



## THE EU AND SOCIAL PROTECTION IN AFRICA



The European Report on Development recommends that the EU should make social protection an integral and central component of its development policy. But what can the EU bring to the social protection agenda of African and other developing countries?

As the world's largest aid donor, and given its own long and diverse social protection experience, the European Union can play a strong supporting role for African countries wishing to introduce, implement or step up their social protection programmes.

But this raises the dual questions of why the EU should provide such support and how best to go about it. Well, seen from one perspective, the argument is similar to that at national level. Just as income inequality between individuals calls for a certain measure of wealth redistribution within individual countries, the same rationale can be expanded across borders, to create a sort of 'welfare world'. This would mean that aid transfers are not an expression of 'charity' or 'generosity' on the part of donors, but rather are meant "to redress distributive injustice", as the ERD points out.

As globalisation deepens and people become ever more interconnected across today's porous national borders, this point of view is winning an increasing number of advocates over to the notion of a 'global social contract'. "International economic interdependence lends support to a principle of global distributive justice similar to that which applies within domestic society," suggests Charles Beitz, a professor of politics at Princeton University. Within the EU, this kind of cross-border solidarity has long been a reality, as reflected by such solidarity instruments as the Structural Funds, the common agricultural policy (CAP) and the European Social Fund.

### A MORE STABLE WORLD

Another reason for the EU – and other donors – to fund social protection in poorer countries is simple pragmatism and self-interest. Although poverty levels are falling in many countries, this is being accompanied by a growing chasm between rich and poor, with 85% of the world's wealth held by 10% of its population. This kind of inequality can trigger major political instability and even conflict.

"Developed countries have a vested interest in supporting developing countries on their path to resilience," the report points out. "Support to social protection contributes to international stability by improving the welfare of the South's poorest and most vulnerable."

Moreover, given social protection's proven track record in promoting pro-poor development and inclusive economic growth, it provides the EU and other donors with the opportunity to boost the effectiveness of the aid they invest. "Supporting social protection is key to accelerating progress towards the Millennium Development Goals and inclusive development," the ERD states.

## LED BY LOCALS

Traditionally, development assistance was donor driven and followed something of a 'one-size-fits-all' approach, including in the social protection sphere. However, empirical and anecdotal evidence revealed that this approach was flawed for two main reasons: each country is unique and, hence, requires a tailored approach, and imposing programmes from afar not only meant that they often did not suit local conditions but also resulted in local players becoming detached from the process because they felt they lacked a stake in it.

In recent years, the EU and other donors have become increasingly aware of the importance of locally led programmes and projects and what is known as 'local ownership'. "A shift from donorship to partnership requires international actors to align behind partner country efforts and priorities in a coordinated way, to provide predictable funding that promotes sustainability and to invest in building capacity and facilitating learning," the ERD explains.

Looking to the future, the ERD recommends a number of ways that the EU and other donors can play a greater role in supporting the very high start-up costs of establishing a national-scale social protection programme, including identification systems (such as using smart cards), delivery mechanisms (for example, through point-of-sale devices, or through telecommunications providers), and independent monitoring and evaluation.

## VALUABLE KNOWLEDGE

The EU can provide more than just money; it can also offer knowledge and experience. At one level, useful and illuminating lessons can be drawn from Europe's own diverse social protection experience. In addition, the EU can help promote the exchange of knowledge and good practice between developing countries.

The Union can also back research into how social protection affects and benefits development, the impact of social protection on growth and vulnerability in the medium term, as well as its impact on political stability, social cohesion and the social contract. This should also include support to further develop Africa's capacity to develop its own thinking and vision on social protection.

## TAILORED ASSISTANCE

This raises the question of what kind of mechanisms can the EU and its Member States employ to customise their social protection interventions? The most popular instruments include piloting social transfers, providing budgetary support and building capacity.

The most favoured of these has been setting up pilot social transfer programmes which are seen by donors as a cost-effective and pragmatic means to deliver resources directly to the poor. Moreover, it is hoped that pilot experiments will provide persuasive evidence of the positive impact of such transfers, convincing governments to take over and scale up these programmes. However, empirical evidence suggests that this rarely occurs, and pilots tend to remain limited in scale and experimental.

Providing governments with direct budgetary support helps promote local ownership of and responsibility for social protection initiatives. It also allows cash-strapped governments to gain access to the necessary resources to part-finance a minimum social protection package or pay for the often high initial programme set-up costs.

The drawbacks of direct budgetary support are that it may open the door to donor 'meddling' in the wider government budget, or it may be difficult to implement cleanly and transparently in country's with poor governance records or in fragile states. This challenge can be addressed by developing a 'performance culture' or pursuing a 'cash-on-delivery' approach where support is contingent on concrete results.

But it is not just about money. Developing countries often lack the expertise, know-how and institutional capacity to design, implement or manage social protection programmes. The EU, other donors and non-governmental stakeholders, such as NGOs and universities, can provide invaluable support in this domain, through training programmes, the exchange of good practice, technology transfer, and much more.

## QUESTIONS FOR DEBATE

- Should the EU help finance social protection programmes in poorer countries? If not, why not? If so, under what conditions?
- Do you think there is a case for a formal system of 'world welfare'? How would this work? Should it be tax-based? Should there be a global social protection fund?
- Can African countries learn anything meaningful from the history of social protection in Europe, or are the situations and circumstances too different?
- Can developing countries learn useful lessons from one another's social protection experiences? What are the advantages and drawbacks of such learning?
- In your view, what is the most valuable contribution that research can make in the development of social protection in sub-Saharan Africa and other countries which lack adequate social protection?
- Do you think it would be worth trying to develop an 'African model' of social protection or is sub-Saharan Africa too diverse for a model to be meaningful?
- Is it feasible for the EU and other donors to customise and tailor their assistance in every country? What are the opportunities and obstacles?

## FURTHER READING

- Social protection in the European Union [http://europa.eu/legislation\\_summaries/employment\\_and\\_social\\_policy/social\\_protection/index\\_en.htm](http://europa.eu/legislation_summaries/employment_and_social_policy/social_protection/index_en.htm)
- Social protection and social inclusion in the EU <http://ec.europa.eu/social/main.jsp?catId=750&langId=en>
- South-South learning on social protection <http://south-south.ipc-undp.org/>
- Green Paper on the future of EU development policy [http://ec.europa.eu/development/icenter/repository/GREEN\\_PAPER\\_COM\\_2010\\_629\\_POLITIQUE\\_DEVELOPPEMENT\\_EN.pdf](http://ec.europa.eu/development/icenter/repository/GREEN_PAPER_COM_2010_629_POLITIQUE_DEVELOPPEMENT_EN.pdf)
- Social protection and economic development <http://www.odi.org.uk/work/programmes/social-protection/details.asp?id=544&title=social-protection-economic-development>
- The politics of social protection <http://www.odi.org.uk/work/programmes/social-protection/details.asp?id=543&title=politics-social-protection>
- Social protection: promoting pro-poor growth <http://www.oecd.org/dataoecd/63/10/43514563.pdf>