Is social protection in southern Africa at a crossroads?
26 June 2007

About a year ago, wahenga.net published a comment entitled ***What are friends for***? a frivolous satire about how one donor's much-trumpeted plans to give cash, rather than food aid, shrivelled to nothing when actually put to the test. Read on to see the uncomfortable parallels with what is happening in reality this year.

wahenga.net recently published another comment, entitled ***Cash instead of food to address hunger***, arguing for a cash response to this year's food crisis in two southern African countries. This comment stimulated a healthy debate on the website, the vast majority of it supportive to a cash approach. More importantly, it also brought the issue to the attention of the highest level of decision-making in at least one of the two countries.

There are indications that the government of that country is now giving serious consideration to a non-food aid response to what is becoming an increasingly frequent "emergency" in their country. Yet the international community, in the shape of donors, international agencies and NGOs, has remained largely silent. Their current attitude smacks of hypocrisy and double standards.

With all the hype that the international community has spun in recent years about the need to reduce food aid and address structural problems of hunger and poverty with more efficient and effective instruments, one might have expected at least some segments of that community to reach out an encouraging hand and to give an indication, however diplomatic, that a non-food response to "yet another" food crisis might be materially supported.

This hasn't happened. It might be worth postulating as to why not.

It is perhaps most understandable from the perspective of the multilateral agencies that provide commodity aid. After all, emergency response is their raison d'être, and they make their money from food aid. What is in it for them if the government opted for a cash-based response built upon the scaling up of existing government systems and infrastructure? Such agencies justify their continued in-country presence on the basis of the size of their food aid operations. No food aid, no country office!

It is a little bit more difficult to understand from the perspective of international NGOs who, over the years, have used substantial donor resources to "pilot" cash transfer programmes in the region. While they seem to have an almost insatiable appetite for more and more pilots, they seem reluctant to openly support the cause for a scaled up national cash transfer programme.

What is, however, most disappointing to note is that those donors who have been most vocal in advocating food aid reforms have remained silent and not grasped the current opportunity to support a government that is on the brink of making a bold decision to distance itself from food aid. Is it perhaps because the initiative is not of their own making or on their own terms?

Each of these players would be in a strong position to endorse and influence the two countries' governments' decisions, but instead they have simply chosen to hide behind a number of excuses to justify their inaction. Four key arguments appear to be popular amongst the sceptical international community.

First, it is said by some that a cash transfer programme would be inflationary, the implication being that a food aid programme would not be. But is this true? A cash transfer programme would provide needy households throughout the country with relatively small amounts of income on a regular monthly basis over the course of several months (just as the national old age pension already does). A food aid programme would involve the purchase of a large amount of food (mainly white maize) within the region in one or two substantial contracts. The sheer magnitude of the food aid contracts would surely have a greater inflationary impact on regional prices (not just in the affected countries) than the regular and predictable disbursement of small amounts of cash to individuals over a much longer period.

Second, it is said by some that the markets might not respond to the increased purchasing power. This might be true of some southern African countries, but it is not the case in the two in question. Both countries have extensive domestic retail networks, a high degree of market dependency, liberal open market policies and strong trade links to a neighbouring country with a proportionately large grain surplus. The marketing systems in these two countries operate efficiently in normal circumstances, so why should they not continue to do so this year? If there is any doubt, why doesn¨t the international community speak to the main market players and ascertain their views, rather than jumping to convenient conclusions?

Third, it is said by some that cash is "risky" and that, if a cash transfer programme were to fail, they would be held responsible. Leaving aside the paternalistic connotations of this type of response, it assumes that cash is more risky than food. Again, is this the case? Cash is quick and easy to distribute especially where comprehensive national delivery systems are already in place, as is the case in the two countries concerned. Food aid, on the other hand, is notoriously slow and cumbersome, often arriving so late as to be ultimately unnecessary and therefore to be detrimental to future domestic production incentives.

Last, it is said by some that neither country has experience of scaled up cash transfer programmes and that the government does not have the capacity to manage such a comprehensive operation. This is evidently not the case, as is clear to anyone who has studied the existing social protection mechanisms in place in both countries. Moreover, this argument is often used to justify yet another small-scale pilot programme which makes no meaningful impact and provides no valid lessons on scaling up. It would be much better to channel external resources, not into pilots, but into supporting national systems, for example through capacity strengthening, improved information systems and M&E.

So, where does this leave us? In essence we are at a crossroads. How the international community responds to the "food crisis" this year in the two affected southern African countries will have a lasting impact on what progress is made in the region towards the adoption of social protection to tackle chronic hunger and vulnerability. Will food aid be replaced by alternative instruments that offer the prospect of drawing the poor and hungry out of the poverty trap and of stimulating much needed economic, employment and income growth within communities or will it just be "business as usual"?

Shame on those who preach social protection but don't promote it.