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# Rethinking elite commitment to social protection in Ghana: Insights from an adapted political settlements approach

Abdul-Gafaru Abdulai 1

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Email correspondence: agabdulai@ug.edu.gh or ghaaff2000@yahoo.co.uk

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<sup>&</sup>lt;sup>1</sup> University of Ghana Business School, Legon, Accra

## **Abstract**

This paper explores the political economy drivers of Ghana's flagship cash transfer programme, Livelihood Empowerment Against Poverty (LEAP). In contrast to existing accounts of the LEAP as a domestically driven cash transfer scheme, the evidence here shows that donor pressures, leveraged through financing, played a more prominent role than the paradigmatic ideas of domestic political elites in shaping the adoption of the LEAP. Despite the recent discovery of oil and the country's subsequent ascension to middle-income status, donors remain important players in the Ghanaian political economy, given their dominance in the investment component of government's budget and the resultant inability of political elites to generate the rents that are so badly needed for meeting various redistributive demands without donor financing. However, once the LEAP was adopted, domestic political calculations and the incentives generated by Ghana's political settlement dynamics took centre stage in shaping the actual implementation of the programme, especially around questions of targeting and geographical coverage, and the prioritisation of reforms with more visible impact that could be leveraged upon to win competitive elections. These findings suggest that an adapted political settlements framework that goes beyond domestic political calculus, and which explicitly incorporates the influence of ideational and transnational factors, can greatly improve our understanding of the political economy drivers of social protection in Africa.

**Keywords:** social protection, politics, cash transfers, political settlements, ideas, donors, Ghana, LEAP

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# 1 Introduction

This paper explores the political economy dynamics that influence the adoption and implementation of Ghana's flagship cash transfer programme – Livelihood Empowerment Against Poverty (LEAP). In November 2007, the government of Ghana (GoG) announced that it had allocated an amount of ¢20.0 billion to commence implementation of the LEAP, with the aim of assisting 'dangerously poor households' to 'leap out of poverty' (Ministry of Employment and Social Welfare, 2012: 105). The LEAP targets extremely poor households that also have at least one of the following: orphans and vulnerable children (OVCs); elderly persons (aged 65 and over); people with severe disability (PWDs); and, more recently, pregnant women and children under one year of age. Implementation of the LEAP started in March 2008 on a pilot basis in 21 districts, and then began to expand rapidly from 2010 onwards. By December 2016, the programme was present in all of Ghana's 216 districts, benefiting nearly one million people (World Bank, 2017: 2).

As the first significant cash transfer programme in Ghana, the LEAP came as a surprise to many, because it was introduced by a 'right-of-centre' political party – the New Patriotic Party (NPP) – that professes a free market ideology. It was also introduced within a context of 'a restrictive social policy environment' (Sultan and Schrofer, 2008), in that at the time, the government's development blueprint, anchored around the Growth and Poverty Reduction Strategy (GPRS II, 2006-09), was to shift from 'poverty reduction' to 'the implementation of growth-inducing policies and programmes which have the potential to support wealth creation'" (GoG, 2006: xxi and 6; GoG, 2010: 3). This context was somewhat incongruent with the introduction of a cash transfer programme like the LEAP, which was very widely criticised by ordinary Ghanaians as a 'small-scale, charitable handout' that would create 'dependency in poor households' (Luigi et al., 2016: 162; Sultan and Schrofer, 2008: 6). Indeed, one observer wondered why the NPP government, 'which is not socialist', was considering launching a programme that could encourage the poor to 'believe in manna from heaven without any effort on their part' (Daily Graphic, 2008).

Although there is a large amount of research on the LEAP (see Oduro, 2015; Luigi et al 2016; Foli, 2016; Foli et al., 2017), studies have so far provided a rather thin analysis of the political economy drivers of the programme (e.g. Grebe, 2015; 2017; de Graft Aikins et al., 2017; Abane, 2017). In particular, there has been no work examining how the interplay of domestic and global political economy dynamics have influenced the design and implementation of the LEAP. This paper offers a deeper political economy analysis of the LEAP, drawing from the adapted political settlements (PS) framework proposed by Lavers and Hickey (2015; 2016). Defined as 'the balance or distribution of power between contending social groups and classes, on which any state is based' (Di John and Putzel, 2009: 4), a political settlement emerges when the distribution of benefits supported by an existing institutional structure is consistent with the distribution of power in society (Khan, 2010). The adapted PS approach adopted here recognises the crucial roles of

political settlement dynamics, but then goes further, to emphasise the need to augment this approach with a focus on ideas and transnational factors in order to fully understand the growing elite commitment to social protection uptake in Africa. In contrast to the standard political settlements approach, this framework views ideas not merely as a means by which political elites seek to mobilise support and maintain their ruling coalitions, but also in discursive terms.

Drawing from existing research, Lavers and Hickey (2015; 2016) identify three types of idea that are important for social protection uptake in the Global South: *policy ideas* that provide potential solutions to pre-defined social problems; *problem definitions* that provide ways of framing particular social issues in ways that favour certain types of policy solutions over others; and *overarching paradigms* that serve as road maps concerning how development should work (Lavers and Hickey, 2016: 393). The importance of transnational policy networks is also emphasised in this adapted framework, with the caveat, however, that whether transnational actors succeed in influencing domestic political actors to adopt and implement social protection programmes in developing countries depends on the compatibility of these ideas with the interests and ideas of dominant actors within ruling coalitions.

We apply these insights to explore the political economy drivers of Ghana's LEAP, with a particular focus on understanding how the interplay between the incentives and ideas generated by domestic political economy dynamics and transnational processes and actors has shaped the adoption and implementation of the programme. Our central research question, therefore, is: why did the NPP ruling coalition introduce the LEAP, and what roles did political settlement dynamics, ideas and transnational actors play in this? What political economic drivers shaped the initial adoption, design and subsequent expansion of the LEAP? Data was collected through in-depth interviews with key informants involved in the design and implementation of the programme, combined with an analysis of primary documents, existing research and newspaper articles. Altogether, we conducted 21 key informant interviews with senior government officials (10), donors (nine) and academics who have also served as consultants on the LEAP (two).

The paper proceeds in the next section to analyse Ghana's political settlement dynamics, in order to lay a basis for understanding the political economy drivers of the LEAP. The paper then turns to explore the influence of the political settlement, as well as ideas emanating from transnational policy coalitions and domestic planning processes in the adoption, design and implementation of the LEAP. The final section concludes.

# 2 Ghana's political settlement dynamics

Until the return to multiparty democracy in 1992, the political history of Ghana was essentially a story of political instability. During the first three decades after independence, coups d'état by sections of the military were prompted by macroeconomic crises, but the various military ruling coalitions could not maintain

power for long in the face of mounting pressures from excluded political elites. In the late 1980s, after nearly one decade of quasi-military rule under the Provisional National Defence Council (PNDC), Ghana returned to multiparty democratic rule following pressures from domestic actors and official aid agencies.

Observers of Ghanaian politics concur that the prevailing political settlement since this democratic transition has been one of 'competitive clientelism' (Abdulai and Hickey, 2016; Hirvi and Whitfield, 2015; Oduro et al., 2014). Competitive clientelism emerges where the distribution of power in society is highly dispersed, and as a result there is a large group of fragmented political elites who enter shifting alliances to form a coalition strong enough to govern the country and the state apparatus. The highly fragmented nature of political elites means not only that ruling coalitions face strong political opposition, but also that ruling political elites are fragmented and in constant competition with each other for political positions and state resources to gain and maintain those positions. As a result, ruling elites are characterised by a high degree of vulnerability, providing them with strong incentives to pursue policies that deliver quick wins to maximise immediate political returns and secure electoral support for the coalition (Khan, 2010).

Since 1992, Ghana has conducted seven rounds of increasingly competitive elections. With successive elections, a *de facto* two-party system has become increasingly entrenched, with regular power alternations between the NPP and the NDC (National Democratic Congress). In ideological terms, the NDC professes to be a social democratic and statist party that seeks to 'ensure optimum production and distributive justice' (NDC, 2004: 12) while the NPP regards itself as a pro-market party (NPP, 2012).

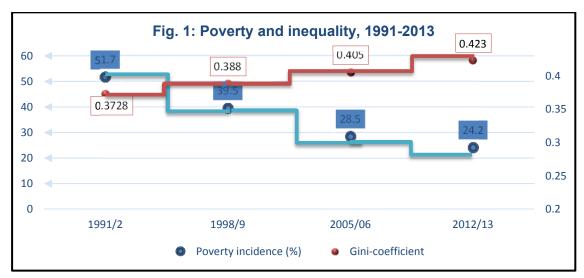
These two parties routinely capture the vast majority of votes in both presidential and parliamentary elections, and competition between them has become so intense that any particular ruling coalition faces powerful excluded coalitions who are always mobilising support to gain enough 'holding power' (Khan, 2010) to win the next elections. Consequently, political leaders strive to appease voters by focusing 'on projects and actions that can deliver immediate, visible benefits to the widest spectrum of voters before the next election' (Whitfield, 2010: 733). Accordingly, there has been limited elite commitment to reforms that take a long time to bear fruit and which remain obscure from public view.

Although each of these parties has its core support base in particular administrative regions, neither of them can win elections by relying solely on its core supporters. Instead, elections are won based on the ability of parties to woo voters in swing regions, while also maintaining support from core voting areas. Ghana is a typical

<sup>&</sup>lt;sup>1</sup> Of the country's 10 administrative regions, only two lean heavily towards one of the two dominant parties (i.e. Volta for NDC and Ashanti for NPP), while four (i.e. Greater Accra, Western, Brong Ahafo and Central regions) are generally considered as swing voting regions, where elections have swung back and forth between these parties.

example of a competitive clientelist political settlement, where each ruling coalition is confronted with powerful excluded elite factions due to the closeness of electoral outcomes between the two dominant parties. In 2008, in particular, it took three rounds of elections to determine the winner of the presidency by a narrow margin of less than 0.5 percent of total valid votes cast,<sup>2</sup> and the NDC subsequently won the 2012 elections by less than 3 percent of the vote.

These political dynamics have given rise to 'a more inclusive form of neo-patrimonialism' (Booth et al., 2004: 15) in Ghana, whereby public resources are distributed thinly and widely with the objective of appeasing as many potential voters as possible. In this context, most public investments are undertaken not with the objective of achieving broad-based development, but with short-term political considerations, where limited public resources are widely disbursed, rather than being targeted towards the most deprived areas (Whitfield, 2010: 733).



Source: Author, based on GLSS 3-6, Ghana Statistical Service.

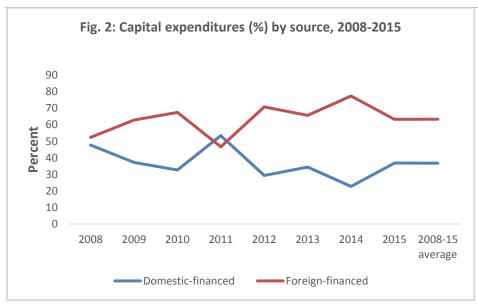
One result has been the challenge of combating inequalities in Ghana, especially with regards to the historical north—south developmental divide that goes back to colonial times. Here, electoral pressures tend to encourage the geographical spread of social interventions in ways that rarely take into account the additional challenges faced in historically deprived regions (Abdulai and Hickey, 2016; Abdulai and Hulme, 2015; Abdulai, 2017). Unsurprisingly, while overall poverty levels have declined during the last two decades, inequalities have increased: between 1991 and 2013, Ghana's Gini index deteriorated from 0.37 to 0.42 (see Figure 1). In spatial terms, poverty remains most heavily concentrated in the northern part of the country, comprising the Northern, Upper East and Upper West regions. Recent official government statistics point to a 'few districts with high number of poor persons' in the south, but ones that 'cannot be compared to what pertains to districts in the northern part of Ghana', where the poor also tend to be poorer (Ghana Statistical Service, 2014).

2011).

The final aspect of Ghana's political settlement dynamics of interest here relates to the influence of transnational actors, specifically donors whose power is based mainly on their role as funders of government development projects. Lindsay Whitfield traces the beginning of donor dependency in Ghana to the structural adjustment programmes (SAPs) of the 1980s, when the World Bank and International Monetary Fund (IMF) provided the needed resources for running the state, in return for government commitments and actions on economic reforms (Whitfield, 2010). In the 1980s and early 1990s, official development assistance in Ghana was higher than foreign direct investment, and foreign aid played a significant role in determining what got implemented (Whitfield, 2011).

Despite Ghana's recent attainment of lower-middle-income status, donors' influence on government policy choices remain significant. This continuing influence derives partly from the inability of ruling elites to generate sufficient resources for meeting various redistributive demands without donor financing. Since the 1990s, public sector salaries have often consumed the largest component of government spending, leaving little room for public investments. This was precisely the situation under the NPP ruling coalition in the 2000s, when government had 'limited access to funds outside donor aid flows for the purposes of investments' (Whitfield, 2010: 730). Over the period 2008-2015, overall capital spending in Ghana amounted to GH¢32.7 billion, of which external assistance accounted for GH¢21.1 billion, representing 63.3 percent. As Figure 2 shows, foreign aid consistently accounted for well over half of total capital expenditures during 2008-2015 (2011 being an exception), reaching 77.3 percent in 2014.

Consequently, most ruling coalitions depend significantly on donor resources for the investment portion of government expenditures, enabling donors to become embedded within the Ghanaian state (Whitfield and Jones, 2007). Official donors play a crucial role in shaping the incentives of political elites, because any reductions in aid inflows can have significant adverse implications for the political legitimacy of ruling coalitions. This assessment is reflective of the politics of the LEAP, at the levels of both policy adoption and implementation. In early 2015, recurrent fiscal and macroeconomic crises prompted the Mahama-led NDC ruling coalition to enter into a three-year (2015-2017) fiscal consolidation programme with the IMF. Under this programme, the IMF was to provide financial support worth US\$918 million, and the GoG was to adhere to several conditionalities in return. In particular, subsidies for utilities and petroleum products were to be fully eliminated, and the government was required to 'use part of the resulting fiscal space to safeguard social and other priority spending', with particular attention to the LEAP (see IMF, 2015: 13). The IMF programme was agreed in April 2015 and, by June the same year, the GoG had



Source: Author, based on World Bank (2016), Table B.1, p.127.

scrapped most of its subsidies on petroleum products.<sup>3</sup> Budgetary allocations to the LEAP jumped accordingly (see Section 4.4). Ghana's recent attainment of lower-middle-income status would thus seem to have had limited impact in terms of diluting the influence of donors within the country's policy-making environment.

# 3 Transnational policy coalitions, ideas and the adoption of the LEAP

Recent research highlights two main mechanisms by which policy ideas are transferred to countries in the Global South by transnational policy coalitions, namely the use of soft power and hard power. While the latter involves both the threat of sanction and the opportunity of rewards for the adoption of particular ideas by policy-makers, the former entails efforts aimed at shaping policy-makers' preferences, mainly through lesson-drawing from other countries (Lavers and Hickey, 2015; Foli, 2016; Foli et al., 2017). Lavers and Hickey (2015: 15) note that social protection ideas are 'frequently transferred through forms of soft power', particularly through the use of evidence in encouraging decision-makers to adopt particular policy models that are perceived to have worked successfully elsewhere (see also Liete, et al., 2015; Foli et al., 2017). As we will show here, however, transnational actors pushed for the adoption of Ghana's LEAP through the active deployment of both the soft and hard forms of power, with the latter based mainly on the imposition of conditionalities attached to financial assistance.

## 3.1 Policy translation through soft forms of power

Transnational actors played an instrumental role in shaping Ghana's social protection agenda by deploying existing evidence in communicating ideas about cash transfers

<sup>3</sup> See Joy Online News, 26 June 2015, 'Gov't spends ¢78m every month on petroleum subsidies'. Available at: <a href="http://www.myjoyonline.com/business/2015/June-20th/govt-spends-78m-every-month-on-petroleum-subsidies.php">http://www.myjoyonline.com/business/2015/June-20th/govt-spends-78m-every-month-on-petroleum-subsidies.php</a>

to policy-makers and through the provision of technical and financial support. Most key informants trace the history of the LEAP to a series of Poverty and Social Impact Assessment (PSIA) studies, conducted as part of the Poverty Reduction Strategy Papers (PRSPs). Ghana joined the Enhanced Highly Indebted Poor Country Initiative (HIPC) in 2002, and was obliged to formulate a PRSP as a way of demonstrating how HIPC resources would be used to reduce poverty and vulnerability.

The government formulated and implemented its first PRSP, the GPRS I (2003-2005), followed by the GPRS II (2006-2009). As part of the review processes of the GPRS I, the IMF and World Bank required and supported the National Development Planning Commission (NDPC) to conduct PSIA studies on issues of vulnerability and exclusion and on the effectiveness of existing government's pro-poor/subsidy programmes in the agricultural and energy sectors. These studies were to help provide evidence for reviewing the GPRS I, as well as guide 'a more systematic programming of development partner activities' (NDPC, 2004: 84).

The PSIA on vulnerabilities and exclusion showed that, although overall poverty levels were reducing in Ghana, levels of vulnerabilities and exclusion were worsening (NDPC, 2004: 1) – an observation reinforced by the steady rise in inequality from a Gini of 0.37 in 1991/92 to 0.39 in 1998/99 and further to 0.40 in 2005/06 (GoG, 2014: 18). This study highlighted the weaknesses of existing social protection programmes in reaching extremely poor households, and suggested the need for 'a different approach to social protection', one in which government must consider providing 'support for those who are unable and may never be able to help themselves' (NDPC, 2004: 60).

At the same time, three other PSIAs highlighted the ineffectiveness of the government's subsidy programmes in tackling extreme poverty (Asuming-Brempong et al., 2004; Coady and Newhouse, 2006). In the agricultural sector, where government's subsidies focused on providing poor farmers with agricultural inputs like fertilisers and seedlings, some farmers either sold the fertilisers to make cash for themselves or ate up the seedlings in order to address short-term hunger problems. As one member of the LEAP design team explained:

'When I am hungry and you come and give me seeds to plant or bury in the soil, it will germinate and I will need energy to work on it until the maize comes up. What if in the process of doing it I collapse? So the best thing is to let me settle my hunger and eat'.<sup>4</sup>

This problem framing suggested that what was more relevant for extremely poor households was access to direct cash that would enable them to smooth their consumption. As the agricultural sector PSIA study recommended, '... cash transfer programs, food subsidy programs and supplementary feeding programs would have to be part of the social safety net strategy of the government that would help to

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<sup>&</sup>lt;sup>4</sup> Interview, respondent CG3.

alleviate chronic and transitory food insecurity' (Asuming-Brempong et al., 2004: 123). A similar recommendation was made in the petroleum subsidy PSIA study, which suggested 'using some of the budgetary savings from eliminating subsidies to finance the introduction or expansion of a cash or in-kind transfer program' (Coady and Newhouse, 2004: 396).

One important platform that served as a basis for bringing issues of vulnerability to the centre of policy debates, and in proposing cash transfers as the solution to these problems, was the Vulnerability and Exclusion Sector Working Group (V&E SWG) – an informal group comprising donors, senior policy makers, as well as civil society organisations working on issues of exclusion and vulnerability. Co-chaired by the sector minister and one representative from donors, this group met quarterly to share experiences and discuss how policies could best be tailored in the interest of the poorest and most vulnerable populations.

During the policy dialogue towards the formulation of the GPRS II, members of the V&E SWG advocated cash transfer programmes as a potential solution to the government's ineffective subsidy programmes in tackling growing vulnerabilities, and the donor representatives within the group, specifically DFID and UNICEF, also signalled their preparedness to provide technical and financial support for the design and implementation of a cash transfer programme in Ghana (Foli, 2016: 279). At this point, UNICEF had already started supporting the practical implementation of cash transfers in Ghana by providing funding to the Department of Social Welfare (DSW) for covering the health insurance premiums of OVCs (through their caregivers) in selected districts.

The suggestions made by members of the V&E SWG were taken on board in the formulation of the GPRS II policy document, which recommended the need for a cash transfer programme targeted at a wide range of vulnerable groups, including pregnant and lactating women, as well as people with disabilities (GoG, 2005: 40). To this extent, the V&E SWG served as an important platform through which ideas on cash transfers were communicated to Ghanaian policy makers. Explaining the links between the V&E SWG and the LEAP, one of the LEAP's design team members noted:

'This group met to look at issues of vulnerability and exclusion. So out of those discussions emerged the issue of what could be done for the extreme poor populations of the country. And so the GPRS II said that the country should design a cash transfer system or intervention to take care of the extreme poor... that is the story of the LEAP.' (int. respondent CG 1)

Thus, the proposal to implement the LEAP cash transfer programme emerged out of a network of local and international policy coalitions working on vulnerability and exclusion. With technical support from DFID and UNICEF, a National Social Protection Strategy (NSPS) was drafted in 2007 under the leadership of the then Ministry of Employment and Social Welfare (MESW) (see GoG, 2007a). The NSPS

highlighted the need to implement a new set of programmes targeted at the poorest, and identified the LEAP as its flagship programme. These processes were also influenced by global and regional initiatives on social protection, including the African Union (AU) Social Policy Framework for Africa, and the AU Social Protection Framework, both finalised in 2008 (Republic of Ghana, 2012: 1-2).

Technical support from donors took the form of assembling experts to assist with drafting both the NSPS and the LEAP, and in providing relevant publications that communicated the importance of cash transfers. As the NSPS document acknowledges,

'The review and analysis of international frameworks on Social Protection especially those of the World Bank, DFID, International Labour Organization (ILO), Asian Development Bank and the United Nations guided the design of a conceptual framework for the Strategy'. (GoG, 2007a: 32)

During the development of the NSPS, teams led by the Ministry of Manpower, Youth and Employment (MMYE) were supported to participate in social protection capacity building and peer review programmes in Finland, Tunis and Brazil (GoG, 2007a: 32). Learning from other countries, and visiting countries where such programmes worked, such as Brazil, was not only important in generating new thinking on social protection, but also in convincing Ghanaian policy makers about the benefits of cash transfers (Sultan and Schrofer, 2008: 6). In January 2006, the UK's DFID and the Brazilian Ministry of Social Development and Fight against Hunger (MDS) organised a one-week study tour in Brasília for six African countries (Ghana, Mozambique, Guinea Bissau, South Africa, Nigeria and Zambia) with the objectives of exchanging experiences and learning from the Brazilian experience in the design and implementation of cash transfer programmes (Leite et al., 2013).

In March 2007, the GoG made an official request to the Brazilian government to send experts to Ghana to discuss the Brazilian experience and to make some contributions to the design of Ghana's cash transfer programme (Souza, 2007: 27). Cooperation between Brazil and Ghana was implemented throughout 2007, resulting in three Brazilian technical missions to Ghana during the design phase of the LEAP. These missions served as an important mechanism for the transfer of technical knowledge to Ghanaian officials, playing a significant role in shaping the design of the country's National Social Protection Strategy (NSPS) and its flagship programme – the LEAP (Souza, 2007; Foli, 2015, 2016; Leite et al., 2015). For example, the 'The Brazilian experts contributed in all discussions regarding LEAP' (MDS, 2008: 17), and the missions produced three reports for the GoG. These reports focused on designing a unified household registry and conditionalities, and in monitoring and evaluating cash transfer programmes, with most of the ideas drawn 'from the Brazilian experience' (MDS, 2007: 3).

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<sup>&</sup>lt;sup>5</sup> The first mission took place in July 2007, the second in August and the third in September (Souza, 2007: 25).

Most of our respondents acknowledged the significant influence of the Brazilian experience on the LEAP, with a member of the design team stating that, although they learnt from several country experiences, he could stick his 'neck out to mention Brazil as the most influential'. 6 Notable aspects of the Brazilian experience that influenced the LEAP include the requirement that recipients meet certain conditionalities (e.g. registration of children at birth, children attending school); the extension of various complementary services and productive opportunities to recipients; and the idea of graduating beneficiaries over time. However, there was also a conscious effort to adapt the Brazilian module to the very different social and political context of Ghana: 'we couldn't really borrow the Brazilian model. We are different economies... they did not necessarily bring a blue print that was copied because the systems are so very different, the politics is different'. For example, the design team considered the strict enforcement of the health- and education-related conditionalities problematic in an environment where access to basic social services remains a challenge for many poor rural residents. Thus, while in principle some categories of LEAP households are required to fulfil some conditionalities (e.g. enrolment of school-age children in school), in reality, these requirements are rarely monitored, let alone enforced.<sup>8</sup> In this context, Ghana's adaptation of the Brazil-type cash transfer programme occurred through a process of policy translation: 'the ways in which actors adapt foreign or global policy ideas to make them fit into the dominant categories and institutions of their jurisdiction' (Béland, 2014: 11, quoted in Lavers and Hickey, 2015: 15).

In sum, transnational actors promoted the adoption of the LEAP through various soft forms of power, including assembling experts to assist in programme design and sponsoring policy makers to attend study tours. However, as the discussion below suggests, there has also been the use of coercive strategies in the transfer of ideas on cash transfers to Ghana, particularly through the imposition of loan conditionalities.

## 3.2 Donors and the adoption of the LEAP: Do conditionalities matter?

In much of extant literature, the role of donor conditionality in shaping the adoption of the LEAP is either often significantly downplayed, evident in the characterisation of the programme as a 'home-grown idea' (de-Graft Aikins et al., 2016: 24); a 'genuinely government owned' programme' (Sultan and Schrofer, 2008: 9); or as 'a domestically-driven cash transfer scheme' (Grebe, 2017: 5). Foli (2016: 278) argues that 'Ghana's adoption of a cash transfer program cannot be attributed to the imposition by external actors', and suggests the need to understand the LEAP as the product of 'a collaborative effort between local and international actors, mostly through policy teaching and learning using ideational mechanisms' (see also Foli et al., 2017: 6).

<sup>&</sup>lt;sup>6</sup> Interview. respondent CG 3.

<sup>&</sup>lt;sup>7</sup> Interview. respondent AC 1.

<sup>&</sup>lt;sup>8</sup> Interview respondent DP 1.

Our findings suggest that what might have, on the surface, appeared to be a genuinely 'collaborative effort' was in part facilitated by the use of conditionalities attached to policy prescriptions by donors. To begin with, if discussions about cash transfers in Ghana were originally triggered by findings of the donor-required PSIA studies, as most observers agree, then the role of conditionality in the adoption of the LEAP cannot be underestimated, given that the PSIA was itself an attempt by the Ghanaian government to fulfil donor conditionalities associated with the HIPC initiative. As an HIPC country, the GoG's access to HIPC debt relief was conditioned on compliance with a set of 'HIPC triggers', and the PSIA study was among the HIPC triggers for reaching the completion point (NDPC, 2004: 8 and 84). One of the key indicators of compliance with the implementation of the GPRS and HIPC was the preparation of periodic independent impact assessment studies aimed at monitoring the impact of policy interventions and serving as a basis for providing feedback into subsequent policies. To this extent, the adoption of the LEAP can best be understood within the context of the ideas and incentives generated by aid dependency in Ghana. Indeed, as Whitfield (2010: 728) has demonstrated, policy measures that got implemented in Ghana during the early to mid-2000s were mainly those that 'were tied to the release of significant monies, including the conditions negotiated in the HIPC agreement ... and (from 2003) conditions in the Multi-Donor Budget Support Mechanism [MDBS]'.

The shift towards general budget support through the MDBS is particularly relevant for understanding the impact of aid dependency for the adoption of the LEAP. Signed between the GoG and nine donors in 2003, the MDBS was a mechanism through which some donor agencies assisted the government with general budget support for implementing its poverty reduction initiatives. Substantial sums were involved, and it seems that the participating donors had very little trust that the GoG would implement the agreed policies of their interest. Thus, right from the beginning, a performance assessment framework (PAF) matrix was developed, comprising a list of reform elements that the GoG was required to implement for donor monies to be released. As the National Development Planning Commission notes, one 'critical component of Ghana's MDBS arrangement has been ... a "performance payment" linked to the achievement of a set of explicitly defined "policy triggers" (NDPC, 2009: 209). It is important to keep in mind that 'the performance tranche was designed to be disbursed in full or in part, depending on the number of trigger conditions fulfilled' (Lawson et al., 2007: 32). With nine donors essentially required to 'negotiate' with one aid-dependent government, the power asymmetries embedded in the MDBS framework were evident. Importantly, in both 2007 and 2008, triggers under both the MDBS and the Poverty Reduction Strategy Credit (PRSC) emphasised the need for government to 'implement special programs to support the vulnerable and the excluded', with the explicit requirement that the draft social protection strategy be implemented (NDPC, 2008: 190; NDPC, 2009: 221). These triggers changed over time, depending on the most critical challenges of the LEAP. Thus when the GoG's release of the LEAP grants became highly irregular, from 2010 onwards in particular, the need for regular payments was incorporated into the triggers. Appendix I summarises the MDBS/PRSC triggers in relation to the LEAP over the period 2007-2013.

It is important to recognise that the GoG was required 'to prove' on an annual basis that these 'triggers were being met, in order to receive further funding' (Woll, 2008: 80), and government's failure to meet some MDBS triggers in 2006 meant that some \$24 million of the performance payment was withheld by donors (Whitfield, 2009: 200). This suggests that, rather than a purely 'domestically-driven cash transfer scheme', as most observers have claimed, the formulation of the NSPS and the subsequent implementation of the LEAP was a largely donor-driven agenda, as the GoG's actions were in part meant to satisfy donor conditionalities, in order to ensure the continuous flow of development assistance. As we will see below, the role of aid conditionalities has also been significant in the actual implementation of the LEAP.

#### 3.2.1 The influence and limits of donor conditionality: The case of DFID

Implementation of the LEAP has been heavily supported by donor funding, with DFID, UNICEF and the World Bank remaining the most significant development partners (DPs) to the programme. In 2014, donor funding accounted for 19 percent of total social assistance expenditures in Ghana, 48.4 percent of total expenditures for the LEAP, and 100 percent for the Labour Intensive Public Works Programme (World Bank, 2016: 93-94). DFID is by far the largest financial contributor to the LEAP among DPs,<sup>9</sup> providing £36.4 million over five years (2012-2017). Scholars who emphasise the 'home-grown' orientation of the LEAP often highlight the fact that the actual cash grant was initially funded entirely from the GoG's budget (Grebe, 2015: 28). Yet such accounts miss the important point that the entire initial ¢20.0 billion seed fund for the LEAP was drawn from HIPC funds (GoG, 2006: 240 & 413).

Disbursements of the DFID £36.4 million grant have been subject to the ability of the GoG to tackle some critical constraints to LEAP's effective operation, without which 'DFID will not be able to disburse the planned budget support' (DFID, 2012: 39). At the time that disbursements of this grant commenced, one of the most significant challenges facing the LEAP was the irregular payments of the cash grant, due mainly to delayed receipt of funds from the finance ministry (NDPC, 2010: 213). In 2011, LEAP households received an amount equivalent to only four payments (instead of six) in three irregular instalments (instead of six). By August 2013, payments to LEAP beneficiaries were so irregular that 'government was in arrears by eight months' (DFID, 2014: 1; DFID, 2013a: 13).

<sup>10</sup> Of this amount, 30.9 million is allocated to fund the transfers themselves, while the rest is allocated to building essential systems and capacity (see DFID, 2013a: 2; DFID, 2014: 3; DFID, 2016: 3).

<sup>&</sup>lt;sup>9</sup> UNICEF's support (approximately £4.6 million from 2013-2016) has focused on strengthening key elements of the programme to improve its efficiency, effectiveness and reach. The World Bank's support (approximately £28.2 million from September 2010 to June 2017) includes contribution to the cash transfers; technical assistance staffing for the LEAP management secretariat (LMS); provision of consultants to provide advisory services on cash transfers implementation; and strengthening capacity and key systems such as MIS. The WB is also funding the e-payment system and its associated costs.

With funding from DFID, the GoG cleared all LEAP arrears in late 2012, with an understanding that subsequent payments would follow a more regular and predictable pattern. This did not happen, with no LEAP payments throughout the first half of 2013 – a problem acknowledged to have resulted partly from the regime change that accompanied the 2012 elections. In August 2013, DFID signed a Memorandum of Understanding (MoU) with the GoG in which the latter was required to meet a set of conditionalities, failing which DFID's aid was to be either interrupted, reduced, suspended, delivered in a different way or terminated' (DFID, 2013b: 10). The MoU specifically required government to provide financial flows to LEAP in a timely and predictable manner' (DFID, 2013b: 5), insisting further that:

'DFID will not ... continue to provide assistance ... nor disburse the associated planned earmarked budget support if Government of Ghana resources for the cash payments to beneficiaries are not provided on a reliable and timely basis' (ibid.: 10).

Shortly after signing the MoU, DFID put the LEAP on a Programme Improvement Plan (PIP) focused around the critical issues required for it to function effectively: increased staff deployment to the LEAP management unit (LMU); ensuring cash transfer arrears were cleared and regularity in disbursement achieved; and delays to the electronic payment pilot for cash transfers resolved. The PIP was agreed with the minister and chief director of the Ministry of Gender, Children and Social Protection (MoGCSP) in October 2013 and was to come to an end in May 2014. During this period, DFID worked closely with the MoGCSP, meeting at least once a month to assess progress against the PIP. As a result, the GoG made considerable efforts in improving the implementation of the LEAP. Within the one-year implementation period of the PIP, not only were all arrears to the LEAP cleared, but also beneficiary households received regular and predictable payments over a 12-month period for the first time since LEAP started in 2008.<sup>13</sup> At the same time, the e-payment pilot was completed, and the ministry allocated seven additional staff members to the LMU to bolster management and oversight of the cash transfer process (DFID, 2014).

The regularity in payments of the cash grants was an especially significant achievement, given that this occurred in a context of a deteriorating macroeconomic environment, in which government was unable to release funds for several government programmes, including social protection programmes such as the school feeding programme. Our field research suggests that the consistently regular and predictable payment patterns of the LEAP grants since August 2013 has primarily been a response to the conditionalities associated with the PIP and the DFID-GoG MoU broadly <sup>14</sup> – a point noted to have been acknowledged by officials from the

<sup>&</sup>lt;sup>11</sup> Interview respondents DP2, DP 3, DP4.

<sup>&</sup>lt;sup>12</sup> In the MoU, these are referred to as 'partnership commitments'.

<sup>&</sup>lt;sup>13</sup> Interview respondent DP 2.

<sup>&</sup>lt;sup>14</sup> Interview respondents DP 3, DP 4.

Ministry of Finance, the MoGCSP and the World Bank (DFID, 2014: 8). As one respondent put it, the PIP 'made a huge difference'. 15

As part of its five-year support for the LEAP, DFID undertook its first annual review of the programme in August 2013. In this review, DFID scored the programme a 'C' for failing to meet critical targets in its first year of implementation. This prompted a range of actions from DFID, including holding regular meetings with the sector minister:

'They gave an ultimatum to the minister. They told her ... "Honourable Minister if the programme does not improve and you start releasing regular payments, we are going to withdraw our funding...". They did an evaluation of the programme and ranked it as "C" and they told the minister "if the programme gets another "C", we will withdraw our support". 16).

With the improvements recorded in the regular payments of the LEAP grants, the programme's performance improved in subsequent DFID reviews, with scores of 'A' in both 2014 and 2015, and 'A+' in 2016. DFID's influence was facilitated by its direct access to influential government officials, ranging from the sector minister to the minister of finance and the president:

'DFID has an approach where they are able to meet the minister for finance and even the president. So they told the president, "this is our position: this is the funding – £36 million; either you meet our obligations or we withdraw this money" ... so they were very clear to the government that DFID support was based on improvements.'17

One other measure that facilitated the regular payment of the LEAP grant was the interlocking payment approach advocated by DFID. With this approach, the GoG was required to make the first LEAP payment in any given year before DFID would commit resources for the next payment, in that order. Interviews with both government and donor representatives confirm that this approach helped put pressure on the GoG to release funding for the LEAP on a more timely and regular basis:

'One thing DFID did was to make sure that the first payment every year belongs to the government and the government will be compelled to make that first payment. The politicians struggle to make money available at the first quarter of the year and therefore to make sure that they look for the money, DFID will say that if you make the first payment we will make the subsequent payment. But after we have made the subsequent payment, you (GoG) must make the next payment after that we will come in. What that did was that it compelled

Interview respondent DP2.Interview respondent CG 2.

<sup>&</sup>lt;sup>17</sup> Interview respondent CG 2.

government to make payments knowing that if it fails, DFID will not bring its payment on the table.'18

This analysis suggests that the role of aid donors in the design and implementation of the LEAP has been much less appreciated in the literature.

Donor requirements also played an important role in refocusing the LEAP towards the most deprived northern regions of the Ghana over time. As part of DFID's financial support for the LEAP, one indicator for assessing the government's performance was in relation to the extent to which the programme was being implemented on an equitable basis, with an explicit emphasis on selecting more households from the north. At the beginning of DFID's support, a log frame was agreed with the GoG, in which progress was to be assessed based on several factors, including the proportion of households from the three northern regions, on an annual basis. As one respondent from the LEAP Management Secretariat (LMS) noted, 'with the three-year work plan that we developed with DFID, there was a requirement that a certain percentage of all households targeted must come from the three northern regions'. At the end of 2016, the GoG's performance on this indicator exceeded the target set in the log frame (but missed the 2015 target slightly), contributing to DFID's overall positive assessment of the LEAP, with an unprecedented score of A+ (see DFID, 2016). Through its LEAP 1000 Programme, launched in 2015, UNICEF also extended the LEAP to over 6,000 pregnant women and mothers with infants, focusing specifically on districts in the historically poorer northern part of Ghana.

However, our overall evidence suggests that the extent to which donor interests/incentives influenced the LEAP depends on the degree to which such interests aligned with those of dominant actors within the political settlement. For example, while DFID initially considered the possibility of focusing all of its funding in the north, in line with its strategic focus on tackling poverty in the poorer northern regions, this proposal 'was rejected in favour of an approach that improves poverty targeting nationally' (DFID, 2012: 10). As one donor official acknowledged, to the extent that DFID's support commenced at a time when the LEAP was already being implemented in each region, 'it would have been very hard politically to change that national scope ... As with so many issues in Ghana, regional equity is hard to argue and does not align well with political incentives'. In a typical competitive clientelist political settlement like Ghana, ruling political elites are often unable to sufficiently prioritise marginalised regions in the allocation of resources, because a winning electoral strategy is to distribute resources in ways that reach as many potential voters as possible.

<sup>&</sup>lt;sup>18</sup> Interview respondent CG 2.

<sup>&</sup>lt;sup>19</sup> Interview respondent DP 6.

# 4 Competitive clientelism and the design and implementation of the LEAP

This section explores the implications of competitive clientelism for the design and implementation of the LEAP. As noted earlier, Ghana is a typical example of a competitive clientelist political settlement, where the vulnerability of ruling elites is underpinned by the existence of strong excluded elite factions, a-four year electoral cycle, and the need to woo floating voters, while also maintaining electoral support from core voting areas. How have these competitive electoral dynamics influenced the design and implementation of the LEAP?

# 4.1 The politics of geographic targeting: a focus on the LEAP pilot phase

Within the context of the increasingly competitive electoral environments in many African countries, scholars (Therkildsen, 2008; Wanyama and McCord, 2017) have noted a tendency among ruling political elites to focus on a broader geographical coverage in the distribution of public goods (irrespective of varied levels of needs), rather than targeting limited public resources on more deprived regions in the interest of geographically equalising outcomes. In such contexts, the need to appease a wide spectrum of voters in order to win competitive elections often 'encourage[s] universalistic policies and discourage[s] overt efforts to direct resources to disadvantaged regions' (Abdulai, 2017: 217). These observations played out strongly in the case of Ghana's LEAP, where decisions about beneficiary district selection have been driven more by 'consideration of geographical spread than by explicitly targeting areas of extreme poverty' (Jones et al., 2009: 48).

One issue that generated debates and disagreements between the international and national consultants within the LEAP design team was in relation to the selection of targeted communities for the pilot phase. While the international consultants suggested the need to concentrate the pilot phase in the three northern regions, where households have historically been 'more prone to experiences of exclusion' (UNDP, 2007: 4), the national consultants insisted on a nationwide spread of the pilot districts across regions, <sup>20</sup> on the grounds of the latter's understanding of local political realities. One such reality related to the ways in which the keenly contested nature of elections has increasingly put ruling elites under pressure to implement many of their developments 'in a large number of districts' (Wodon, 2012: 83), so as to be able to reach out to as many potential voters as possible.

One leading member of the programme's design team <sup>21</sup> noted that the local consultants remained conscious of the fact that leading political elites within the NPP ruling coalition were not going to accept the idea of concentrating the programme in the north, because similar targeted initiatives 'had at various times caused political discomfort'.<sup>22</sup>

<sup>&</sup>lt;sup>20</sup> Interview respondent AC 1.

<sup>&</sup>lt;sup>21</sup> Interview respondent AC 1.

<sup>&</sup>lt;sup>22</sup> For similar observations in relation to the regional distribution of the Ghana HIPC fund, see Abdulai and Hulme (2015).

The preference for a wider geographical coverage was also considered important to help secure broad-based political support for the programme and, by extension, enhance prospects for its sustainability. One of the design team members explained that they would have had difficulties securing support from members of parliament if the programme were to be narrowly targeted on the north only:<sup>23</sup>

'If MPs were debating the issue and then we said we are just going to do it in Northern Ghana, it certainly will not sit down well .... So, politically, it was quite good for the executive to say that within each region we want to focus on the extreme poor.'<sup>24</sup>

'Remember that the allocations of money to the programme are from politicians. ... so in the eyes of the implementers, there was the need to be able to do the targeting in such a way that, while it meets the interests of the political class, it also meets the objective of poverty .... If you don't touch the other regions that have significant political influence, you risk the politicians going to parliament and vetoing the whole LEAP programme...'<sup>25</sup>

In effect, the geographical spread of the LEAP pilot phase was driven in part by what the technical team deemed desirable if the programme was to enjoy broad-based political legitimacy and financial support from government in the long term. These political dynamics are reflected in the final LEAP design document, which justified the need for a broader geographical coverage from the point of view of political buy-in, emphasising the need to 'to equally target the ten regions to draw national interest in the programme – a necessity for its long-term sustainability' (GoG 2007b: 39, 49).

Such political dynamics help explain the extension of the LEAP pilot phase to at least one district in every region. Thus, despite the disproportionate concentration of extreme poverty and food insecurity in the northern part of the country, a political decision was made to ensure that the LEAP pilot phase was implemented in regions across the country and to build on a pre-pilot UNICEF-sponsored OVC programme in HIV/AIDS-prevalent districts (Jones et al., 2009), many of which were concentrated in the south. The initial 21 LEAP pilot districts were spread across nine out of the country's 10 administrative regions, nearly half of which were concentrated in the Eastern Region, one of the two traditional 'vote banks' of the then ruling NPP government. The programme's next expansion occurred under the Mills-led NDC government in 2009. At this point, an additional 33 districts were added, <sup>26</sup> again spread across nine out of the 10 administrative regions, but this time with the Eastern region excluded.

<sup>&</sup>lt;sup>23</sup>Interview respondent AC 1.

<sup>&</sup>lt;sup>24</sup> Interview respondent AC 2.

<sup>&</sup>lt;sup>25</sup> Interview respondent CG 2.

<sup>&</sup>lt;sup>26</sup> Interview respondent CG 1.

#### 4.2 Elections and the 'rushed' roll-out of the LEAP

Under competitive clientelism, where electoral pressures and demands of lower-level factions are at their strongest, there is often an elite tendency to announce and make substantial investments in social protection around election years (Lavers and Hickey, 2015: 11). Competitive clientelist pressures have played important roles in the timing of both the launch and expansion of the LEAP. Not only was the LEAP officially launched in an election year (2008), but also it was not until the next election in 2012 that the GoG tripled the value of the LEAP grant – an increment that was accompanied by a public event, where the programme was 'relaunched' by the vice president, in an attempt to enhance its visibility to voters. Our field research suggests that an important reason for starting the LEAP in the UNICEF-supported OVC programme's districts was to facilitate the speed with which the programme could be rolled out.

Indeed, there was an apparent political urgency to roll out the LEAP, and the local and international consultants were often put 'under severe pressure' to finalise the programme's design for implementation (Souza, 2007: 21). Luigi et al. (2016: 148) similarly draw attention to the 'rushed' roll-out of the programme, and explain this in terms of the desire of the then NPP ruling coalition to gain electoral advantages over political opponents ahead of the December 2008 election. In Mexico, the launch of the Oportunidades social assistance programme was preceded by two years of detailed planning (Sandber and Tally, 2015: 507). In the case of Ghana, the design of the LEAP was completed in late November 2007, and its implementation commenced barely four months thereafter.

One consequence of the commitment to geographical coverage, and of the decision to start off the LEAP in the ongoing UNICEF-supported OVC programme, was the inclusion of relatively wealthy districts in the initial pilot phase and a corresponding marginalisation of the poorest districts and communities in the north.<sup>27</sup> During the LEAP design period, the average incidence of *extreme poverty* in Northern Ghana was 56.3 percent, compared to 8.9 percent in the south. Yet each of the three northern regions had one beneficiary district each (representing just 12 percent for the north) while the Eastern Region alone (one of the two traditional 'vote banks' of the then ruling NPP), had seven beneficiary districts (representing 33 percent), despite having an extreme poverty incidence of just 5.8 percent – the second least in the country.<sup>28</sup> Apparently, the distribution of the LEAP pilot districts did not follow, or was not significantly driven by, the logic of reducing extreme poverty (Figure 3).

The region with the least extreme poverty incidence (5.2 percent) is the Greater Accra Region.

<sup>&</sup>lt;sup>27</sup> For example, the 21 pilot districts included the three districts with the lowest poverty incidence in Ghana at the time, namely the Accra, Tema and Kumasi Metropolitan Assemblies in the Greater Accra and Ashanti regions.

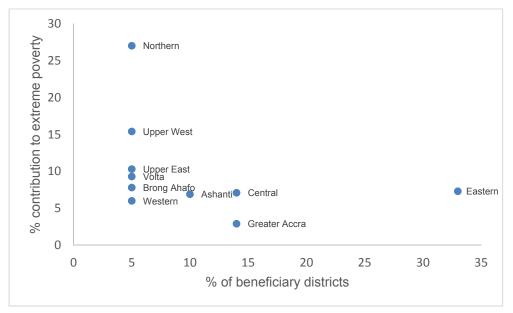


Figure 3: LEAP pilot districts and extreme poverty incidence

Source: Author, based on data from LEAP management secretariat, Accra; and Ghana Statistical Service (2014).

During the initial years of implementation, these targeting shortcomings were compounded by a selection process that allowed community political leaders to exercise some discretion in proposing households for benefits. Within districts, implementation arrangements made room for District and Community LEAP Implementation Committees (CLICs) to play a wide range of roles, including identifying vulnerable households in their communities for targeting (GoG, 2007a). Importantly, these committees were mostly constituted by members of the local elite, including district chief executives (DCEs)<sup>29</sup> and District Assembly members, who regularly 'lobbied to include some preferred communities' (Abane, 2017: 16). The result was the creation of opportunities for local patronage and clientelism in the form of biased selection of beneficiary households<sup>30</sup> (see Jones et al., 2009; Oxford Policy Management, 2013). As one study reported:

'In the majority of LEAP communities visited, the community LEAP implementation committee (CLIC) is dominated by local élites -- typically the chief and Assembly person, who have almost exclusive power to determine who benefits and who does not. ... [C]itizens frequently presume that access is based on political patronage or is merely a matter of luck. In some communities, there is evidence that not all beneficiaries deserve to be on the register'. (Participatory Development Associates, 2011: xiv)

<sup>&</sup>lt;sup>29</sup> DCEs are the political heads at the district level. As political appointees, they are essentially the representatives of the president at the local level, representing and championing the interests of ruling parties.

<sup>30</sup> Interview respondent CG 2.

# 4.3 Electoral pressures and the politics of geographic expansion

Electoral pressures are also central to understanding the rapid expansion of the LEAP around election times, particularly in the run-up to the 2016 elections. At the end of 2015, the number of LEAP beneficiary households stood at 147,909, and some donor agencies suggested the need to halt further expansion and refocus attention on the programme's qualitative improvements. This was not heeded, and the number of LEAP households was increased by over 65,000 in 2016 alone – the most dramatic expansion in any given year since the launch of the programme in 2008. From 147,624 in June 2016, the number of LEAP households increased to 164,785 in August 2016, and further to 213,038 by December – the month of the presidential elections. By the December 2016 elections, the LEAP was being implemented across all the country's 216 districts.

One key factor that accounted for this relates to pressures on the sector minister (and programme implementers) from politicians such as DCEs and MPs, who see the LEAP as a means to delivering some 'pork' to their constituents. Such pressures undermined the application of technocratic advice, especially with regards to decisions concerning the selection of additional beneficiary districts and communities. One key informant explained, for example, that although at no point were their proposed selected districts rejected by the sector ministry, it was common for the ministry to expand into districts and communities beyond what were recommended by technocrats within the LEAP management secretariat (LMS), even if such districts did not meet the poverty ranking exercise undertaken as part of the targeting processes. As one official of the LMS told us:

'We provided a rationalised approach to targeting but because that needed to be approved by somebody else, what came back was almost always different. We were not privy to some information. So I didn't really understand the basis of expanding into some districts.'34

With such political pressures from influential ruling party insiders, the geographical expansion of the LEAP became a major priority of government, with a particularly 'very big push' to ensure its nationwide coverage in the run-up to the 2016 elections in particular. Not surprisingly, the expansionary drive of the LEAP formed an important campaign message towards the 2016 elections, featuring prominently in the then ruling NDC's election manifesto (see NDC 2016: 27), as well as in various speeches by leading party officials, including the sector minister and the president.

<sup>&</sup>lt;sup>31</sup> Interview respondents CG 1, CG 2, DP 1.

<sup>&</sup>lt;sup>32</sup> Interview respondents CG 1 and CG 2.

<sup>&</sup>lt;sup>33</sup> Interview respondent CG 1.

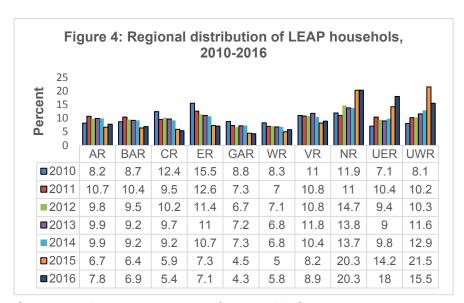
<sup>&</sup>lt;sup>34</sup> Interview respondent CG 2.

 $<sup>^{\</sup>rm 35}$  Interview respondents CG 2, AC 2.

<sup>&</sup>lt;sup>36</sup> See 'LEAP benefiting 213,000 households – minister'. Available: <a href="http://www.ndc.org.gh/index.php/news/348-leap-benefiting-213-000-households-minister">http://www.ndc.org.gh/index.php/news/348-leap-benefiting-213-000-households-minister</a>. Accessed 2 October 2017. Ghana News Agency, 26 September 2016, 'NDC to roll-out additional social protection

In his last State of the Nation Address to Parliament in February 2016, President Mahama spoke of how his government was changing the lives of the economically deprived through LEAP, and went on to bring one LEAP beneficiary into the public gallery to testify to the impact of the programme on her life. While the president characterised this as an evidenced-based approach to demonstrating the impact of the LEAP, some opposition party members criticised Mahama as a 'propagandist' president, who was trying to use the programme as a vote-catching tool.<sup>37</sup>

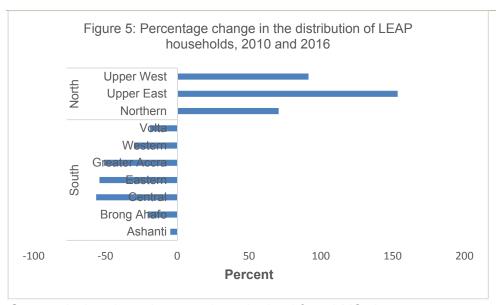
One positive outcome of the significant expansion of the programme relates to the increasingly disproportionate concentration of beneficiary households in the poorer northern regions. By December 2016, approximately 54 percent of LEAP households were located in the North (Figure 4) which harboured 52.7 percent of the extreme poor and where the average extreme poverty incidence was 56.3 percent. Between 2010 and 2016, the percentage share of the south in the distribution of LEAP households declined from 72.9 percent to 44 percent, while that of the poorer northern regions increased from 27.1 percent to 56 percent. This means that whereas the percentage share of the north more than doubled, that of the south decreased by some 38 percentage points (Figure 5). That this shift in geographic targeting coincided with the alternation of power may also imply that the Mills/Mahama-led NDC government, which assumed office in 2009 (until its electoral defeat in 2016), also favoured its ethno-regional electoral strongholds in the distribution of LEAP households, just as the Kuffuor-led NPP government did during the pilot phase of the programme.



Source: Author, based on data from the LMS, Accra.

initiatives'. <a href="https://www.myjoyonline.com/news/2016/november-24th/leap-benefiting-213000-households-minister.php">https://www.myjoyonline.com/news/2016/november-24th/leap-benefiting-213000-households-minister.php</a> (accessed 2 October 2017).

<sup>&</sup>lt;sup>37</sup> See Joy Online News, 26 February 2016, 'Propagandist Mahama condemned LEAP in 2008 as "a show of lack of ideas" – Akomea'. Available at: <a href="http://www.myjoyonline.com/politics/2016/February-26th/propagandist-mahama-condemned-leap-in-2008-as-a-show-of-lack-of-ideas-akomea.php">http://www.myjoyonline.com/politics/2016/February-26th/propagandist-mahama-condemned-leap-in-2008-as-a-show-of-lack-of-ideas-akomea.php</a> (accessed 14 December 2018).



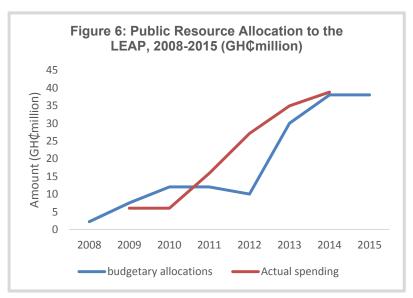
Source: Author, based on raw data obtained from LMS, Accra.

## 4.4 Reforming the LEAP: Quantity versus quality?

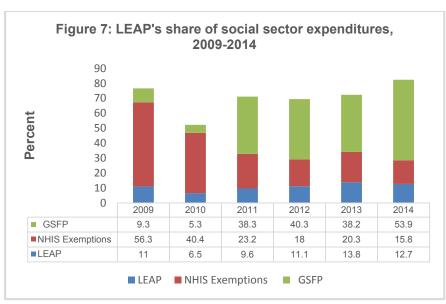
It has been argued that regimes within competitive clientelist political settlements respond to the underlying political incentives to maintain themselves in power by allocating resources to more visible goods, in order to ensure that prospective voters can attribute performance to the regime ahead of elections (Hickey and Hossain, 2018). This visibility bias favours the extension of services, but subtly works against improving the quality of such services because ensuring quality service delivery is more logistically complex and requires longer-term thinking beyond the time horizons of those in power (Batley and Mcloughlin, 2015). For example, expanding the geographical coverage of a cash transfer programme is relatively easy and visible. with a clear political payoff, but providing the necessary resources for strengthening the technical capacity of programme implementers and building systems for the effective implementation of programmes are more difficult, time-consuming and unlikely to be easily attributed to politicians. Thus, typical of most countries characterised by competitive clientelism is 'a growing disconnect between a rapid expansion in the provision of resources for service provision and corresponding expansion in access to services, but continuing shortfalls in service quality and results' (Levy, 2014: 139).

We find these dynamics at play with the regards to the LEAP, which began to expand at a point when there was no concrete evidence of demonstrable impact (Jones et al., 2009: 50). While government's budgetary allocations and actual spending on the programme have increased significantly over time (Figure 6), two important caveats are worth noting. First, the LEAP still constitutes a relatively small share of public spending on social assistance (Figure 7). In 2014, the programme accounted for only 13 percent of overall GoG spending on social assistance, compared to 54 percent for the GSFP and 16 percent for the exempted category of the NHIS (Figure 7). This pattern is a reflection of the relatively limited coverage of the LEAP vis-à-vis the other

social intervention programmes.<sup>39</sup> In 2014, an estimated 1.7 million public school pupils were benefiting from the GSFP, while the NHIS exemptions benefited some 6.9 million people. In contrast, the number of LEAP beneficiaries for the year stood at about 170, 000 persons (see World Bank, 2016: 31, Table 3.1).



Source: Author, based on World Bank (2016), Table 5.1 (p.84) and Table B.4, p.129.



Source: Author, based on World Bank (2016: 84, Table 5.1).

Second, our evidence supports earlier observations that the increased budget resources to the LEAP 'are being allocated to increase the scale rather than the quality of the programme' (Jones et al., 2009: 69). One example relates to the persistently low value of the cash transfer in comparison to cash transfer programmes in Africa and elsewhere (Handa et al., 2014). Despite tripling the

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<sup>&</sup>lt;sup>39</sup> Presently, the LEAP is reaching only one in eight families that are eligible for it (Yablonski, 2017).

transfer value in 2012, and increasing it again by an average of 20 percent in 2015, the transfer currently represents just 13 percent of household consumption, or less than six days' worth of food per month (Yablonski, 2017: 7).

The geographical expansion of the LEAP seems to remain the main policy priority of the current NPP ruling coalition that assumed office in January 2017, which made budgetary allocations for expanding the programme to reach 500,000 beneficiary households by the end of 2018 (Yablonski, 2017). The point here is not to depict efforts aimed at extending the LEAP cash grant to more potentially poor households as inherently problematic, but to highlight the fact that such expansionary measures have often been undertaken at the expense of qualitative improvements of the programme. As one review report on the programme notes, 'the areas where progress has been slower have been in the area of systems strengthening' (DFID, 2013b: 10). For example, whereas the number of LEAP beneficiary households increased from less than 2,000 to over 70,000 between 2008 and 2013, the programme continued 'to operate with the same number of staff during this period' (DFID, 2013b: 10 and 14; interview respondent DP 2). It took the direct intervention of donors to begin to tackle these human resource problems more seriously, both by directly funding long-term technical assistants to work alongside senior management of the LMS, and by tying the disbursements of resources to the GoG's commitment to strengthening the human resource base of the LMU. 40 Nevertheless, the challenge of human resource capacity constraints remain significant, 41 and the LMS is still seriously 'understaffed' (Aryeetey, 2017: 172).

These observations must be understood within the context of the generally marginal status of the government ministries that have had responsibilities for implementing the LEAP since the inception of the programme. Implementation of the LEAP commenced at a time when both the then sector ministry, the MESW, and its implementing wing, the DSW, had 'serious capacity constraints', having 'suffered from under-investments for decades' (Sultan and Schrofer, 2008: 7). In terms of personnel, these institutions had 'limited numbers of qualified staff' (ibid; see also Jones et al., 2009: 97), such that most staff who were given the responsibility of implementing the LEAP 'were never trained on any cash transfer programme'. Instead, staff were pulled from various departments of the DSW and then tasked with the responsibilities of implementing the new cash transfer programme, without taking into account the skills needed for executing that mandate (ibid).

In January 2013, the GoG established the MoGCSP, which replaced the Ministry of Women and Children Affairs and incorporated the Department of Social Development and the Social Protection Directorate of the then MESW, where the LEAP was previously housed. Some observers described this shift as a signal of growing elite commitment to social protection (World Bank, 2016: 77) – an assessment supported

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<sup>&</sup>lt;sup>40</sup> This latter point refers specifically to DFID, which conditioned its funding to the GoG's provision of seven additional staff to help run the LEAP (DFID, 2013a).

<sup>&</sup>lt;sup>41</sup> Interview respondents DP 3, DP 4.

<sup>&</sup>lt;sup>42</sup> Interview respondent CG2.

by the appointment of a well respected human rights advocate to head the ministry, and the elevation of this minister to cabinet status.<sup>43</sup> However, as a share of GoG's budgetary allocations from discretionary sources, government's allocation to the LEAP's sector ministry dwindled over time from an average of 1 percent during 2008-2011 to 0.6 percent over the period 2013-2015.

Table 2: GoG budget allocation (in GH¢ million) from discretionary sources to selected social sectors

| Sectors/ministries   | 2008   | 2009   | 2010   | 2011   | Total  | 2013   | 2014   | 2015   | Total  |
|----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Social sector        | 2,04   | 2,74   | 2,77   | 3,29   | 10,8   | 8,13   | 9,385  | 9,98   | 27,5   |
| spending             | 2      | 8      | 5      | 1      | 56     | 5      | 9,000  | 4      | 04     |
| Ministry of          | 1,26   | 1,69   | 1,72   | 1,98   | 6,66   | 4,41   | 5,816  | 6,74   | 16,9   |
| Education            | 4      | 3      | 9      | 3      | 9      | 3      | 5,610  | 0      | 69     |
| Ministry of Health   | 752    | 922    | 727    | 988    | 3,38   | 3,52   | 3,354  | 3,06   | 9,95   |
| Willistry Of Fleatur |        |        |        |        | 9      | 9      |        | 8      | 1      |
| Ministry of Gender,  |        |        |        |        |        | 39     | 91     | 44     | 174    |
| Children and Social  | -      | -      | -      | -      | 0      | (0.48) | (0.97) | (0.44) | (0.63) |
| Protection           |        |        |        |        |        | (0.40) | (0.37) | (0.44) | (0.00) |
| Ministry of          | 21     | 33     | 33     | 35     | 122    |        |        |        |        |
| Employment and       | (1.02) | (1.20) | (1.19) | (1.01) | (1.12) | -      | -      | -      | 0      |
| Social Welfare       | (1.02) | (1.20) | (1.19) | (1.01) | (1.12) |        |        |        |        |

Source: World Bank, 2016: 90.

Over the period from 2013-2015, cumulative central government budget allocation from discretionary sources to the education and health ministries amounted to GH¢16.97 billion and GH¢9.95 billion, respectively, compared to GH¢174 million for the MoGCSP (Table 2). In 2015, the MoGCSP's budget amounted to 0.03 percent of GDP and 0.11 percent of total public expenditures (World Bank, 2016: 92). In effect, implementation of the LEAP has shifted from one marginal government ministry to the other.

Partly as a result of this, and the general preoccupation with the geographic expansion of the programme, many qualitative aspects of the LEAP have remained unimplemented. For example, while the LEAP design document envisaged the establishment of an effective mechanism for graduating extremely poor households (GoG, 2007b: 3), details of programme graduation have not yet been worked out after a decade of implementation. The programme's design document also envisaged holding beneficiary forums on payment days as a way of raising awareness of beneficiaries' rights and responsibilities. In reality, however, these forums are not held <sup>44</sup> and many beneficiaries see the LEAP more as a favour from government, rather than a right (Oduro, 2015; Sabates-Wheeler et al., 2017). The programme has also recently developed and tested a case management system that seeks to allow 'beneficiaries and any other stakeholder to file complaints concerning

<sup>&</sup>lt;sup>44</sup> Interview respondent CG 2.

the payment system, quality of service being provided and other aspects of the program' (Ministry of Employment and Social Welfare, 2012). Implementation of this system has encountered a number of challenges (see Sabates-Wheeler et al., 2017), including delays in the resolution of cases.<sup>45</sup> Not surprisingly, one recent study on the LEAP concludes that 'spaces for claiming entitlements have been minimal and limited' (Oduro, 2015: 34), while the state's accountability to the programme's beneficiaries remains 'weak' (ibid: 27; see also CDD-Ghana, 2016).

# 5 Explaining elite commitment to the LEAP

Our discussion above suggests that it was donors who first put cash transfers on the GoG agenda, both directly and indirectly, and through the active deployment of soft and hard forms of power. Donor social protection ideas were hugely influential at the level of policy adoption, promoted through their facilitation of knowledge transfers via study tours, the provision of technical and financial assistance for policy and programme design and experimentation, and by tying the disbursements of donor financing to the implementation of the draft social protection strategy. Although the design processes of both the NSPS and the LEAP were led by the MMYE, it would be misplaced to characterise the LEAP as a 'domestically driven cash transfer scheme', not least as the GoG's actions were in part meant to satisfy donor conditionalities associated with the HIPC initiative, the MDBS and the PRSC.

The LEAP is a typical example of how aid dependency, along with shifts in global development discourses, has driven political regimes in Ghana to implement policies that do not fit neatly with their ideological leanings. One former government official noted that, given the level of aid dependency in Ghana and the growing emphasis on social protection within international development discourses at the time, the LEAP, or its variant, would most likely have been adopted, irrespective of which of the two dominant political parties in Ghana was in power. Responding to a question as to why the market-friendly NPP ruling elites adopted the LEAP, he noted:

'At the time of the LEAP, regardless of whether it was the NPP or the NDC or CPP or any other party that was in power, that programme would have been implemented anyway. Our policies tend to respond to paradigms ... the paradigm dictated the pace and so the ideological leaning of the domestic actors never mattered very much, because those paradigms were backed by significant amount of material resources from the global north.'46

It is this same logic behind aid dependency and the importance of foreign aid in sustaining ruling coalitions that help explain why the Rawlings-led (P)NDC regimes adopted several market-oriented policies (e.g. cash and carry in health), despite being more openly aligned to socialist thoughts. These observations are in line with recent predictions that in countries characterised by competitive clientelist political settlements, ruling elites are 'unlikely to be able to commit strongly to a particular

<sup>&</sup>lt;sup>45</sup> Interview respondent CG4.

<sup>&</sup>lt;sup>46</sup> Interview respondent CG6.

ideology', given the fragmented nature of elite coalitions and the multiple interest groups (with potentially varied ideological perspectives) that have to be satisfied in order to keep the ruling coalition together (Lavers and Hickey, 2015: 17). 'In such settings, ideational influence by external actors is less likely to be constrained by fit with the ideology of the ruling coalition' (ibid), not least because of the strong emphasis on maintaining power through the distribution of rents. Our analysis here suggests that aid dependency is further likely to weaken the ideological commitment of ruling elites within competitive clientelist settings, given their inability to generate and distribute the rents that are so badly needed for meeting various redistributive demands and for the maintaining of ruling coalitions in power.

Ideas about how to tackle growing inequalities also played an important role. However, rather than some deep-seated paradigmatic ideas embedded within the ruling coalition, such ideas emanated from a donor-sponsored Poverty and Social Impact Assessment (PSIA) study conducted as part of a review of the GPRS I and which identified growing vulnerabilities as a major threat to the country's ambition of attaining a middle-income country status by 2015. That the PSIA was itself an HIPC conditionality further underscores the largely donor-driven nature of the LEAP, given that discussions about cash transfers in Ghana were originally triggered by findings of these studies. By characterising the processes leading to the adoption of the LEAP as donor-driven, rather than home-grown, we are not suggesting an imposition of cash transfer ideas on an unwilling political regime, but instead seeking to highlight the original impetus of the programme and the important role of donors in generating and sustaining government commitment to the programme. Given the competing demands on the MoF, and the limited nature of the investment component of the GoG budget, donor pressures were necessary to ensure that government's commitment translated into actual releases of resources for the programme.<sup>47</sup>

Once a decision was taken to adopt the LEAP, the incentives generated by the competitive character of Ghana's political settlement dynamics took centre stage in shaping the LEAP, especially around questions of targeting and geographical coverage, and the prioritisation of reforms that are deemed to be more critical to the political survival and legitimacy of ruling coalitions. At the level of programme design, the close participation of the then MMYE deputy minister ensured that the LEAP was designed in line with the incentives of the NPP ruling coalition. As the design team leader noted, an important reason why the national consultants rejected suggestions from their international counterparts that the LEAP pilot be concentrated in the poorer northern regions, was partly on grounds of the former's knowledge that 'Honourable Frema wasn't going to accept that kind of argument'.<sup>48</sup>

Perhaps the most significant impact of the political settlement relates to the sustenance and expansion of the LEAP – a point that can best be appreciated by first looking at the extent of opposition to the LEAP by opposition parties. At its

<sup>&</sup>lt;sup>47</sup> Interview respondent DP8.

<sup>&</sup>lt;sup>48</sup> Interview respondent AC1.

introduction, opposition to the LEAP came mainly from leading NDC officials, some of whom described the programme as a 'miserable handout meant to recruit more voters' (Public Agenda, 2008). John Dramani Mahama, then the NDC's vice presidential candidate, reportedly criticised the programme as signalling the NPP's lack of ideas about how to tackle vulnerabilities, stating that 'the best way to bring people out of poverty is to empower and improve their ability to earn an income', and that 'it is when you fail that you dole out direct cash to people'. 49 50 From the ideological point of view, the NDC's opposition to the LEAP was surprising, because it claims to be a social democratic party that is committed to 'distributive justice' (NDC, 2004; NDC, 2012: 11).

In the December 2008 presidential elections, the NPP ruling coalition lost to the NDC, prompting fears that the LEAP might be discontinued by the new administration. 51 Indeed, some observers (e.g. Sultan and Schrofer, 2008) even predicted the possibility of a 'radical change' to the LEAP, should the opposition NDC win the December 2008 elections, either by discontinuing the programme altogether or by refusing to provide resources for its rapid expansion. As it turned out, however, the LEAP not only survived the two successive NDC governments (2009-2012; 2013-2016) that followed, but also witnessed a dramatic expansion during this period. This observation is characteristic of other competitive clientelist settings, where parties, while in opposition, often 'heavily criticize CCT programmes, only to incorporate them in their campaigns to avoid political costs' (Sandber and Tally, 2015: 514).

Our evidence suggests that in Ghana's highly competitive electoral environment, where elections are won by an increasingly narrow margin of votes, neither the NDC nor NPP would consider abolishing an increasingly populist programme like the LEAP. Political elites have become increasingly conscious of the 'vote-winning and patronage potential' (Devereux and White, 2010: 56) of the LEAP, and the implications of discontinuing it for the political survival of ruling coalitions:<sup>52</sup>

'Politically, once this thing (i.e. LEAP) was on the rails, there was no way it was going to be derailed by any political party. Think about it: if you are targeting 300,000 beneficiaries – think about all the connections and networks of these people who will potentially vote. So if you have that train moving and the driver changes, there was no way it was going to halt.'53

<sup>&</sup>lt;sup>49</sup> Mahama subsequently rose to become the president from July 2012 to December 2016.

<sup>&</sup>lt;sup>50</sup> See joyonline news, 26 February 2016, 'Propagandist Mahama condemned LEAP in 2008 as "a show of lack of ideas" - Akomea'. Available at: http://www.myjoyonline.com/politics/2016/February-26th/propagandist-mahama-condemned-leap-in-2008-as-a-show-of-lack-of-ideas-akomea.php (accessed 28 January 2019).

Such fears were very well founded, not only because of the criticisms of the LEAP by some leading NDC politicians during the electioneering period, but also because of the common practice whereby incoming Ghanaian governments discontinue existing programmes in order to initiate new ones, for which they can take direct credit before the next election.

52 Interview respondents AC 2, DP 8, CG 5.

<sup>&</sup>lt;sup>53</sup> Interview respondent AC2.

These observations must be understood within the context of the increasingly slim margin with which elections are won in Ghana's Fourth Republic. It is evident that the NDC's initial opposition to the LEAP was not based on ideational grounds, but was driven primarily by fears of the political advantages that its successful implementation was likely to confer on its main political opponent ahead of an imminent election.<sup>54</sup> While its initial introduction was greeted with widespread criticisms from leading NDC officials, there is now a strong interparty consensus around the LEAP, as evidenced in the 2012 and 2016 election manifestos of the two dominant parties. While the NDC pledged to increase LEAP's beneficiary households to 350,000 by 2021 (NDC, 2016: 28), the NPP promised to refocus the programme on the grounds that it had 'become a blatant source of political patronage' under the two successive NDC ruling coalitions (NPP, 2016: 37). That the NDC subsequently embraced and even aggressively expanded the LEAP suggests that the programme has created important feedback effects. With the very large number of people benefiting from the programme, and with many more politicians demanding that the LEAP be expanded to their constituencies (see below), the two dominant parties have been effectively compelled to demonstrate their commitment to the LEAP in order to avoid political costs.55

The intense political competition in Ghana has helped to deepen these policy feedback processes. In dominant leader type of settlements, where it will take an extraordinary level of effort by regime opponents to wrestle power from the ruling group through the ballot box (Levy, 2014), removing a programme benefiting a few thousand people might not generate significant concerns among political elites, especially in contexts where politicians can easily form winning coalitions through group payoffs and ethnic-based forms of politicking. Ghana's electoral system is different; not only does winning the presidency require obtaining more than half the votes cast, but also all political parties are required to have a certain level of nationwide presence in order to remain legitimate. With elections expected to be very close, parties are logically compelled to employ strategies that enable them to maintain broad-based political support, among both swing and core voting populations. These political dynamics are important for understanding why the NDC continued implementation of all the NPP-initiated social intervention programmes, including the LEAP, 56 as well as why the recently elected NPP government has continued implementing the social policy interventions launched by the last two NDC ruling coalitions.<sup>57</sup> These observations demonstrate the two-way relationships between politics and social protection: not only is social assistance shaped by political processes, but also 'social assistance programmes feed back into politics at the national and local levels' (Barrientos and Pellissery, 2015: 147-148; see also Sandber and Tally, 2015: 514).

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<sup>&</sup>lt;sup>54</sup> Interview respondent AC 2.

<sup>&</sup>lt;sup>55</sup> Interview respondents DP 8, AC 2.

The NHIS, GSFP and capitation grants also enjoyed such continuities.

<sup>&</sup>lt;sup>57</sup> Notable among these include the Free School Uniform and Free Exercise Book programmes, both launched in 2009.

This said, it is important to add that most of Ghana's social protection programmes remain vulnerable to political manipulation. One reason relates to the absence of strong legal backing to most existing programmes that continue to depend 'on somewhat volatile budget statements that have to be renegotiated for each fiscal period' (ILO, 2014: 67).<sup>58</sup> Anchoring programmes in law is important for ensuring the predictability and transparency of benefits, as opposed to a discretionary or charity-based model of social protection (Sepúlveda and Nyst, 2012). Ghana has recently taken steps to strengthen the legal framework for social protection by launching a national social protection policy in 2015 and the development of a Social Protection Bill (SPB), which seeks to give legal identity to the national targeting unit (known as the Ghana National Household Registry), the LEAP programme, and the Ghana School Feeding Programme (GSFP). In its 2016 election manifesto, the NDC government, which drafted the SPB, pledged to pursue its quick passage and implementation (NDC, 2016: 28). However, with the change in government that followed the elections, progress on the passage of the bill seems to have stalled.<sup>59</sup>

## 6 Conclusion

Contrary to much extant literature that characterises the LEAP as a domestically driven initiative, this paper has shown that donor pressures leveraged through financing played a more prominent role than paradigmatic ideas within the ruling coalition in shaping the adoption of the LEAP. The original impetus of the programme did not flow directly from electoral incentives generated by Ghana's competitive clietelist political settlements, nor is the LEAP a product of bottom-up electoral pressures or interest group demands. Instead, the roots of the programme lie in the promotional efforts of a transnational policy coalition backed by the active deployment of both the soft and hard forms of power.

A series of poverty impact assessment studies, undertaken at the instigation of donors as part of the conditionalities associated with the HIPC and PRSPs, identified the weaknesses of existing social protection programmes in reaching extremely poor households as a major cause of the growing problems of vulnerabilities and increased inequalities, and accordingly suggested the need for a different approach. The Vulnerability and Exclusion Sector Working Group (V&E SWG) – an informal group co-chaired by the sector minister and one representative from donors – became the main platform for bringing issues of vulnerability to the centre of policy debates and for proposing cash transfers as the solution to tackling extreme poverty and inequality.

From this point, donors played an important role in generating government commitment to the design and implementation of the LEAP in various ways, including assembling experts to assist in programme design, sponsoring policy makers to attend study tours, and conditioning financial assistance to the implementation of a

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<sup>&</sup>lt;sup>58</sup> Notable exception include the National Health Insurance Act 2003 (Act 650) and the National Pensions Act, 2008 (Act 766).

<sup>&</sup>lt;sup>59</sup> Interview respondents DP 3, DP 4.

draft national social protection strategy which identified the LEAP as its flagship programme. Even at the level of implementation, donor pressures continued to play important roles, including a facilitation of government's commitment to boosting the human resource capacity of the LMS, and ensuring a reversal of the highly irregular payments of LEAP beneficiaries from 2013 onwards. With the regular payment of LEAP grants commencing in the context of a deteriorating macroeconomic environment when government failed to release funds for several other social protection programmes, it is hard to refute the impact of DFID's PIP and associated conditionalities.

That donor pressures trumped the ideological orientation of domestic political elites in shaping the adoption of the LEAP is not surprising. Donors remain important players in the Ghanaian political settlement, given their dominance in the investment component of the government's budget and the resultant inability of political elites to generate the rents that are so badly needed for meeting various redistributive demands without donor financing. These findings support recent suggestions that an adapted political settlements framework that explicitly incorporates the influence of ideational and transnational factors can greatly improve our understanding of the political economy drivers of social protection in Africa.

This said, it is important to recognise that the extent to which donor interests have influenced the LEAP has been dependent largely on the degree to which such interests are aligned with those of dominant actors within the political settlement. This explains the failed attempts by DFID to concentrate of all of its funding to the LEAP in the relatively deprived northern regions, in line with its strategic priorities, as well as the successful resistance by domestic political elites to halt the rapid scale-up of the programme during critical electoral moments. As our evidence shows, once a decision was taken to adopt the programme, the incentives generated by the competitive character of the political settlement took centre stage in driving the design, implementation and sustenance of the programme. The influence of the political settlement was evident right at the point of programme design and implementation of the pilot phase, where decisions about beneficiary district selection were driven more by consideration of geographical spread than by explicitly targeting areas of extreme poverty. This approach was more strongly driven by incentives rather than ideas, motivated primarily by the electoral logic of reaching out to the widest spectrum of voters before the next election. Moreover, in keeping with the expectation of short time horizons in competitive clientelist political settlements, reforms have focused largely on expansion at the expense of qualitative improvements, and the idea of backing the programme with a legal framework has not been accorded the needed priority.

Finally, while its initial introduction was greeted with criticisms by some leading opposition party officials, the competitive character of the political settlement has meant that there is now a strong interparty consensus around the LEAP. As a programme now reaching nearly one million beneficiaries in all of Ghana's 216

districts, the LEAP has created embryonic feedback effects in Ghanaian politics, as the two dominant parties have been effectively compelled to demonstrate their commitment to the programme in order to avoid the political costs associated with its discontinuation. The intense political competition in Ghana has undoubtedly played a central role in deepening these policy feedback processes, underscoring the two-way relationships between politics and social protection.

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# Appendix 1: MDBS/PRSC triggers in relation to social protection, 2007-2013

| Year | Triggers  |  |  |  |  |  |
|------|---|--|--|--|--|--|
| 2007 | National Social Protection Strategy (NSPS) being implemented.   |  |  |  |  |  |
|      | At least 2,000 households receiving the LEAP grant.   |  |  |  |  |  |
|      | Undertake an institutional assessment of the Department of Social Welfare (DSW) at national, regional and district levels and produce a capacity-building plan to improve its efficiency in implementing the NSPS.  |  |  |  |  |  |
| 2008 | NSPS being implemented. At least 7,000 extremely poor households receiving LEAP social grants on a regular basis by the end of 2008.  |  |  |  |  |  |
| 2009 | 14,000 extremely poor households receiving LEAP social grants on a regular basis by end of 2009   |  |  |  |  |  |
| 2010 | The GoG pre-tests and validates the Common Targeting Mechanism (CTM) in collaboration with the Ministries of Agriculture, Health, Education and Local Government and Rural Development.                             |  |  |  |  |  |
|      | 21,000 extremely poor households receiving LEAP social grants on a regular basis by end of 2010   |  |  |  |  |  |
| 2012 | At least four LEAP payments made to all enrolled beneficiaries in 2012 (January - December 2012).   |  |  |  |  |  |
|      | LEAP, the National Health Insurance Authority (NHIA) and the Labour Intensive Public Works (LIPW) programme use agreed Common Targeting Mechanism (CTM) instruments to identify and verify programme beneficiaries. |  |  |  |  |  |
| 2013 | A costed NSPS completed, validated and submitted to cabinet for approval.   |  |  |  |  |  |
|      | Existing data in the Single Registry used by LEAP, NHIA, LIPW and at least one additional programme to identify and verify programme beneficiaries.   |  |  |  |  |  |

Source: compiled from various APRs of the GPRS I and II.

Appendix 2: Top five marginal wins in 2016 parliamentary elections

|              | •     |       | •                        | •                      |
|--------------|-------|-------|--------------------------|------------------------|
| Constituency | NDC   | NPP   | Percentage<br>difference | Actual vote difference |
| Suaman       | 48.0% | 47.9% | 0.1%                     | 12                     |
| Krachi East  | 49.7% | 49.6% | 0.1%                     | 47                     |
| Tain         | 45.7% | 45.5% | 0.2%                     | 41                     |
| Pru West     | 49.7% | 49.5% | 0.2%                     | 42                     |
| Salaga South | 39.9% | 39.7% | 0.2%                     | 47                     |

## The Effective States and Inclusive Development Research Centre

The Effective States and Inclusive Development Research Centre (ESID) aims to improve the use of governance research evidence in decision-making. Our key focus is on the role of state effectiveness and elite commitment in achieving inclusive development and social justice.

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