism that roughly translates into ‘don’t sell me a dummy’. The dark side of social policy, the theme of this Debate, has a distinct character in the African context. The transformation of the African public policy landscape, shaped by the ‘counter-revolution’ in development thinking, has taken a new form with the donor ‘policy merchandising’ of cash transfer schemes. The stratified and segregated social policy on offer contrasts with the historical experience of ‘donor’ countries themselves. The policy instrument advanced is cast as ‘a silent revolution in development’, embodying the idea of development shifting from structural transformation to poverty alleviation. What is promoted is an impoverished version of development. Within the discourse of ‘working with the grain of African politics’, the politics of social assistance policy merchandising starts with a notion of politics as clientelist. It then deploys the instrumentality of clientelism — within an imperial deployment of power — in the manufacture of civil society and policy coalition, to ensure the local adoption of a policy instrument that the extra-territorial donor actors offer. This modality of public policy formulation contrasts sharply with the historical experience of public policy making in the ‘donor’ countries themselves. The result is the subversion of the consolidation of democracy in the African client states.

PROLOGUE

A few years ago, two events occurred that got me thinking about the title of this paper. The first is a roundtable event in November 2013, in Brussels. I had been intrigued by the focus of the discussion, which was on...
mobilizing political support for scaling up social transfers ‘in line with government policies’ in Africa. I had thought that the idea of social transfers assumed a much wider view of transfers, for social protection and social investment broadly, and that this suggested leadership of the governments at the national or local levels. It was a meeting of about 25 people; five or six of us from Africa and the rest from Europe. The intention of what our host expected out of the roundtable became evident during the opening session. The senior official who opened the colloquium indicated that the purpose of the meeting was to assist his commission to understand ‘how to get African governments to adopt the cash transfer schemes’. This decision had been taken extra-territorially, as appropriate for Africa. A new pot of money would be available for advocacy and ‘policy inducement’. Out went the notion of a broader sense of social transfers or the policy leadership by African institutions and processes themselves; ‘in line with governments’ policies’ disappeared from the focus of the discussion.

For the rest of the day, the discussion revolved around reports on the impact and efficiency of cash transfers and different strategies to get politicians to adopt the cash transfer programmes. A favourite one is reminding the local politicians that rolling out cash transfer schemes will ensure that they win elections. My response to the opening address and the subsequent discussions was a simple question: ‘What, in the experience of Europe with social policy making, suggests that externally inducing policy makers in a country is the appropriate way to go about public policy making in Africa?’ What happens to the internal contestation and policy constituents that are central to democratic governance? What happens to deliberative governance that shapes the relationship between citizens and their governments? In using electoral success to induce a policy of cash transfers, are we not enabling the same clientelist politics and neopatrimonialism that we are told are emblematic of African politics and polities? In offering a different model of public policy making from its own history, are we not calling ‘dog monkey’ for Africans? The efforts to move the discussion in the direction of a wider understanding of social transfers — in kind and cash, for protection from the vagaries of the life cycle and the market, and for social investment linked to a broader development project — proved futile. The organizers seemed upset with my line of questions, and many of the co-participants (including two other Africans, one a civil society ‘activist’ and the other a parliamentarian) were particularly irritated. The researchers in the room seemed more concerned with the promise of funding and the activists with new funding pipeline for their ‘advocacy’ work.

The second event concerns being invited to be part of a consortium that would bid for a research contract in the United Kingdom. The consortium would be based at a university in the UK. The focus of the project was how to transfer the lessons of social protection from Brazil to Africa. This was a few years before the Brussels meeting. The focus of the call document was Bolsa Família. During the first teleconference to discuss the work of
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the consortium, I raised concerns about the remit of the call itself. If there are lessons to be learnt from Brazil, why was this being limited to a single programme, which from its size is clearly marginal to the Brazilian social welfare architecture? If continued access to the Bolsa Família grant by its beneficiaries was conditional on use of education and health facilities, surely that suggests a different logic of access to these services than the targeted nature of the social assistance grant: it has to be widely available, functional, and at no cost at the point of access to those using it. Is this not a lesson from a broader understanding of the Brazilian social policy framework worth discussing with African governments and institutions? Would it not be better that we bring these issues to the attention of the UK government department to see if they would consider this broader mandate? While others in the group agreed that this wider view of the Brazilian welfare system is valid, I was informed that we could only respond to the call document as it was. Asking the department to rethink its call was out of the question. Surely those who drafted the call document are aware of Brazil’s larger social policy architecture. I withdrew from the consortium.

INTRODUCTION

The title of this article derives from a Yorùbá aphorism that roughly translates into ‘do not try to sell me a dummy’. The two events discussed above set the background to the paper. Both concern dimensions of what I characterized earlier as ‘policy merchandising’ (Adesina, 2011). Europe’s experience suggests a different approach to public policy making to the one being offered by policy merchants. The model of ‘social protection’ (social assistance, more accurately) is in the form of cash transfer — often targeted, and sometimes conditional. The relief of poverty, we are told, is the fundamental policy concern of our time and the ethical principle that should guide donor and recipient countries. Cash transfers, the arguments goes, are enacting a ‘silent revolution’ in development (Barrientos and Hulme, 2009) or a ‘development revolution’ (Hanlon et al., 2010/2013). Devoid of its concern with structural transformation, the ‘development’ on offer in this narrative is about the relief of poverty. I address this shift in the content and meaning of ‘development’ in the next section of this article.

1. Targeting involves the selection of beneficiaries of a social transfer scheme based on resources available to the beneficiary (income or asset), categorical selection system (such as age), geographical location, or selection by community leaders, as deserving of social assistance. The contrast is a universal system of social provision where access is provided for everyone based on citizenship or residence. There may also be a system of targeting of hard-to-reach groups within a general system of universal access.

2. In Yorùbá, the saying is ‘má p’ajá l’ọ̀bọ̀ fún mi’.
In the section that follows, I critically engage with the claim that cash transfers are a ‘silent revolution’ and argue that it is based on myth-making that is essential for selling it as an innovation from the global South. Tax-funded transfers in cash have a long history in the global North and South. The difference is in the monotasking of social policy, the tasks assigned to social transfers in cash, the aversion to collective provisioning, and the wider intersection of social and economic policies. The real import of the spread of cash transfers is in the use of Africa, especially, as a site to enact the ideological fightback epitomized by Friedrich Hayek’s (1944/2007) *The Road to Serfdom*, although Hayek was by no means the only one involved or the book’s publication the first salvo (Denord, 2009; Jackson, 2010; Plehwe, 2009). In offering an impoverished version of social policy to Africa, in contrast to the more encompassing welfare regime prevalent in some of the European ‘donor’ countries (Esping-Andersen and Korpi, 1986; Korpi and Palme, 1998), we are being sold a dummy. Further, I explore some dimensions of the evidence that is often missing from the narratives of the impact and efficiency of conditional or unconditional transfers in cash: elective blindness to fiscal welfare (Titmuss, 1956), and the impact of financialization (Lavinas et al., 2017), and its association with the bottom-of-the-pyramid (BOP) business model (Prahalad, 2010; Rangan, 2007).

In the final section, I explore the adverse effect of policy merchandising for democratic governance in Africa. The claims of ‘working with the grain of African politics’ starts with a conception of African politics as deeply clientelist. In the ‘thinking and working politically’, cash transfer policy merchants employ the same clientelist politics in getting their preferred policy instrument adopted. The effect, I conclude, is a threat to the consolidation of democracy in Africa.

**THE ‘NEW’ DEVELOPMENT AGENDA: FROM TRANSFORMATION TO THE RELIEF OF POVERTY**

The proclamation of social assistance, in the form of means-tested cash transfers, as a ‘quiet revolution’ in the global South or a ‘development revolution’ (Barrientos and Hulme, 2008, 2009; Hanlon et al., 2010/2013) is conclusive evidence of the ‘impoverishment of the concept of development’ (Harris-White, 2006: 1241). Inherently multi-dimensional, before the 1980s and the ascendance of neoliberalism, development was understood as encompassing social and economic transformation (Fischer, 2018; Harris-White, 2006). Inherent in the idea of development was a project of industrialization (and associated structural transformation of an economy), urbanization, transformations of social institutions and social relations, and improvements in human well-being. In the Lewisian version, accumulation in the ‘modern sector’ allows for it to be taxed for the financing of education, health care
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and a range of public goods that enhance people’s well-being (Lewis, 1954). Development goes beyond a quantitative increase in aggregate output, as important as that may be; its meaningfulness is to be found in the qualitative improvement in people’s well-being and how command over resources translates into qualities of ‘doings’ and ‘beings’ (Sen, 1988). In the context of the anti-colonial social compact in the African context, these concerns about the ends of development are captured in the slogan of ‘a better life for all’. This was understood as applying to the full range of people within a territory: the expansion of opportunities and enhancement of quality of living. Development was not simply concerned with the relief of poverty. In the development process ‘structural and institutional factors were assigned a key role in the development process. In the initial phase of the field, the state was also assigned a large role in promoting development almost as a historical imperative’ (Ohiorhenuan and Keeler, 2008: 141).

These were to change from the 1980s onwards, with attacks on the idea of development and the imperative of planning. In the advanced capitalist countries it was grounded in waging war on Keynesianism, planning, ‘expansion of the role of government’ and the ‘welfare state’ (Friedman, 1962; Hayek, 1944/2007, 1962/2011). In its African iteration, first enunciated in the Berg Report (World Bank, 1981), it took the form of the stabilization and liberalization policies under the ‘structural adjustment programme’. The deflationary impact was to precipitate Africa’s lost decades of the 1980s and the 1990s, and maladjustment (Mkandawire, 2005).

By the mid-1980s, it was becoming apparent that not only was adjustment not restoring growth, but there was also mounting international concerns about its social cost (Hutchful, 1994). The most prominent of such concerns came out of UNICEF (Cornia et al., 1987, 1988; Jolly, 1991). The response was the multi-agency programme, ‘Social Dimensions of Adjustment’ (World Bank, 1990, 1993). ‘The chronic poor, the new poor, and other vulnerable groups provide the domain for concern about the social dimensions of adjustment’ (ibid., 1990: 91).

The new poverty agenda (Mkandawire, 2004, 2010) is distinctly different from the anti-poverty mechanisms embedded in the development thinking and strategies that the neoliberal counter-revolution displaced. Rather than the active social policy instruments concerned with enhancing productive capacity, employment, redistribution and degrees of collective social provisioning, what is offered is the primacy of the market in the allocation of resources and segregated public provisioning in addressing market diswel-fares. The ‘new poverty agenda’s’ safety net approach to addressing poverty involves and is embedded within a stratified system of social provisioning, with a segregated public provision for the ‘poor’ (Fischer, 2018); it is ev-

4. I am indebted to Andrew Fischer for the elegant idea of ‘stratified, segmented and segregated’ social provision in summing up what is central to neoliberal social policy imagination. A
idence of a neoliberal take on social policy (Hayek, 1962/2011: Ch. 19). This approach to social policy disconnects economic from social policies, decouples anti-poverty instruments from the broader development concerns, and responds to diswelfares and vagaries of the life cycle on the basis of a stratified and segregated system of social provisioning. Access to public social provisioning requires demonstrable evidence of an inability to provide for oneself. Those who do not qualify for public support are expected to meet their social provisioning needs through the market. Private insurance (for healthcare needs, old age income maintenance, etc.) is the primary instrument for meeting these needs; it is often mistaken for social insurance.

While the focus may have shifted from the periodic provision of social safety nets to more predictable and longer-term cash transfers, the inspiration remains Europe’s experience with 19th century ‘Poor Law’ (Hayek, 1962/2011; Midgley, 1984). The ‘deserving poor’ replaced the ‘impotent poor’ in identifying legitimate beneficiaries, and an obsession with leakage in the design of social assistance schemes. In the context of Europe’s own 20th century shift towards a more universalistic system of social provisioning and the global history of embedding social and economic policy in development, the Hayekian stratified and segregated system of social provision is a diminution of social policy. The claim that a poor-centric social assistance instrument represents a ‘silent revolution’ in development impoverishes the idea of development itself. Even in the case of the welfare state, as Atkinson (1996: 5–6) notes:

\[\text{insofar as the purpose of the Welfare State is considered, attention tends to focus on the relief of poverty, but this takes too narrow a view of its functions. The reduction of poverty is an important objective, but it is only one of the goals of programmes such as retirement pensions, workmen’s compensation, invalidity benefit, child benefit and unemployment insurance. Redistribution is not just a matter of transfers between rich and poor. The Welfare State serves to even out differences in life chances, to achieve greater equity between generations, and to redress inequality by race or gender. More generally, these programmes are intended to help individuals re-allocate income over the lifecycle, to insure against events which cause income loss, and to provide a sense of security to all citizens.}\]

Harvey (2007: 5) noted that ‘for any way of thought to become dominant, a conceptual apparatus has to be advanced that appeals to our intuitions and instincts, to our values and our desires, as well as to the possibilities inherent in the social world we inhabit’. Poverty is something that most people find intuitively depressing and which we feel a need to address. A parsimonious route to addressing poverty is offered in a scheme that is often claimed not to cost more than 1 per cent of the GDP.

stratified social policy design involves a hierarchy of offerings, such as individual health insurance with different plans attracting different degrees of financial costs. The stratified system is often segmented. The segregated social provisioning often involves walled-off services, through public support, for the deserving poor.

5. This can range from education to healthcare, and old age pension.
MYTH MAKING AND THE POVERTY OF A POOR-CENTRIC INSTRUMENT

The claim of the revolution enacted by cash transfer schemes is stacked against the earlier ‘focus on short-term social safety nets and social funds’ (Barrientos and Hulme, 2009: 439). Following this period, we are told that ‘the Global South took the lead in constructing cash transfers as a right’ (Hanlon et al., 2010/2013: 16). It is myth making built on a deficient historical narrative and eclipses a much earlier history of social transfers in cash. The myth making is essential to the cash transfer policy merchandising. As is often the case in the claim to a revolution in development thinking, history begins with the extensive entitlement failures unleashed by neoliberalism or structural adjustment programmes.

First, the history of Europe tells us a different story. If much of the Bismarckian social protection regime was based on social insurance, by the 1940s and across several European countries transfers in cash to families with children, paid out of general taxation, have been introduced. In the UK, the Family Allowances Act was passed in 1945 and came into effect in 1946. As Land (1985: 9) notes, the idea of a family allowance is a very old one in the UK, dating back to Tudor times. Contrary to the presumptions of the cash transfer policy merchants in Africa, in several European countries, child/family benefit was neither means-tested nor tied to the condition of being poor. Unlike the liberal social assistance regime on which they erect their argument, the system of child/family benefits transfers that prevailed in the Nordic countries was neither poor-centric nor selective. These are the types of entitlements that are attached to citizenship (and residence). Contrary to the claims made by Hanlon et al. (2010/2013: 174), these are not ‘insurance-based schemes’. Neither are they conditioned or means-tested in the Nordic context (Kangas and Palme, 2005).

Second, the tendency to use the 1990s as the beginning of the narrative of social transfers in cash in the global South is an important pillar for the myth making of a ‘revolution in development’. Midgley (1984) notes a range of means-tested social assistance schemes in the global South, including old-age pension schemes of 1919 in Uruguay, 1936 in Rhodesia, 1957 in Uttar Pradesh in India, and so on. The claim by Hickey and Seekings (2018: 7; emphasis added) that cash transfer schemes ‘marked an important break from the emphasis on contributory programmes that had dominated the global policy agenda for more than fifty years’ runs contrary to Seekings’s own earlier works (see Seekings, 2007, 2008a, 2008b, 2011). It is called into question by the introduction of a non-contributory pension scheme in South Africa in January 1929 (Seekings, 2008a: 517), in Barbados in May 1938 (Seekings, 2007: 537), and in Mauritius 1950 (Seekings, 2011: 158).

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Similarly, while South Africa is often cited as if its social grants system, including the old-age grant and the child support grant, was an initiative of the 1990s (see Barrientos and Hulme, 2009; Hanlon et al., 2010/2013), its non-contributory old-age pension dates back to 1928 (Seekings, 2008a) and its 1998 Child Support Grant is only a variation on the earlier State Maintenance Grant (Lund, 2008: 13–14).

Third, the argument that ‘cash transfer as a right’ was an innovation from the global South is problematic for several reasons. First, as noted above, social transfers in cash have existed for several decades. The ‘innovation’ is that what is on offer in the global South in the post-1990s is the most regressive form of such transfers. The variations in generosity, entitlement rules, and coverage in the Western capitalist countries have always been a reflection of the dominant ideological orientation that shapes social assistance. At the one end, you have the social-democratic regime; at the other extreme, you have the Hayek-Milton neoliberal variant. Contrary to the claims made by Hanlon et al. (2010/2013), entitlement to contemporary cash transfers is not a right attached to citizenship or residence. Only in the event of a demonstrable inability to provide for one’s needs is the access granted. This is often based on means testing, however defined. Related to this is the stinginess of the amount dispensed (see below for some examples). Further, one has to make a distinction between ideas founded in the global North and implemented in the global South, and ideas that originate in the global South (in epistemic terms). The leading designer and advocate for Progresa in Mexico was trained in North America.7 Conditioning public assistance is part of the governmentality of the poor that goes back to the Poor Law (Midgley, 1984). Much of the motivation for moving away from the Poor Law principles8 in post-World War II Europe was precisely to overcome the stigma attached to such public provisioning. The more progressive social policy regimes sought to overcome segregated provisioning and guarantee high-quality service to everyone (Esping-Andersen, 2013; Esping-Andersen and Korpi, 1986; Korpi and Palme, 1998; Titmuss, 1968). ‘Separate discriminatory services for poor people’, Titmuss (1968: 134) reminds us, ‘have always tended to be poor quality services’.

7. Progresa is a conditional cash transfer scheme introduced in Mexico in 1997. In exchange for the transfer in cash, parents of the children in the beneficiary households were required to be in school, household members attend health clinics for preventive health services, children under five years of age attend clinics for nutritional monitoring, and pregnant women obtain prenatal care (Gertler and Boyce, 2001). Over its lifespan, the programme has borne different names, from Oportunidades to Prospera.

8. Initially intended to control ‘vagrants’ and ‘beggars’ in Medieval and Tudor England, when it was codified, the Poor Law morphed by the 19th century into a centralized system of poor relief for the ‘impotent poor’ often conditioned on confinement of beneficiaries to workhouses.
Blind Spots and Elective Amnesia of a ‘Magic Bullet’

The idea of (conditional) cash transfers as a possible ‘magic bullet’ in development is a major aspect of its merchandising. That so much can be achieved with so little is its major appeal to donors and in corralling governments to commit to it. The micro-level focus of the impact assessment often overplays the benefits, avoids addressing the macro-level processes that drive vulnerability (Adesina, 2011), ignores the segregated social policy that delivers more benefits to the rich and the middle class, and the neoliberal business model that preys on the beneficiaries. An important dimension of cash transfers is the autonomy it affords the beneficiaries to spend the money as they wish. This and the concentration on micro-processes bear a strong affinity with Hayek’s (1973: Ch. 2) idea of liberty and its ontological premise of ‘spontaneous social order’; a fictitious ontology. The difference with a social-democratic transfer in cash is that it is a component of a broader social policy architecture that involves encompassing social provisioning with a universalist orientation, the social embedding of market, redistribution, and the norms of equality, among others. Boshara’s Libertarian endorsement of Hanlon et al. (2010/2013: x–xii) speaks to its ideational mooring. Whether, on its own terms, neoliberal cash transfer schemes represent a ‘magic bullet’ remains a subject of speculation (Adato and Hoddinott, 2009; Molyneux et al., 2016; Shibuya, 2008). For instance, contrary to the initial claims of the substantive impact of Bolsa Família as poverty- and inequality-reducing, evidence suggests that it accounts for only 15 per cent of the total reduction in poverty over the period 2004–10 (Lavinas et al., 2017). In contrast, improvement in labour market condition, expansion of paid employment, minimum wage and pegging the old age and disability benefits to the minimum wage accounted for the remaining 85 per cent reduction in poverty (Lavinas, 2017; Lavinas et al., 2017).

What is often missed in the impact assessment of cash transfers are the happenings on the other side of the welfare regime. For instance, ‘while [the] annual per capita spending on youth and children covered by Bolsa Família stood at BRL 406 (US$ 176.5) in 2013, tax breaks per capita for dependents of those filing personal income returns (the middle- and upper-middle classes, and the wealthiest) came to nearly five times that (BRL 1,975 or US$ 858.7)’ (Lavinas et al., 2017: 7). In South Africa, the retirement deduction for 3.6 million assessed taxpayers came to ZAR 182.6 billion or an average of ZAR 50,636.87 per person in a year (National Treasury and SARS, 2018: 60). This is 2.6 times the amount paid in Old Age Grant. The willful blindness to the fiscal welfare that accrues to the rich and the middle class remains a fundamental methodological weakness of several fiscal incidence analyses done on South Africa, purporting to demonstrate how social transfers to the poor reduced inequality (see Inchauste et al., 2015; World Bank, 2014).
A further major blind spot in the impact assessment of cash transfer schemes is the impact of financialization. As Lavinas (2017: 10) notes, ‘if productivity was the backbone of the Fordist model of growth . . . it is consumption — more specifically, the financing of consumption — that plays a more significant role in spinning the wheel of accumulation in the financial sphere’. In the South African case, Omomowo (2015) documents how social grant beneficiaries are preyed upon by a range of micro-credit institutions — from informal micro-lenders to high street credit providers — resulting in a cycle of chronic indebtedness. Old Age Grant beneficiaries are particularly attractive to the informal micro-lenders. The bottom-of-the-pyramid (BOP) business model — the idea that there is money to be made in providing services to the poor (Prahalad, 2010; Rangan, 2007) — was implemented on an industrial scale in South Africa. Cash Paymaster Services (CPS) was contracted by the South African Social Security Agency to handle the payment of social grants to beneficiaries.9 The parent company, Net1, and its subsidiaries then established an elaborate network of financial service providers for grant beneficiaries that involved sharing beneficiaries’ personal records, and deduction of amounts from the grants before payments were made to them. Black Sash, a civil society advocacy body that finally took the case to the Constitutional Court, noted that ‘it is obscene that CPS enjoys huge profits while social grant beneficiaries receive less and less of their social grant money because of unauthorised, fraudulent and unlawful deductions, placing their very survival at risk’ (Black Sash, 2017).10 The Auditor-General and the Panel of Experts, appointed by the Constitutional Court to investigate the financial transactions by Net1 and its subsidiaries, revealed a labyrinth of profit making from grant beneficiaries. Apart from profit by subsidiaries offering ‘financial services’ to the beneficiaries, CPS is estimated to have paid its parent company, Net1, ‘patent and licence fees’ in excess of ZAR 1 billion over a five-year contract period (AIDC, 2017). In the 2016/17 fiscal year alone, the Panel noted that CPS disclosed that ‘Net1 SA earned R49.9 million in interest’ because the account at Grindrod [the bank used to pay the grants to beneficiaries] was in its name’ (ibid.). AIDC estimates that about ZAR 200 million in interest accrued to Net1 SA over the five-year contract period (ibid.). Papers filed by KPMG with the Constitutional Court noted that CPS made a pre-tax profit of nearly ZAR 1.1 billion for distributing social grants.11

9. The contract, awarded for an initial five-year period from 1 April 2012 to 31 March 2017, was declared invalid by South Africa’s Constitutional Court in 2014. The court suspended its ruling to allow SASSA time to re-award the contract or devise a new mechanism for paying the social grants.


11. Ibid.
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model and the contracting out of payment of social grants to beneficiaries to a private sector company are all part of the post-1980 neoliberal ecosystem.

For a stratified and segregated model, targeting is the preferred model for delivering social assistance in cash to its intended beneficiaries. This is often defended on the grounds of efficiency and redistributive justice (Devereux, 2016). First, Devereux argues, why give something to those who do not need it? Second, assuming a fixed amount in fiscal allocation, Devereux’s back-of-the-envelope calculation suggests that the poor will receive more, per person, if shared only among them than if shared with the rich who do not really need the support. The assumption is one of permanent scarcity. The imaginary case of ‘Targetland’ was used: total population of 1 million, US$ 10 million available in social transfer budget; the per capita allocation is US$ 10, which ‘will be too small to make a discernible dent on poverty. Allocate the total amount to the poorest 5%, and the amount available per person suddenly jumps to 20 times’ (ibid.: 170–71). This requires well-designed targeted schemes. The concession Devereux makes, again on the grounds of efficiency, is where the share of the population in poverty is so high that the administrative cost associated with targeting is not worth the effort.

First, the perfectly targeted scheme remains a mirage. Whatever the targeting modality employed, the choice of inclusion/exclusion line is arbitrary. Kidd and Athias (2019: iii) estimate that ‘out of 25 programmes or registries with coverage under 25 per cent, 12 had exclusion errors above 70 per cent and 5 had errors above 90 per cent’; Rwanda’s ‘Vision 2020 Umurenge Programme’ has a 97 per cent exclusion error. While many have suggested that community-level feelings of unfairness in the selection into the schemes are due to inadequate information on targeting criteria (see Adato, 2000; Pavanello et al., 2016), the community concerns may be more substantive than a simple case of lack of information.

Second, extra-territorial advocates of means-tested (proxy or otherwise) transfers in poor communities fail to understand the basis of community resilience, with resilience treated as an attribute of an individual. An example of the umbrage of community sharing in the African context is thus: ‘when communities are given a limited number of bags of food or fertilizer and seed packs and instructed to allocate these to the poorest households, they sometimes split these resources equally among all community members’ (Ellis et al., 2009: 50). This would be considered irrational and inefficient, but it would miss the normative values at the core of community resilience: the principle of mutuality and resilience as a community attribute.

Third, the back-of-the-envelope calculation only works as a thought experiment. In reality, precisely because the target of provision are people in (extreme) poverty, budget allocations are restrained. This links back to the earlier argument of the stinginess of the benefit paid out. To give two

examples: the Malawi Social Cash Transfer transfers US$ 7.13 per month to a household of four (labour constrained), with one child in primary school and the other in secondary school (UNICEF, 2018: 1). It translates into 6 cents per person per day, in a context where the destitution line is US$ 1.90 per person per day. When the old age cash transfer scheme was launched in Kenya in 2007, it paid US$ 19 per person every two months or 31 cents a day, per person.

Contrary to the thought experiment, encompassing welfare regimes are more generous and sustainable (Korpi and Palme, 1998). Part of this is because when those with voices in society are co-beneficiaries with the less well-off, there is a greater political commitment to the welfare instruments, and they tend to deliver better quality services to all concerned. Targeted, poor-centric social provisioning instruments is something that Korpi and Palme (1998) warned against; it tends to create a zero-sum game between the poor and the ‘non-poor’ and makes the poor dependent on the generosity of the well-off. The consequence is evident in the demise of Mexico’s Prospera programme. After 21 years of being the poster child of conditional cash transfer schemes, the programme was shut down in early 2019 and replaced with a universal instrument (Kidd, 2019). Yet ‘despite abolishing Prospera [the government of Mexico], will still be repaying a World Bank loan for the programme until 2021’ (ibid.: 2)

Finally, the paradox of policy merchandising of the poor-centric cash transfer schemes is evident in the Global AgeWatch Index reports that HelpAge International has issued since 2013 (see HelpAge International, 2013a, 2015). After years of offering cash transfers as a parsimonious device for achieving well-being in old age in the African context, the organization’s own Global Index report in 2013 showed that there is more to well-being in old age than just giving money to the poor. The index of well-being used in the report has thirteen indicators grouped into four ‘domains’: Income Security, Health Status, Employment and Education, and Enabling Environment. Under Income Security, ‘pension income coverage’ is only one of four indices used (HelpAge International, 2013a: 13, 2013b). With respect to income security in old age, that is embedded within an encompassing social policy regime providing a range of other social services, it is not surprising that in 2013 and 2014, Sweden and Norway topped the ‘league table’ of where in the world it was best to grow old. Even in relation to advocacy for older persons’ access to health care services (HelpAge International, 2018), there is still limited appreciation that a stratified and segregated system of social provision undermines the well-being of older persons, and that a social policy regime with broader vision of well-being is better at delivering for everyone, including older persons.

13. In later years, this domain was changed to ‘Capability.’
POLICY MERCHANDISING: IMPOVERISHING DEMOCRACY?

Thus far, the discussion has focused on the neoliberal underpinnings of the cash transfer schemes in contemporary policy merchandising. Equally important is the threat to the deepening of democratic culture that the modalities of policy merchandising poses in the African context. Europe’s history of social policy making offers lessons on public policy that contradict the contemporary enforcement of social assistance schemes — lessons that apply to many of the developed capitalist countries, what Korpi (1983) refers to as ‘democratic class struggle’, with endogenously premised processes of policy contestation between major interest constituencies, represented by organized movements that were predominantly of a class character. These were manifest in the electoral platforms presented by political parties representing specific constituencies and interests, even if the class character of politics varied between countries (Edlund and Lindh, 2015; Jackman, 1986; Nieuwbeerta, 1996). The result is a deepening of a democratic culture that is responsive to internal demands and driven by local constituencies.

Social assistance policy making in much of the post-1990s Middle Africa has involved a different model of policy making. Often driven by the idea of ‘working with the grain’ of African politics, policy merchandising has increasingly involved ‘working politically’ to directly influence the political institutions of the target country in securing the adoption of cash transfer schemes. Ostensibly, this was a shift from an earlier technocratic effort to collecting and disseminating evidence regarding the efficacy of cash transfers (Hickey and Bukenya, 2016; Hickey et al., 2018; Lavers and Hickey, 2015, 2016; Pruce and Hickey, 2017). The premise of the ‘working politically’ is a set of claims about how politics work in Africa — patron–clientelist relations dominated by ‘big men’, and a political settlement shaped by the allocation of rent (Kelsall, 2016). While the modality of policy influence is cast as a new method of ‘working politically’, and as something inspired by Africa’s clientelist politics, the core elements of how donors and multilateral agencies seek to influence policy adoption remain the same. In the case of selling cash transfer schemes, this has involved four key elements, often involving modes of clientelism.

The first involves seeking out ‘soft’ government departments (mainly social affairs departments) as client agencies through which donor-advocates seek to secure a foothold within the client states. Examples of this method are Zambia (Pruce and Hickey, 2017), Uganda (Hickey and Bukenya, 2016), Malawi (UNICEF, 2018) and Kenya (Ouma, 2019; Ouma and Adesina, 2019). This initial phase often involves seeking agreement to initiate pilot schemes that are fully-funded and managed by the donor or multilateral agency. An early example of this was the Kalomo pilot scheme in Zambia. The piloting of the cash transfer schemes themselves represents gaining a foothold in a country and sites for gathering evidence on the efficacy of the scheme. A third dimension of the politics of policy influence involves
the manufacturing of civil society organizations (through funding and chaperoning by extra-territorial actors) within the client countries to invent a local demand and advocacy for cash transfer schemes. The most dramatic example of this is the African Platform for Social Protection created by funding from a European donor ‘to drive continental advocacy efforts for social protection and charged in turn with creating national coalitions of social protection’ (Ouma, 2019: 111). The same donor was leading the charge in merchandising cash transfers. Often local employees of the local offices of international NGOs (funded in turn by the same donors) serve the same function of a semblance of ‘local policy coalition’. The fourth dimension of the policy merchandising effort is securing the support of local politicians — in both the legislature and the executive. Here we return to the first event discussed in the prologue section. ‘Working politically’ includes employing influential local individuals (with reach within the political system) to sell the cash transfer scheme (Pruce and Hickey, 2017), organizing study tours with generous perks, and mobilizing legislators with the assurance that giving money to people in their constituencies will assure them electoral success (Adesina, 2011; Hickey and Bukenya, 2016; Hickey et al., 2018; Hickey et al., 2009; Ouma, 2019; Ouma and Adesina, 2019). Sometimes efforts are made to reach the close relatives of top politicians in order to gain their ears — in the case of Uganda, the president’s wife (Hickey and Bukenya, 2016). The clientilist method of inventing ‘policy coalition’ is combined with arm twisting that has all the markings of neocolonial politics. This may involve withholding tranches of ‘donor’ fund until local policy makers comply with the donor’s request. In Kenya, the World Bank not only got the country to rename its programme as ‘safety net’, but it also uses the ‘Disbursement-linked Indicators’¹⁴ mechanism to enforce compliance from the national government (Ouma, 2019: 175–78). It is not uncommon for senior diplomats of the ‘donor’ country to weigh in and deliver stern messages to local policy makers in meeting donor demands concerning funding and implementation of particular cash transfer schemes (Hickey and Bukenya, 2016).

Securing policy compliance combines creating patron–client relations with a variety of actors within the client countries, with constructing ideational hegemony, and the deployment of imperial power. Rather than a case of ‘working with the grain of African politics’ what we have is the

¹⁴. Result or Disbursement-linked Financing is part of the ‘Programme for Results’ (P4R) method of disbursement of funds (credits or grants) to client governments. Disbursement of tranches are linked to the achievement of specified indicators and milestones. In Kenya’s case, the World Bank approved US$ 250 million in loan to ‘support’ the cash transfer schemes (national safety net programme), ‘specifically to (i) expand the coverage of cash transfers in an equitable manner; (ii) strengthen the implementation and oversight of the five programs that constitute the NSNP to ensure good governance; and (iii) increase coordination among the five programs and thus improve sectoral harmonization’ (World Bank Status Report, 2015 cited in Ouma, 2019: 177–78).

clientelist imperial donor politics. The impulse for the politics of cash transfers resides within the national inter-ministerial contentions in the donor countries themselves. In the context of donor fatigue, the ‘international development agencies’ need to justify their ‘international development assistance’ budget to their political principals and the electorate (Adesina, 2011). ‘Giving money directly to the poor’ in the client states meets the criterion of justifying donor funding rather than directly funding government expenditure. However, clientelist policy merchandising undermines the deepening of deliberative governance and democracy in Africa — in a manner that is unthinkable within the context of Europe’s own experience with public policy making.

The paradox of ‘working with the grain’ is two-fold. First, the politics of policy merchandising does nothing but deepen the clientelist politics that is supposed to be emblematic of Africa. Second, if Africa’s politics is simply about rent allocation for the end of clientelist politics (a variation on ‘the politics of the belly’), why does it require so much effort by donors to convince African politicians and bureaucrats that handing out cash will safeguard their position of power? If politics is only about ‘chopping’ and a full belly, why is dispensing money to citizens not intuitively self-evident to African politicians? The least that should be conceded is that ideas may matter to African policy makers, even if those ideas may be wedded to first-wave neoliberalism.

Advocates without Mandate

The paradox of advocacy without a mandate could not be more explicit than in the case of cash transfers as a substitute for a broader development agenda. The idea that mineral rents should be distributed directly to citizens is an example of such advocacy (Gelb and Majerowicz, 2011; Moss, 2011; Moss et al., 2015; Moss and Young, 2009; Sala-i-Martin and Subramanian, 2013). Corruption and the need to address poverty are often cited as reasons for using mineral rents to finance direct cash transfers to citizens. Two problems arise. First, how is a state that is too corrupt to undertake national development to be trusted not to be corrupt in distributing the cash to citizens? Second, there is no evidence that any of these advocates consulted the citizens of the different countries in their advocacy. The only case that I am aware of, in which citizens were asked for their preference, was in Tanzania. Following a deliberative process — information sharing, discussion and debates among respondents — the study found that ‘two-thirds of Tanzanian voters would rather spend gas revenues on government services than cash transfers’ (Sandefur et al., 2015). In the control group (without information and deliberation), 66 per cent of the respondents opted for the mineral rent being spent on government services. Including information on alternative scenarios, the figure increased to 69 per cent, and to 77 per cent
after the inclusion of information and a process of deliberation among the participants. Those preferring direct cash transfers dropped from 28 per cent (Control group) to 18 per cent (Information and deliberation). At least in Tanzania, as the authors note, people seem to trust their governments more than economists do (Sandefur et al., 2015). The study highlights what regressive cash transfer advocates often miss in their advocacy: that even for poor people the concern is not always with immediate consumption but on long-term investment in the prospect for themselves and their children — which aligns with longer-term national development prospects. Further, in the absence of widely available and publically provided social services, cash transfer amounts to very little in ensuring their well-being. As Mkandawire (2010: 45) notes:

In a number of countries that have successfully dealt with poverty within a relatively short period of time, the relief of poverty was not even the most important motive for the introduction of social policies . . . In the Nordic and East Asian countries, for example, ‘poverty reduction’ per se did not play a significant role, and was subordinate to other social objectives — ‘catching up’, equality, full employment, solidarity, nation-building, and so forth.

The challenge is not with a social transfer in cash per se. As noted earlier, this was neither innovative nor a product of the 1990s, as it is often presented in the ‘just give money to the poor’ narrative. What is unique about this approach to income support for citizens is that it is tethered to (a) the abandonment of development planning and strategic sovereign national projects, and (b) a stratified, segmented and segregated system of social provisioning. This explains its residual nature and its preference for the ‘deserving poor’.

CONCLUSION

If in some other parts of the world the dark side of social policy implies that it is wedged between neoliberalism and rising populism and authoritarianism, the case of Middle Africa (or the old idea of Tropical Africa) is more a matter of social policy being wedged between neoliberalism and the subversion of democratic governance. It is one that degrades both development and democracy. Meeting the challenge of mass entitlement failure has in the post-1990 period been hoisted on a policy instrument that is supposedly elegant in its simplicity and cost-efficiency. However, cash transfers are moored in a stratified and segregated regime of social provisioning; it is grounded within the same neoliberal macro-policy framework that in the African context drove the vulnerability to which the instrument was intended to respond. The policy framework that is being offered involves both development and public policy direction that is at variance with the historical experiences of the regions making the offer.

First, the idea that the relief of poverty is the object of development is at variance with development as conventionally understood. In substituting the
purposive efforts at the structural transformations of society and economies for the relief of poverty, the new thinking impoverishes development. The idea of planning, inherent in developmental aspirations, is central to the umbrage that Hayek and his Mont Peléin Society associates took, and is central to the neoliberal counter-revolution since the 1980s. The policy merchandising of residual social assistance involves claims not only regarding its cost-effectiveness but that it is a ‘silent revolution’ in development policy. Much of this relies on myth making. It relies on a sleight of logic that presents a policy instrument that is a product of ideological contestation in the global North as an innovation of the global South to which the instrument is being sold. Beyond impoverishing development, what the residual social assistance offers is at variance with the more progressive experience of Europe. The post-World War II experience of Europe involved a move away from the deleterious Poor Law framework for providing social benefits. In several of these countries, entitlements shifted from being poor-centric and became attached to citizenship and residence. In this sense, what is being offered to Africa is a dummy.

Second, while it would be unsurprising that offering money to people will have a positive effect on their well-being, the stratified and segregated social policy framework in which residual cash transfer is offered often involves elective amnesia (unintended, perhaps). HelpAge International’s own Global AgeWatch Insights reports show that well-being in old age requires more than social transfers in cash. The wider context of securing well-being in old age (or through the life cycle) speaks to a broader set of instruments and socio-economic and cultural contexts; something that takes us back to the imperative of a return to the broader idea of development. In merchandising residual social assistance schemes, advocates engage in willful amnesia on two fronts. The first concerns fiscal welfare, especially in what accrues to the well-off. The second is the impact of financialization of social policy. It is an aspect of what is ironically referred to as the ‘financial inclusion’ of the poor.

A third concern is the deleterious impact of the politics of policy merchandising on deepening democratic culture and deliberative governance. The effect of the role of extra-territorial actors — from donors, international NGOs to consultants — has been to weaken the anchoring of policy making on domestic deliberative governance. Those who bemoan neo-patrimonialism in African politics do not seem to have any difficulties in leveraging neo-patrimonial instruments for pushing their policy preferences. In place of associational organs of society, we have diverse cases of manufactured NGOs, created and funded by the same extra-territorial forces that initiated the policy instruments for which the local NGOs will advocate. The case of the deliberative process of seeking the opinion of local citizens suggests that they are a lot more sophisticated about what is in their long-term interest. In offering a model of public policy making that is at variance with
their histories, advocates of residual cash transfer schemes present a ‘dog’ to us and call it ‘monkey’.

Addressing the crisis of mass entitlement failure and reducing poverty is urgent. However, this cannot be detached from the broader development concerns that African countries need to address. Similarly, we need to locate the crisis of rising levels of poverty and inequality within the neoliberal framework that produces them. If Africa’s economic growth has shown less poverty elasticity, it is in part because the adjustment remedies promised in the 1980s compounded the extraversion of the economies with a retreat of the state from strategic development aspiration and wider efforts at social investment. The lesson of successful poverty reduction is not only that poverty may not have been the primary concern of policy makers, it is that a drive towards structural transformation (social and economic) is underpinned by a social policy framework that seeks to simultaneously engage the multiple tasks of social policy, and generate a positive synergy between economic and social policy (Adesina, 2015; Elson, 2004; Mkandawire, 2011; Mkandawire and UNRISD, 2006). What should not be sold to African countries is an impoverished idea of development and the regressive mono-tasking of social policy, with adverse implications for the deepening of democratic governance in Africa.

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Debate: Policy Merchandising and Social Assistance in Africa


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