Strengthening coherence between agriculture and social protection: consultative workshop
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Michael Samson
msamson@epri.org.za

Coherence between Social Protection and Agriculture in South Africa: the Integrating Impact of the Pro-Poor Growth Objective
Objectives of South Africa’s Social Protection and Agricultural strategies

The role of the pro-poor growth objective

The role of social protection in achieving the government’s core decent rural employment objectives

Promoting coherence between social protection and agriculture:

- South Africa’s policy planning framework
- intra-sectoral and inter-sectoral linkages
Aims of South African Agricultural Policy
(according to the National Development Plan)

- An integrated and inclusive rural economy
- Better opportunities to overcome poverty and to participate fully in the economic, social and political life of the country.
- To achieve this, agricultural development should introduce a land-reform and job creation/livelihood strategy that ensures that rural communities have jobs.
- Ensure quality access to basic services, health care, education and food security
Aims of South African Social Protection policy
(according to the National Development Plan)

- Provide support that builds and utilises the capabilities of individuals, households, communities and NGOs to promote self reliant sustainable development.
- Enhance services and programmes for labour market activation for the unemployed and create opportunities in public employment.
- Addressing poverty-induced hunger, malnutrition and micronutrient deficiencies
Human capital is one of the 'prime movers' of agricultural development (Eicher 1994)

South Africa’s evaluations document impacts on education, health, nutrition, labour productivity, HIV outcomes (EPRI 2004, 2008; DSD, UNICEF, SASSA 2010; UNICEF, EPRI 2012; etc.)

Particularly important is the role social protection plays in preventing HIV infection

SOURCE: EPRI and FAO 2014
Social protection particularly social grants better enable subsistence and small farmers to manage risk

Farm households receiving the Child Support Grant are better able to weather shocks and are less likely to exit agriculture (EPRI and UNICEF 2008)

Unemployed workers in rural households receiving social grants are better able to migrate to urban areas to seek employment (Posel)

SOURCE: EPRI and FAO 2014
The agricultural minimum wage has increased the total wage bill to farm workers, with social protection protecting those losing their jobs.

Land reform has improved equity and efficiency in the agricultural sector.

Public works programmes

SOURCE: EPRI and FAO 2014
A 2004 Department of Social Development (DSD) study identified multiplier effects from social grants with positive macroeconomic impacts.

The food demand impact of social grants in particular helped to stabilise demand for rural employment.

In addition, the macro effects increased national savings and relaxed foreign exchange constraints.

**SOURCE:** EPRI and FAO 2014
Social Protection

Human Capital

Risk Management

Direct Production Interventions

Local Economy Multiplier Effects

More adaptable workers

Higher labour productivity

Effective Labour Supply

Short term labor supply decisions

Employment-centred Structural Transformation

Diversified rural economy

Demand for goods and Services

Labour Demand

Demand for

Diversity

Labour

Supply

Agricultural productivity

SOURCE: EPRI and FAO 2014
Researchers concluded that land reform alone cannot be the solution to deeply entrenched problems of poverty and unemployment in areas such as Limpopo.
<table>
<thead>
<tr>
<th>Policy instruments (Inputs)</th>
<th>Poverty reduction</th>
<th>Food security</th>
<th>Rural livelihoods</th>
<th>Decent work</th>
<th>Human capital development</th>
<th>HIV-risk prevention</th>
<th>Pro-poor growth</th>
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<tbody>
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<td>Social grants</td>
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South Africa's policy planning input-output matrix
Conclusions

- South Africa’s Social Protection and Agricultural strategies aim for several common objectives, unified by a pro-poor growth focus.
- Social protection in particular strengthens the government’s core decent rural employment focus, but through complex and dynamic pathways.
- An integrated policy planning framework that aims to strengthen both intra-sectoral and inter-sectoral linkages can promote coherence between social protection and agriculture (and beyond) while maximising the government’s achievement of joint objectives (and helping to minimise the costs and risks)