

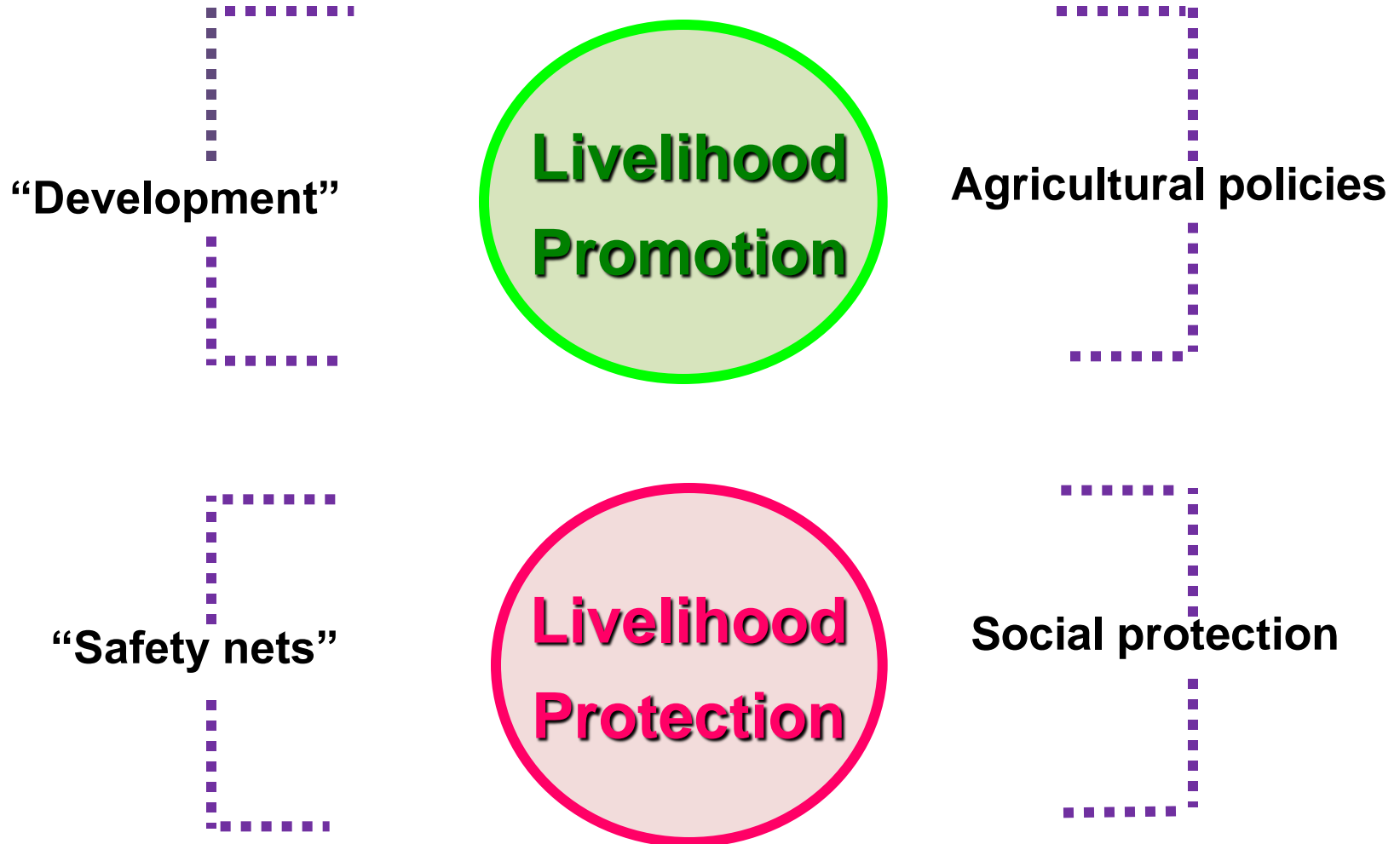
Strengthening coherence between agriculture and social protection

*Strengthening coherence between
agriculture and social protection:
consultative workshop*

Cape Town, 25–26 November 2014

Stephen Devereux

Social protection & agriculture: Conceptual disarticulation



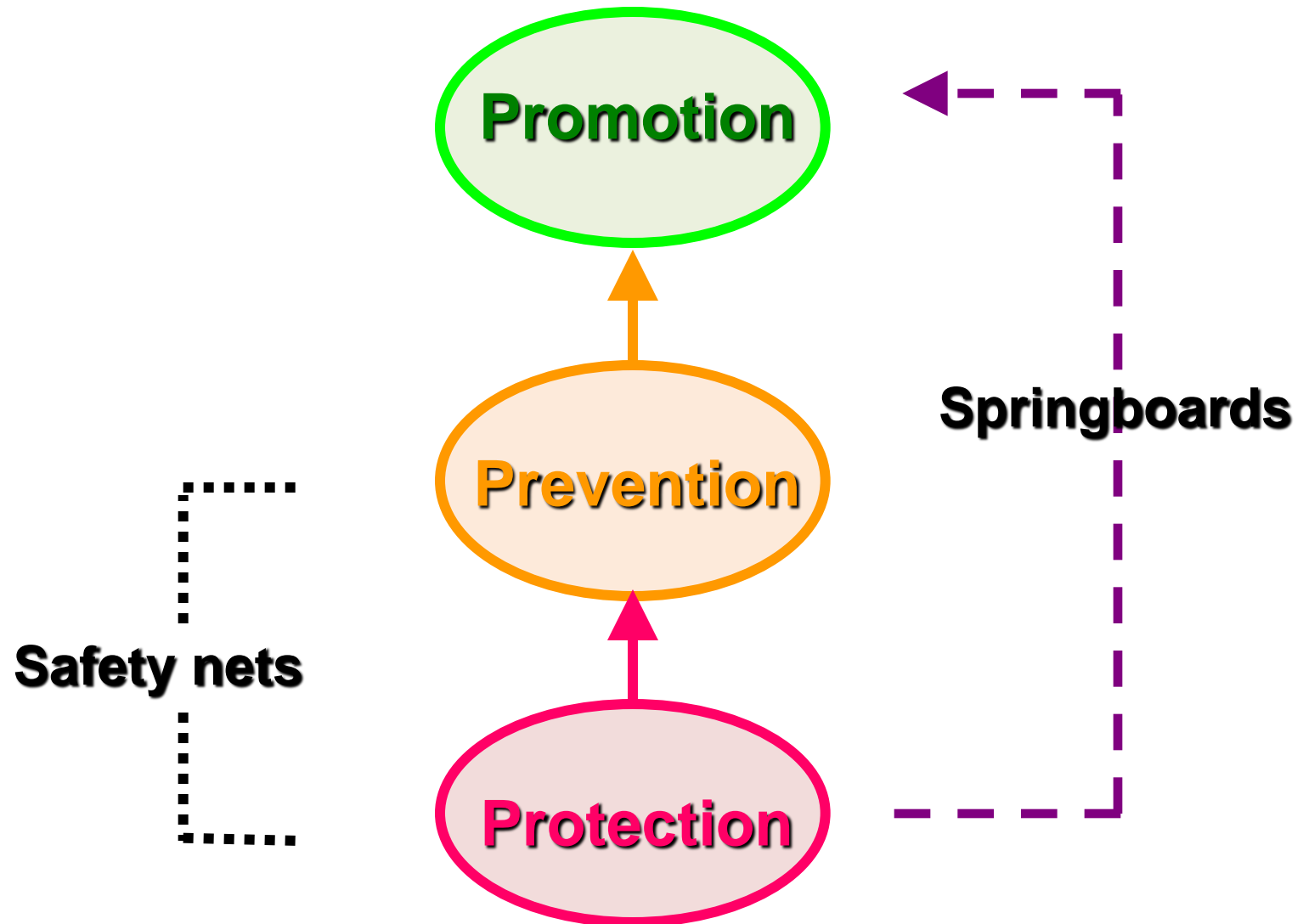
Conceptual disarticulation: “Social risk management”

Objective	Informal mechanisms		Formal mechanisms	
	Individual and household	Group based	Market based	Publicly provided
Reducing risk	<ul style="list-style-type: none"> ■ Preventive health practices ■ Migration ■ More secure income sources 	<ul style="list-style-type: none"> ■ Collective action for infrastructure, dikes, terraces ■ Common property resource management 		<ul style="list-style-type: none"> ■ Sound macroeconomic policy ■ Environmental policy ■ Education and training policy ■ Public health policy ■ Infrastructure (dams, roads) ■ Active labor market policies
Mitigating risk <i>Diversification</i>	<ul style="list-style-type: none"> ■ Crop and plot diversification ■ Income source diversification ■ Investment in physical and human capital 	<ul style="list-style-type: none"> ■ Occupational associations ■ Rotating savings and credit associations 	<ul style="list-style-type: none"> ■ Savings accounts in financial institutions ■ Microfinance 	<ul style="list-style-type: none"> ■ Agricultural extension ■ Liberalized trade ■ Protection of property rights
<i>Insurance</i>	<ul style="list-style-type: none"> ■ Marriage and extended family ■ Sharecropper tenancy ■ Buffer stocks 	<ul style="list-style-type: none"> ■ Investment in social capital (networks, associations, rituals, reciprocal gift giving) 	<ul style="list-style-type: none"> ■ Old age annuities ■ Accident, disability, and other insurance 	<ul style="list-style-type: none"> ■ Pension systems ■ Mandated insurance for unemployment, illness, disability, and other risks
Coping with shocks^a	<ul style="list-style-type: none"> ■ Sale of assets ■ Loans from money-lenders ■ Child labor ■ Reduced food consumption ■ Seasonal or temporary migration 	<ul style="list-style-type: none"> ■ Transfers from networks of mutual support 	<ul style="list-style-type: none"> ■ Sale of financial assets ■ Loans from financial institutions 	<ul style="list-style-type: none"> ■ Social assistance ■ Workfare ■ Subsidies ■ Social funds ■ Cash transfers

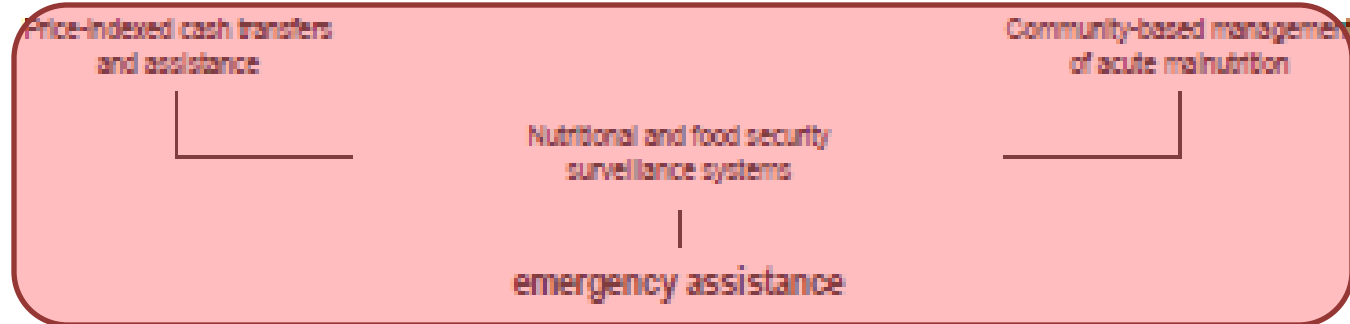
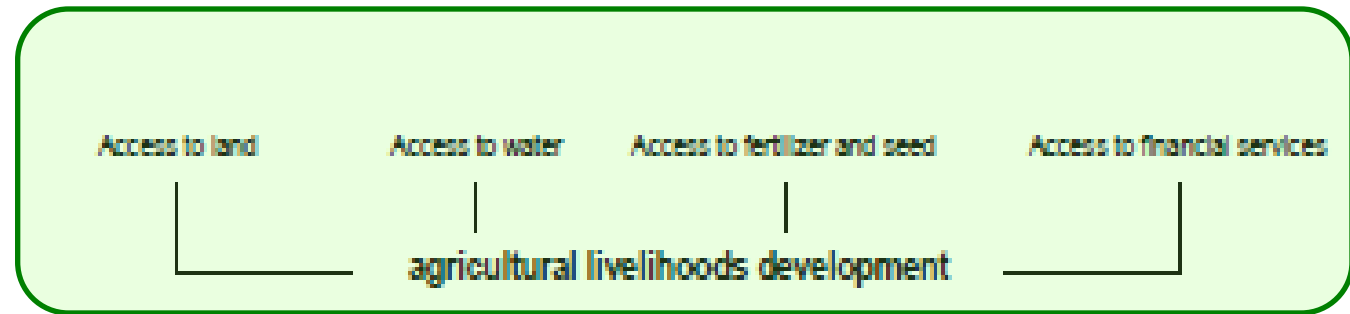
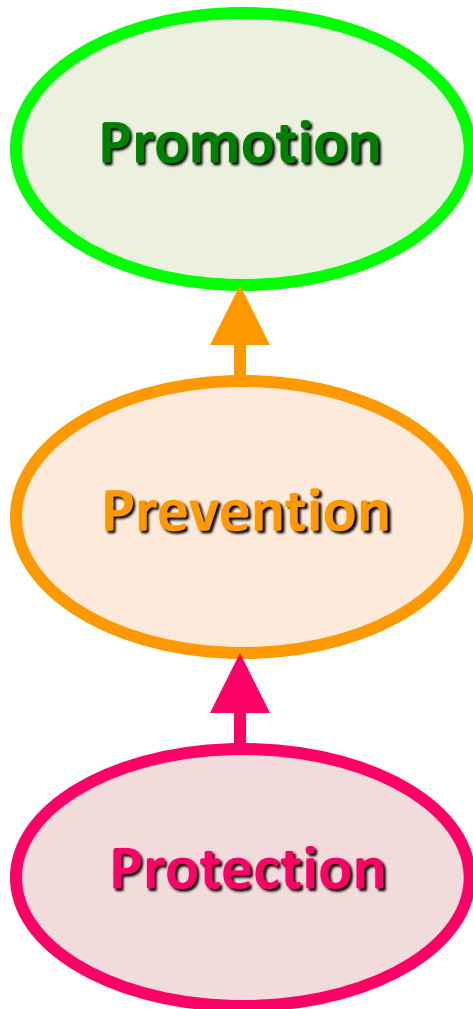
Agriculture policies

Social protection programmes

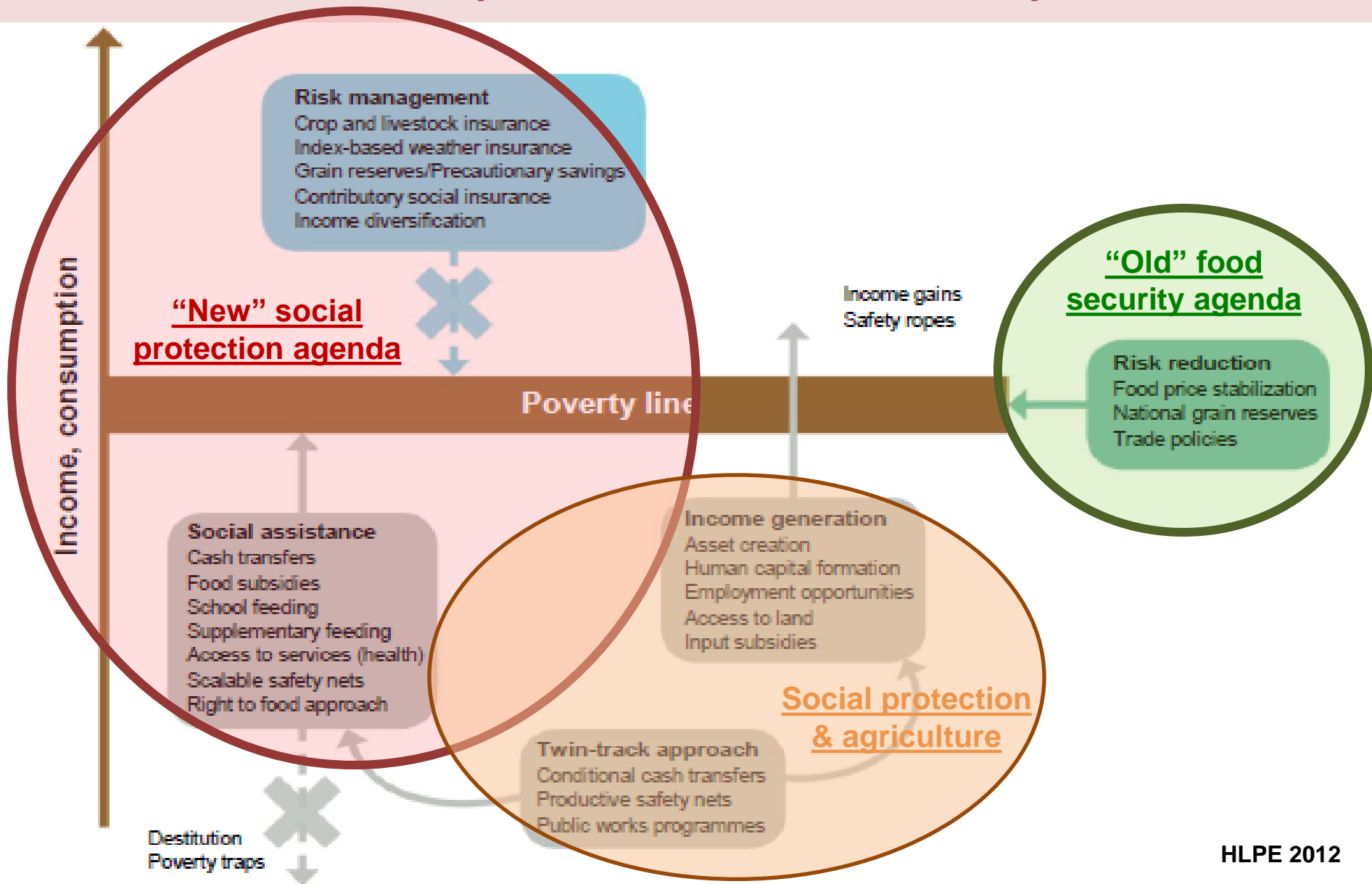
Social protection & agriculture: Conceptual coherence



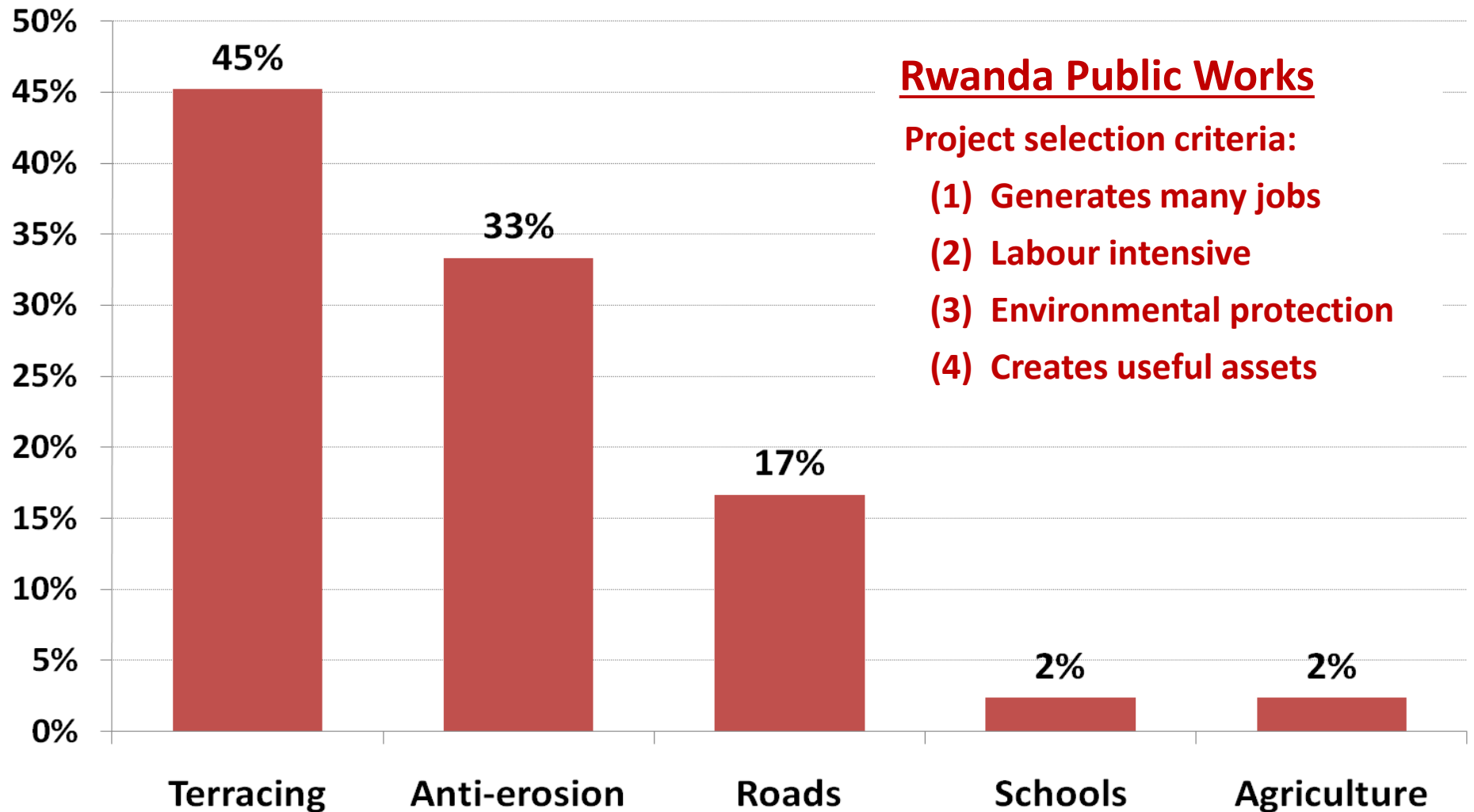
Conceptual coherence: “Food security floor”



Conceptual coherence: “Social protection for food security”

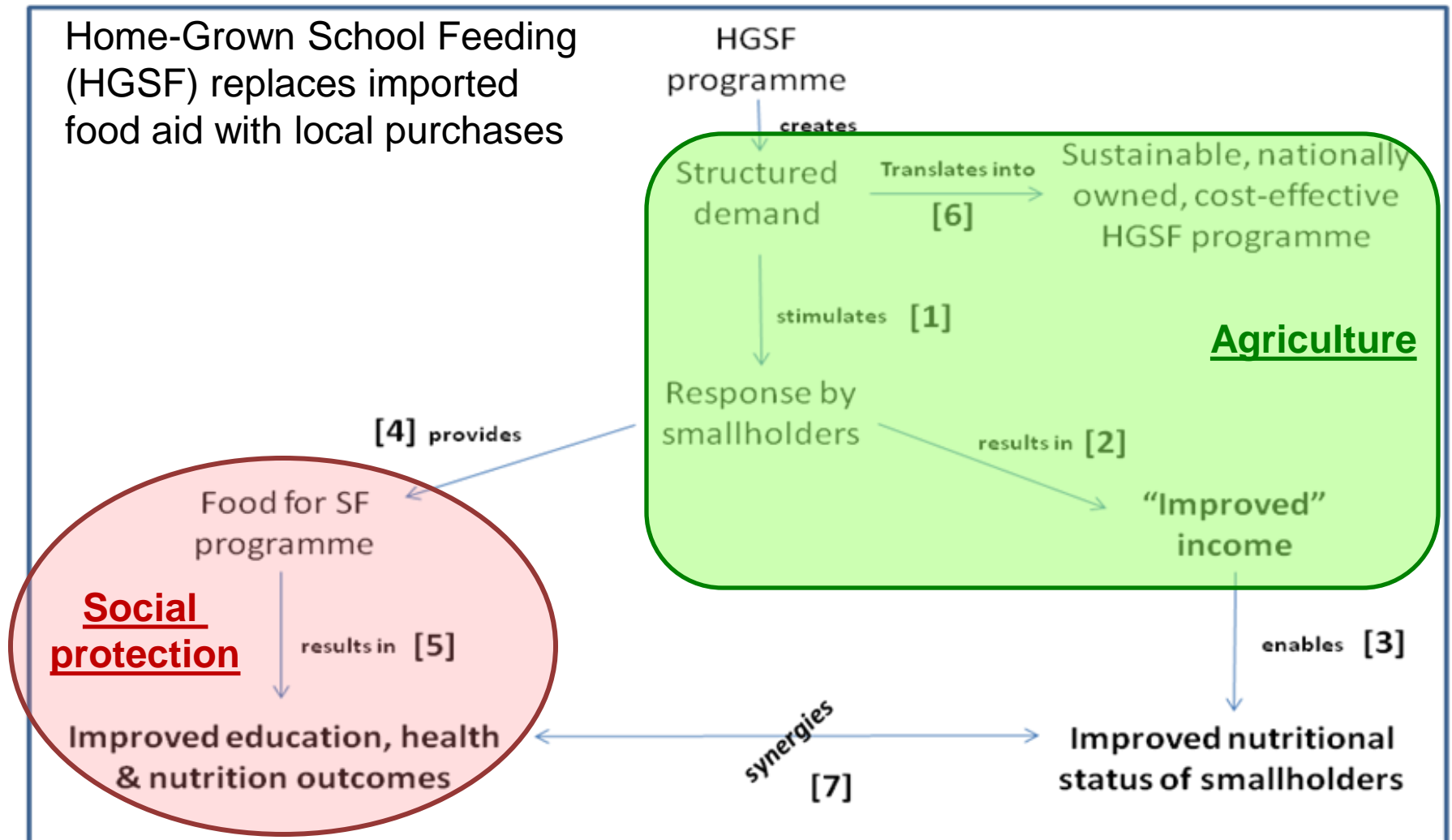


Instrumental coherence: Public works



Instrumental coherence: School feeding

Home-Grown School Feeding (HGSF) replaces imported food aid with local purchases



Agriculture & social protection: Positive synergies

Effective investments in agricultural development can:

- (1) reduce budgetary requirements for social protection;
- (2) promote economic growth and rural poverty reduction;
- (3) increase resources for financing social protection.

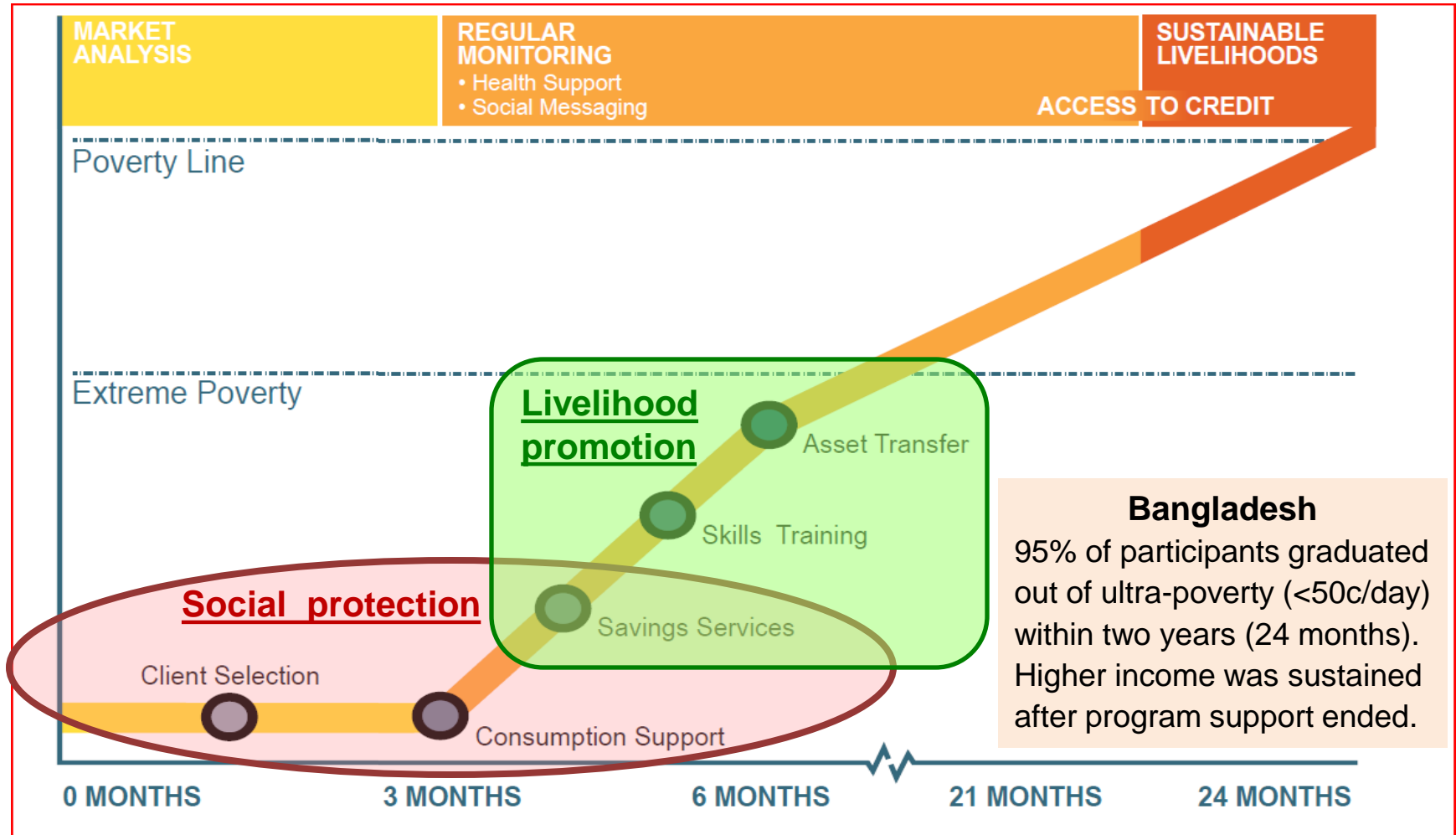
Investments in social protection can help the rural poor to:

- (1) reduce seasonal cash–flow bottlenecks;
- (2) expand assets for self– and mutual insurance;
- (3) use productive assets more efficiently;
- (4) adopt higher return livelihood activities.

Agriculture & social protection: Trade-offs

- (1) Low food prices (good for social protection) *versus* higher food prices (good for agricultural production).
- (2) Instrument-driven approach (cash, food, inputs) *versus* structural approach (vulnerability analysis).
- (3) Promoting agricultural livelihoods (e.g. input subsidies) *versus* livelihood diversification out of agriculture: reducing vulnerability, or reinforcing vulnerability?
- (4) Permanent programmes (social safety nets) *versus* exit strategies (graduation model)?

Programme coherence: “Graduation model”





STEP 01

Cash transfer

To allow the client breathing room, and time to start earning income from her assets, the client receives a cash transfer or stipend, and in some cases a food to supplement their diet.

A woman in a blue and yellow patterned shawl is the central focus, holding a white tray with two bags of orange lentils and a yellow notebook. She is standing in a rural village setting with other women in the background. The scene is brightly lit, suggesting a sunny day. The background shows simple buildings with corrugated metal roofs and lush green trees.

STEP 02

Savings

Clients are encouraged to save and track their savings



STEP 03

Asset Transfer

Client receives a package of assets, in this case a goat and a cow, to raise and learn about generating income

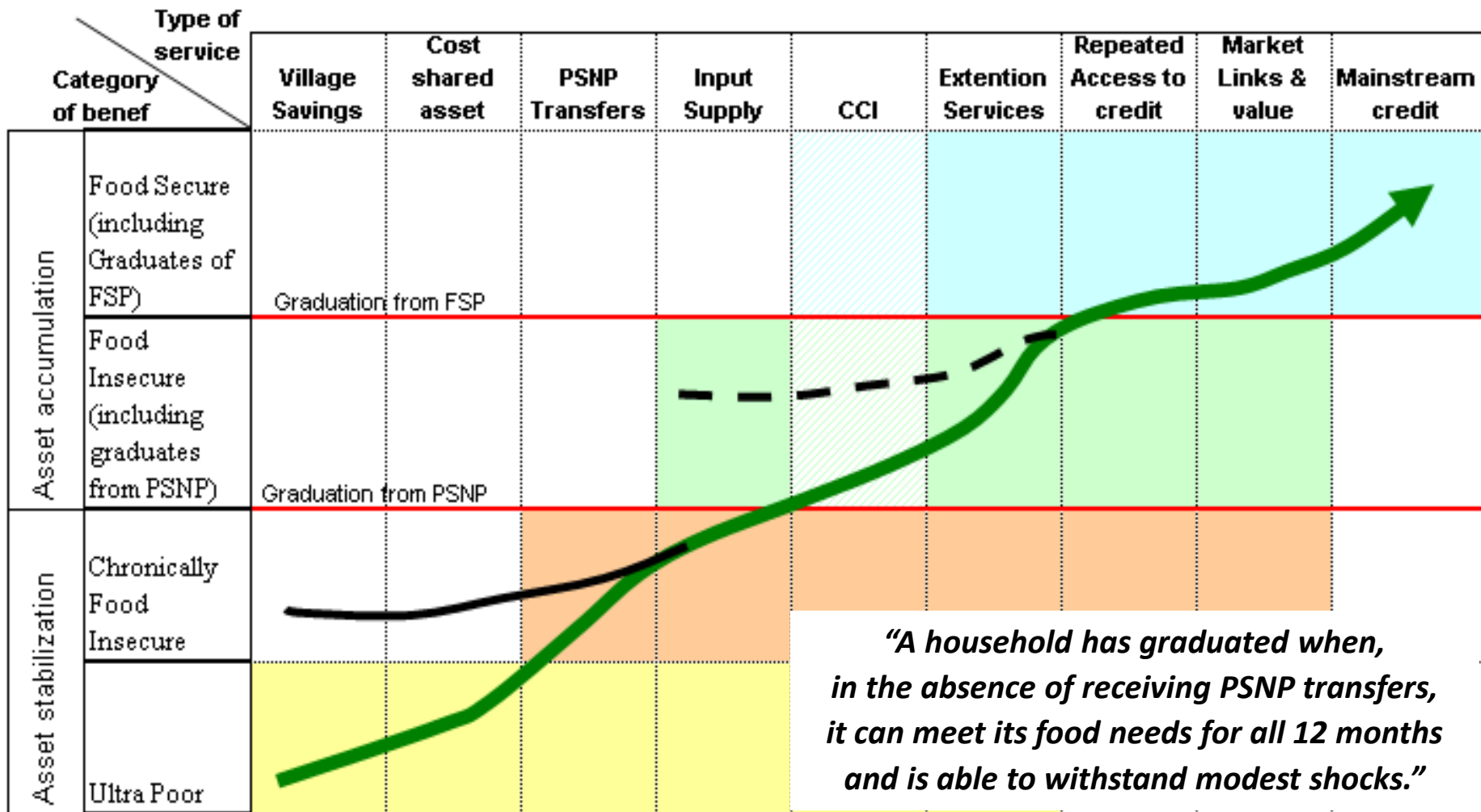


STEP 04

Training

Client receives weekly home visits and training on how to use their asset, on health and hygiene matters, basic skills and literacy, and general support and counseling

Programme coherence: Graduation in Ethiopia



Programme coherence: Constraints to graduation

Design constraints:

- ❑ Transfers are too small, limited duration, or erratic
- ❑ Inadequate support to “livelihood promotion”
- ❑ Some people will never graduate
- ❑ Transfer dilution.

Contextual constraints:

- ❑ **Economic:** Weak markets, high structural unemployment
- ❑ **Services:** Poor agricultural extension services
- ❑ **Vulnerability:** Endemic crisis and shocks can negate gains.

Questions for Discussion

- (1) Should we consider re-introducing 'old' food security policies – like food price stabilisation and strategic grain reserves – to provide social protection and stimulate agriculture?**
- (2) To achieve agricultural development and social protection in rural areas, should policy-makers promote low food prices or high food prices? Why?**
- (3) Should social protection and agricultural policies aim to keep farmers engaged in (more productive) agriculture, or help them to diversify into non-agricultural livelihood activities?**
- (4) Should social protection programmes in rural areas be set up as permanent, flexible safety nets, or should the rural poor be 'graduated' out of social protection as quickly as possible?**