## The Impact of Social Protection on Children



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Social protection policies in developing countries are an increasingly widespread method for tackling chronic poverty and vulnerability and helping families manage risk. Particular schemes often provide cash, paid work or food to poor people. Labour market protections and the linkages between cash transfers and other public services are also important. Young Lives research has examined the impacts of specific social protection schemes on children in Andhra Pradesh, Ethiopia and Peru. Findings suggest that social protection brings benefits for many children and is an important part of anti-poverty strategies. However there can be unintended consequences which policymakers need to consider. These include children having to do more work, which can clash with their education. These findings are an important contribution to the design of future child-centred social protection policies.

Social protection programmes have moved up the development policy agenda in recent years. They are government-led schemes that aim to reduce chronic poverty through providing vulnerable people with cash, work, food or agricultural inputs. There are several approaches to designing social protection schemes, but they often target specific groups of poor people. Many also include conditions that must be met by recipients before benefits are received.

In this Policy Brief we ask how social protection schemes affect the lives of children. The Young Lives research programme has generated detailed information on many aspects of the lives of nearly 12,000 children in four countries. Among the two cohorts of children Young Lives has been tracking in Andhra Pradesh, Ethiopia and Peru since 2001, there are many who come from households which benefit from national social protection schemes.

The three schemes we look at here are each designed differently, and they illustrate some of the diversity of approaches to social protection. Each, however, is a relatively new programme which is in the process of expansion. In Ethiopia and India the conditionality for receiving benefits is a work requirement, and in Peru it involves children visiting health centres and attending school. Young Lives research finds that both the cash transfers and the conditions attached to their receipt have important impacts on children.

Social protection schemes can provide poor households with a buffer against shocks and boost the livelihoods of the poorest families. They can also increase children's likelihood of attending schools and clinics, and improve their nutritional status. At the same time, however, social protection schemes can have some unintended consequences. By taking adult labour away from the household, they can increase the work burden for children. While more children may end up in school, increased pupil numbers mean more pressure on class size and teachers. There can also be social tension in communities about who receives benefits and who does not.

The findings in this Policy Brief offer insights about the early stages of social protection programme implementation. They include analysis of contrasting programme designs and their impact on children, and discussion of the dynamics and implications of beneficiary selection.

#### Social protection in Young Lives countries

- Cash transfers are now present in 45 countries, covering 110 million families in developing countries (Hanlon et al. 2010).
- In Peru, cash transfers have resulted in more children in school and improved the attendance and performance of teachers. Increased demand on schools has not been matched by investment.
- In Ethiopia, social protection has also improved schooling outcomes, but the impacts on boys and girls are different, and there is some evidence that work demands on children may be increased.
- In Andhra Pradesh, the public works scheme has provided a cushion for poor households, particularly dealing with the impact of drought. However evidence also suggests that some already marginalised social groups are not adequately reached by the scheme.

# Contrasting social protection designs

India, Peru and Ethiopia are very different countries, and have contrasting patterns of poverty and development.

- Andhra Pradesh is the fifth largest state in India in terms of population. Around 80% of its people work in agriculture, which has been severely affected by drought twice in the last decade. Per capita income in Andhra Pradesh is lower than the Indian national average.
- Peru is classified as a middle-income country. While it has a much higher national income than Ethiopia or India, it also has much higher inequality. Poverty is most severe in rural areas and among indigenous people.
- Ethiopia is ranked 171 out of 182 countries on the UNDP human development index and its annual GDP per capita is extremely low. Although the economy has experienced growth in recent decades, pervasive child malnutrition and endemic seasonal hunger persist in most rural areas. Since the 1970s it experienced prolonged droughts and frequent famines.

Diverse approaches to social protection policy have evolved against these backgrounds. Government schemes in each country reflect strong regional traditions in social policy. Public works schemes, for example, have a long history in India, while conditional cash transfers are widespread in Latin America. As in other countries, often current social protection schemes have been designed to build on earlier experience.

- India's National Rural Employment Guarantee Scheme (NREGS) came into force in 2006 to provide employment on public works initiatives. It was initially introduced in 200 poor rural districts, before being gradually expanded to have national coverage of rural areas. Once the programme is available in a particular district, households can register for work with the village council. After registration, work is provided by the village council when households request it.
- Juntos (translated as 'together') is a conditional cash transfer programme, introduced in 2005 to reduce poverty and increase human capital in Peru. Eligible households receive a monthly cash transfer which is the same regardless of household size. The conditionalities attached to this payment depend on the age of children, but include attending school and clinics. Every three months, beneficiaries are visited in their homes to monitor their compliance.

In 2004 the Ethiopian government introduced its National Food Security Programme (NFSP). This includes the Productive Safety Net Programme (PSNP) which has two components: a food or cash for work scheme, and a direct support scheme for households that cannot participate in public works. It also includes a second, complimentary programme which provides households with access to a range of agricultural inputs.

The diversity of components of the Ethiopian programme offers a particularly useful picture of the range of benefits that can be provided by different types of scheme. Among the older cohort of Young Lives children, who were 10 years old when the NFSP was introduced, many are from beneficiary households. In 2006/7, families were asked about the positive impacts of the support had received. Their responses are shown in Table 1.

## **Table 1.** Families' perceptions of the benefits fromdifferent components of the National Food SecurityProgramme, Ethiopia

	Agricultural extension	Cash for work	Food for work	Food aid
Better quality food	26.9%	21.6%	49.5%	44.0%
More food	55.7%	62.0%	46.6%	46.2%
More resources for education	4.7%	9.4%	1.5%	3.7%
More time to study	-	-	0.4%	-
Less time on work activities	2.7%	1.2%	0.5%	1.5%
Less time on household chores	-	1.8%	-	1.5%

These findings, based on the second round of monitoring the Young Lives children, show the NFSP getting off to a promising start in terms of addressing the child malnutrition which is such a striking part of poverty in Ethiopia. Findings from the third round, carried out in 2009, will provide a clearer picture of the impact of the three programmes as they are implemented more widely.

## Impacts on children

Young Lives research finds that social protection schemes have both intended and unintended consequences for children, summarised in Table 2. While most are positive, some of the unintended impacts highlight areas of concern that should be considered in programme design.

	Intended consequences	Unintended consequences
Andhra Pradesh	Positive effect on the long-term nutrition of younger children. Reduces the likelihood of paid work for boys by 13%, girls by 8%. Many more households register for job cards than work the full number of days possible, suggesting that the scheme may have an insurance function.	Anecdotal evidence of increased demand for children's unpaid work. Women's participation means an independent income which increases their bargaining power in the household, favouring children. Childcare provision that should be available on works schemes is often not, leading older children to spend more time caring for younger children.
Ethiopia	Increase in quantity and quality of food. Household participation in public works increased time girls spent on studying. Household receipt of direct support increased number of grades of school completed by boys. Younger boys and older girls in PSNP households had to do less domestic and farm work, and spent more time at school.	Complex impact on children's paid and unpaid work. This depends on the age and gender of children, and on which component of the scheme the household participates in. No childcare provision on public works schemes means that some children work in place of their mothers. Household participation in public works increased the domestic work of younger girls, and decreased their school attendance.
Peru	Depth of income poverty reduced and food consumption increased. More children attending school. Medical attention for small children sought more frequently.	Increased demands on schools – including more children with special needs – not matched by necessary investment. <i>Juntos</i> improves women's bargaining power – it is seen as a programme for women, more than a programme for children. Social stigma attached to being a Juntos beneficiary, especially for children.

## Dynamics of who is covered

Two key debates in social protection are how to manage scarce resources resources within a scheme while also managing to reach the most disadvantaged households. The three schemes contain an area-based form of targeting, only being available in some places. Policymakers need to balance the desire to target limited resources with the risk of complexity and political acceptability of providing access to schemes some groups and not to others.

Juntos uses a three-stage selection process for beneficiary households. Poor districts were selected first according to five criteria which include material poverty and child malnutrition. Households were then selected according to national poverty data. Finally, there was a process of community-level validation of the selection.

By contrast, NREGS beneficiaries are basically selfselecting. Once NREGS is present in an area, households choose to register and request a certain amount of work. When they have done this, the village council is legally bound to provide what they have asked for. Chart 1 uses wealth quintile data from Young Lives households to show that in this case self-selection does result in benefits being fairly well targeted towards the poor. However, fewer households in the poorest wealth quintile are reached than households in the near-poorest quintile. This either suggests that there may be household-level barriers to accessing NREGS, such as available labour, or that inclusion in the scheme may have the increased the incomes of some households, changing their quintile position.

#### Chart 1: Participation in NREGS, by wealth



Regardless of selection methodology, there are a range of social and political dimensions at play around the issue of selection. These influence both who participates in social protection schemes and the dynamics of community relations after beneficiaries have been selected.

- The Andhra Pradesh findings show that while 69% of Young Lives households from a Scheduled Caste are participating in NREGS, only 22% of those from a Scheduled Tribe are involved. People from the Scheduled Tribes are among the poorest in India, therefore it is concerning that so few Scheduled Tribes households appear to be in the scheme.
- Results from Andhra Pradesh also indicate that well-connected households, with five or more influential relatives, are 10% more likely to register for the programme. A separate study of the PSNP in Ethiopia similarly found that being connected to powerful people was a more accurate predictor of being included in the safety net than some other poverty indicators (Caeyers and Dercon 2008). These findings suggest that NREGS and the PSNP may both be biased towards the better-connected members of communities.

- In the case of Peru there is anecdotal evidence of targeting processes being manipulated. As one respondent observed, 'some families turn up with someone else's child' to fulfil the *Juntos* selection criteria.
- A qualitative study in a Young Lives community raised some concerns that *Juntos* targeting processes may have had some negative impacts on community dynamics, and that there were tensions between those families who were part of the scheme and those who were not (Streuli 2009).

These findings highlight the importance of social and political context. They show that despite early encouraging successes, work still needs to be done to ensure that social protection schemes are transparent and inclusive, and able to reach out to socially marginalised people.

## Policy implications

The Young Lives research presents many findings showing that social protection is positive for children. However the research also illustrates the risks of unintended consequences. Child-sensitive social protection mechanisms need to balance trade-offs between these different kinds of impact.

Perhaps the most important trade-offs concern the impact of social protection conditions on children's work, both paid and unpaid. The research finds that schemes which include labour requirements can increase child work in a range of ways. This is not necessarily a negative thing. Combining work with school can be part of building child and family resilience. However, if work undermines schooling, or if it brings social stigma, it can increase children's vulnerability and negatively influence their longer term chances. A central consideration for policymakers is whether the education system is adequately flexible to enable children who are working to attend school as well. The findings also show that mothers are an important determinant of the impact of social protection on children. On one hand, when women access cash transfers or paid work, their bargaining power in households can increase, with positive effects for their children. On the other, when there are obstacles to women accessing the work offered by social protection schemes, children can be negatively affected. A clear message for policymakers is that childcare arrangements for public works schemes are an essential part of ensuring that programmes can include mothers with younger children while not increasing the amount of childcare required from older siblings.

In conclusion, the Young Lives findings suggest that:

- Well-designed social protection has a major role in improving children's life changes. Yet despite the growing number of social protection schemes in Young Lives countries, considerable numbers of poor children are not yet covered.
- There are however risks of unintended consequences within social protection depending on scheme design, and it is important that policymakers consider carefully the possible effects of these on children. These effects vary according to the gender and age of children.
- Social protection and cash transfers can have intrahousehold and gendered effects which should be considered within policy design.
- Schemes usually contain some form of conditionality. Policymakers need to consider the impacts of particular conditions carefully, especially in terms of child work.
- Social protection schemes operate in a context, and policymakers need to consider both the scheme itself and how other economic and social policies are able to help families move beyond dependence on social protection.

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