



# Social Protection and its Contribution to Social Inclusion

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**Babken Babajanian**



**Australian Government**

**AusAID**

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Overseas Development Institute  
203 Blackfriars Road, London, SE1 8NJ

Tel: +44 (0)20 7922 0300  
Fax: +44 (0)20 7922 0399  
[www.odi.org.uk](http://www.odi.org.uk)

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# 1 Introduction

This paper examines the contribution of social protection to social inclusion. It draws on the work by Babajanian and Hagen-Zanker (2012), which offers a framework for researching and analysing the effects of social protection interventions through the social exclusion lens.<sup>1</sup> The paper outlines the ways in which social protection can contribute to tackling social exclusion and promoting social inclusion and draws implications for research and policy.

The paper suggests that the analysis of social protection interventions through the social exclusion perspective generates understanding not only about the impacts of social protection on human well-being, but also about its impacts on drivers of poverty and vulnerability. Whilst there is substantial body of evidence about the positive effects of social protection on dimensions of well-being, such as food consumption, access to health and education, we have limited knowledge about the ability of social protection to tackle structural causes of poverty and promote long-term, sustainable changes in the lives and livelihoods of the poor. The paper suggests that social protection can foster social inclusion by improving well-being outcomes through income support; it can also tackle the causes of poverty and vulnerability by investing in human capabilities and productive capacity, promoting legal rights and institutionalised access to services, and addressing social inequalities through design and implementation.

## 2 Gaps in our knowledge of social protection

Social protection refers to publicly-mandated policies and programmes to address risk and vulnerability among poor and near-poor households. There is increasing recognition of its potential to go beyond the safety-net-centred application – focused on meeting people’s basic needs – and contribute to more “developmental” and “transformative” objectives. This perspective suggests that social protection must not only help people meet their basic needs, but also contribute to their long-term well-being and broader societal goals of equity,

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<sup>1</sup> The social exclusion framework was developed to guide the ODI research on social protection and social exclusion in Afghanistan, Bangladesh, India and Nepal as part of the on-going EU and AusAid funded 3-year research project. The research will be completed in 2013 and its findings will be publically available in early 2014.

social justice and empowerment. The role of social protection in achieving these goals has not been adequately documented.

The usage of social protection in development discourse and practice has been evolving. Throughout the 1980s, social protection was mainly seen as a “safety net”, i.e. as a “residual” and temporary instrument for providing subsistence support to individuals in extreme poverty (Mkandawire 2001: 1). The World Bank’s Social Risk Management Framework (World Bank 2001) conceived in the late 1990s undoubtedly enhanced the case for social protection. It legitimised social protection as a mainstream policy instrument for economic protection of the poor and vulnerable. It also introduced the dynamic and fluid notion of vulnerability as a lens for the analysis of characteristics and sources of human deprivation. Since the mid-2000s, the social protection discourse has advanced broad, developmental benchmarks that go beyond poverty relief and livelihood maintenance. Thus, social protection has become to be seen as a policy tool for promoting far-reaching improvements in human well-being.

A strong trend within this “developmental” approach is to view social protection as a tool for advancing human and economic development. Firstly, social protection is used as an instrument for promoting investments in human capital and consequently long-term economic security. The conditional cash transfer (CCT) model - that has become popular since the mid-2000s in many countries in Latin America and to a lesser extent in Sub-Saharan Africa and Asia - holds that investments in health, nutrition and education supported through conditionalities can help break intergenerational transmission of poverty (de la Brière and Rawlings 2006; Fiszbein and Schady 2009). Further, it is thought that social protection transfers can help individuals strengthen and accumulate productive assets and thus help them enhance their future income earning capacity (Barrientos and Scott 2008; Alderman and Yemtsov 2012). The World Bank 2012-2022 Social Protection and Labour strategy (World Bank 2012) emphasises the importance of social protection for enhancing “opportunity” by building human capital and assets and by allowing individuals to make productive investments.

There is also a view that social protection must have a “transformative” angle and strive to support equity, social justice and empowerment. Sabates-Wheeler and Devereux (2008) suggest that social protection must not just be concerned with providing economic support, but also seek to address “non-economic” or “social

vulnerabilities” caused by structural inequalities and inadequate rights. Through its “economic” function, social protection helps relieve poverty (“protection”), avert economic deprivation (“prevention”), and enhance real incomes and capabilities (“promotion”). The transformative view holds that in addition to addressing economic needs, social protection must empower the poor and uphold their rights. This for example may include addressing regulatory frameworks that promote discrimination, socio-cultural values that heighten women’s vulnerability, or informal norms and behaviours that generate stigma. An international conference on Social Protection for Social Justice organised at IDS Sussex in April 2011 stimulated the debate on social protection as an instrument to promote social equity.<sup>2</sup>

International organisations, such as the World Bank, ILO, UNICEF and UNRISD also attribute greater importance to the goal of addressing inequality and building more inclusive societies. The 2010 European Report on Development notes that social protection can be an important mechanism to reverse exclusion and allow for greater empowerment and inclusion of excluded groups (European University Institute 2010). The ILO (2011) suggests that social protection can contribute to gender empowerment and social cohesion. UNICEF’s Social Protection Strategic Framework (UNICEF 2012) maintains that social protection must directly support actions that tackle social exclusion in accessing services and achieving an adequate standard of living.

One key policy question is whether and how effectively social protection can serve as a “developmental” and “transformative” tool. While there is evidence on its short-term impacts, we know relatively little about its contribution to long-term improvements in well-being in low- and middle-income countries. Existing evaluations discuss programme effects on different dimensions of people’s well-being, but rarely allow inferences about their ability to alter what drives their deprivation and vulnerability. We need to establish what goals social protection can realistically achieve. In particular, we need to understand whether and under what circumstances social protection can challenge the societal structures and processes that generate poverty and vulnerability in the formal and informal domains.

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<sup>2</sup> See the conference report at <http://www.ids.ac.uk/files/dmfile/CSPConferenceReport-SocialProtectionforSocialJustice2.pdf>.

### 3 Using social exclusion for analysing social protection

The social exclusion lens is well suited for the analysis of the “developmental” and “transformative” effects of social protection interventions. Social exclusion primarily serves as a framework for understanding political, economic, social and institutional context that shapes human vulnerabilities. Therefore, its application to social protection allows greater emphasis on the local context and integration of detailed and many-sided contextual analysis of vulnerability and deprivation.

One of the advantages of the social exclusion framework is in its simultaneous emphasis on multi-dimensional aspects of deprivation and the causes of these deprivations. Therefore, it can help not only examine the effects of social protection on different dimensions of deprivation, but also expose its ability to tackle broader factors and conditions that produce and reproduce deprivations. In other words, the application of the social exclusion framework can help “contextualise” social protection, i.e. expose the interplay between policies and programmes and the existing economic, social and institutional forces that shape people’s well-being. This can help situate technical analysis of outcomes or impacts of social protection programmes on different aspects of deprivation (e.g. food security, health, education, and access to important utilities) within the broader context that affects poor people’s lives and livelihoods. Such analysis can be useful for designing interventions that can tackle deeply rooted structural inequalities and achieve sustainable change in their standard of living.

The social exclusion framework allows for a holistic analysis of the interconnectedness between economic and social vulnerabilities. In particular, the analysis of income deprivation through the social exclusion lens inevitably tends to expose social and institutional factors that translate into inadequate income. For example, the concept of social exclusion can help establish broader factors that contribute to income insecurity, as for example landlessness, discrimination or inadequate policy environment.

### 4 The concept of social exclusion

The concept of social exclusion is used in social policy and social development literature for conceptualising human deprivation and the mechanisms through which it is produced and reproduced. Social exclusion is a dynamic process that

“precludes full participation in the normatively prescribed activities of a given society and denies access to information, resources, sociability, recognition, and identity, eroding self-respect and reducing capabilities to achieve personal goals” (Silver 2007: 1).

Social exclusion originated in Europe and few empirical studies of social protection outside the European context have been framed using the social exclusion/inclusion lens. In developing countries, social exclusion is often used descriptively (rather than as a framework), to refer to negative treatment of specific individuals or social groups. Thus, social exclusion is often used in a literal sense to denote marginalisation of individuals and groups on the basis of specific social characteristics (e.g. gender or ethnicity). For example, Sabates-Wheeler and Devereux (2008: 81) consider social exclusion as a manifestation of vulnerability, alongside discrimination and violation of minority rights. Likewise, social exclusion/inclusion is often used to denote inclusiveness of social protection programmes, rather than the effects of social protection on programme beneficiaries and their households. In particular, social protection literature of this strand tends to focus on the extent to which poor/ eligible households are excluded from social protection programmes (see for example de la Brière and Rawlings (2006).

The main analytical strength of the social exclusion framework is in the emphasis of linkage between well-being and broader conditions and factors that affect different dimensions of well-being. Social exclusion in de Haan’s categorisation (1999) can be used for describing “outcomes of deprivation” and “processes of deprivation”. By focusing on deprivation *outcomes*, the concept of social exclusion exposes the extent of deprivation that individuals may experience. It identifies multiple, income and non-income *dimensions* of human deprivation. Thus, social exclusion denotes that people may be excluded from employment, productive resources and economic opportunities, but similarly they can have limited access to essential services and decent housing, education, and health care, social and cultural participation, security, political rights, voice and representation. In general, individuals are deprived in more than one, and possibly in many dimensions (Ruggeri Laderchi et al 2003: 21).

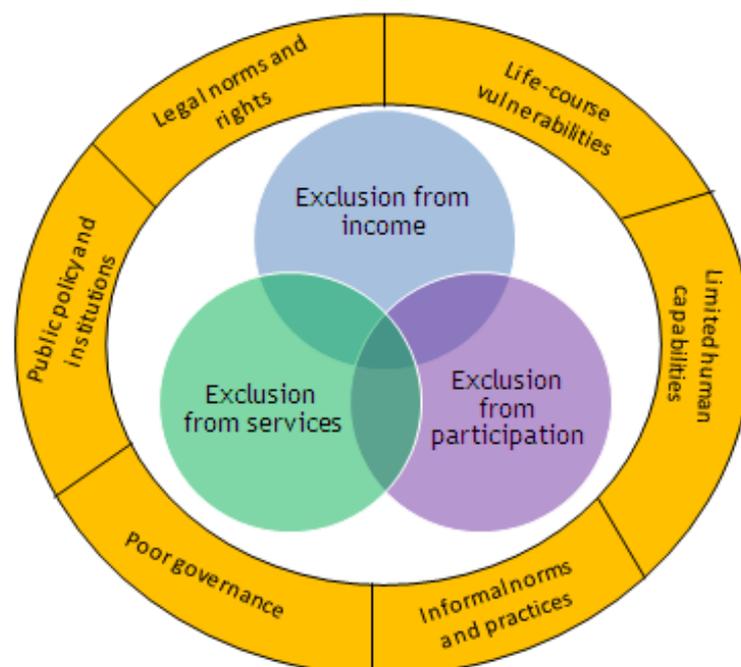
The extent of exclusion often depends on individual and social characteristics, such as affluence, race, gender, ethnicity, social status, caste or religion, as well as other factors, such as political views, occupation, language, and place of residence. The concept of social exclusion focuses on the “relative” rather than

“absolute” nature of deprivation and thus places the needs of individuals within the specific context of their communities and societies.

In addition to exposing multiple deprivations, the social exclusion framework identifies *processes* that cause these deprivations. In contrast to the “monetary” poverty approach, social exclusion “focuses intrinsically, rather than as an add-on, on the processes and dynamics that allow deprivation to arise and persist” (Ruggeri Laderchi et al 2003: 23). The social exclusion framework is especially well-suited for understanding broader, structural factors that cause deprivation. It “drives attention away from attributing poverty to personal failings and directs attention towards societal structures” (Gore and Figueiredo 1997: 43). The concept of social exclusion thus accentuates the interconnectedness of human well-being and broader conditions, including policies, social relations, norms and values that produce and reproduce various forms of deprivation, as illustrated in Figure 1.

Finally, social exclusion is important for capturing the dynamic, non-static nature of deprivation. Different dimensions of deprivation are often interconnected and mutually reinforcing. Paugam (1996) suggests that social exclusion represents a dynamic process or a “spiral of precariousness”, where one form of deprivation leads to one or more other forms of deprivation. He argues that social exclusion is not simply about precariousness of employment (having insecure job or being unemployment), but the strength of correlation between employment situation and other aspects of economic and social life (e.g. family, income, living conditions, and social networks). The focus on deprivation as a process allows identifying series of factors that contribute to people’s exclusion.

**Figure 1. Dimensions and drivers of social exclusion**



## 5 Applying the social exclusion framework to analysing social protection

The main conceptual components of the social exclusion framework are deprivation *outcomes* and *drivers*. Deprivation **outcomes** refer to the extent of economic and social disadvantage that people experience in different livelihood dimensions. This paper focuses on three main dimensions of deprivation: exclusion from income sources, essential services and participation (including social (ceremonial events and social interaction) and political (participation in the public sphere)). The process of exclusion is more difficult to operationalise, as it is a dynamic process, so we unbundle it into separate segments to identify specific **drivers** that contribute to different forms of deprivation outcomes (see Box 1). These may be at the individual level, such as vulnerabilities related to the life course, or at the societal and group level, such as discriminatory norms and practices.

### Box 1. Drivers of Social Exclusion

- Vulnerabilities related to life course cycle (such as maternity and old-age); physical inability to work or to be productive due to disability, injury or illness.
- Limited human capabilities (i.e. inadequate levels of education, skills, and health) that prevent individuals from accessing adequate and sustainable income sources.
- Legal norms and rights, including property rights, legislation to remove gender inequalities in accessing assets and labour markets, and equitable and fair labour standards.
- The ability of public policies and institutions to promote equitable and inclusive access to productive assets, resources and opportunities, including access to land, finance, and markets.
- Success in establishing inclusive rules, procedures and practices to enable equitable access and utilisation of services (e.g. utility tariffs or measures to discourage informal service charges and corruption) and meaningful political participation.
- Good governance, i.e. the ability of societal institutions to uphold and enforce the rule of law and accountability, counteract corruption and clientelism, and to minimise bureaucratic hassle and administrative obstacles.
- Informal norms and practices such as discrimination of individuals on the basis of their social and personal characteristics – for example gender, race, ethnicity, and sexuality.

This paper therefore proposes that social protection interventions be assessed against their ability to address *outcomes* and *drivers* of social exclusion. However, it is important to also note that it is more appropriate to assess the *contribution*

of social protection to social inclusion than expect social protection programmes to fully address all dimensions of social exclusion (see Box 2).

**Box 2: How far can social protection address social exclusion?**

Social exclusion spans multiple dimensions, but social protection can only have a positive impact within a few specific sectors/areas, rather than across every dimension.

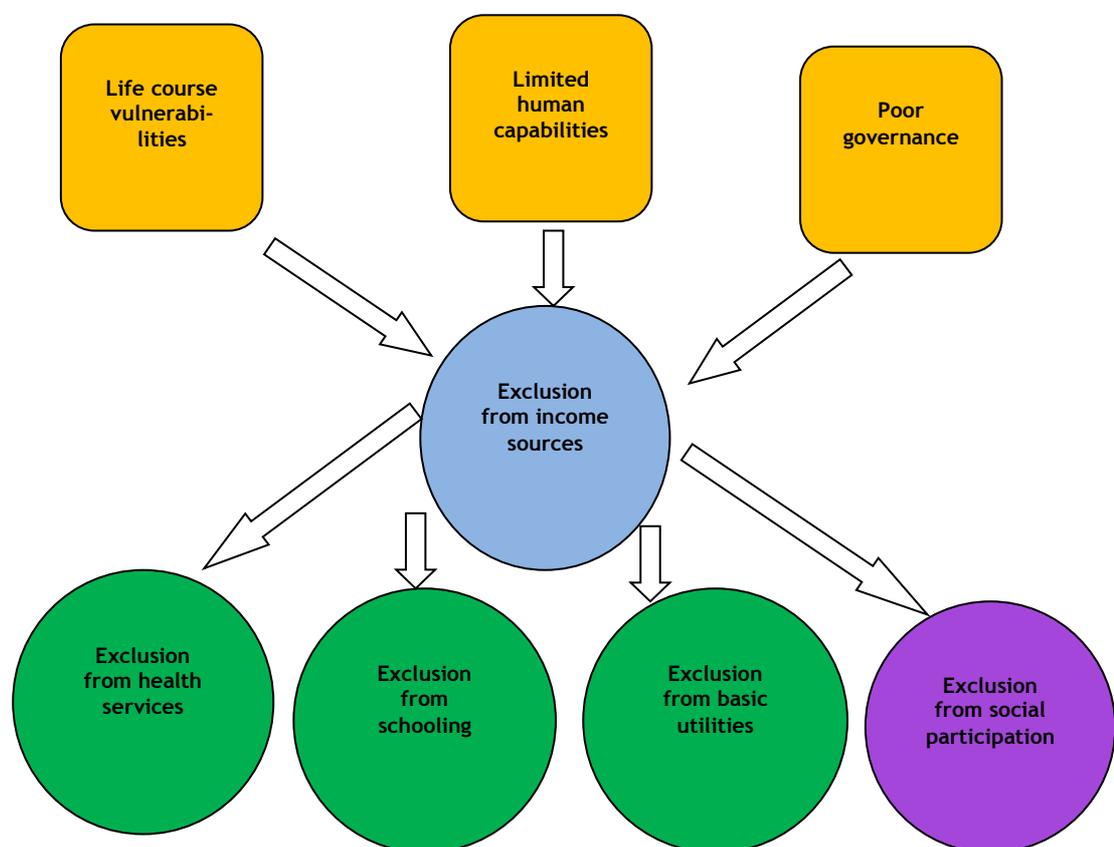
- Social protection programmes may only address the outcomes of exclusion, rather than its drivers, which is more challenging.
- Tackling social exclusion and promoting inclusion requires a gradual, incremental approach. The result of policies and programmes may become apparent only in the medium to long term.
- It is difficult to achieve 'full' inclusion. Therefore, it is more appropriate to evaluate a *contribution* of social protection to exclusion/inclusion, rather than to treat outcomes in a categorical manner, in terms of success or failure in achieving full inclusion.
- Design features including the benefit value, length and regularity of provision, are important to determine the extent of contribution to social exclusion/inclusion.

The analysis of *outcomes* looks at the extent to which an intervention contributes to enhancing well-being within a specific livelihood dimension. The analysis of *drivers* of deprivation and exclusion identifies the extent to which the intervention tackles the factors that limit individual ability to generate sufficient income, access essential services and take part in social and public life. The identification of different drivers of social exclusion can establish the limits of the social protection intervention in question and identify institutional arrangements that can tackle different dimensions of exclusion more effectively.

It is important to distinguish between drivers and pathways of exclusion. A **driver** relates to the factors at a root cause of a specific deprivation, whilst a **pathway** represents a specific transmission mechanism that facilitates exclusion. Income represents a key pathway to social exclusion. As shown in Figure 2, access to various dimensions of well-being is immediately mediated through income, and income exclusion leads to other forms of exclusion, such as access to services and social participation. Thus, many poor individuals have inadequate access to health care, education and basic utilities because they do not have sufficient means to pay formal, and often informal fees for services, cover the cost of transportation, and invest in school uniform, textbooks and stationary. Inadequate income can restrict people's ability to maintain social networks and take part in traditional celebrations and ceremonial activities.

In some cases, social protection can improve livelihood outcomes by addressing income as a pathway to exclusion, but without necessarily addressing the drivers of exclusion. For example, income support through cash transfers can improve people’s purchasing capacity and help access services and opportunities, but may not necessarily tackle the root causes of income deprivation, which may be conditioned by structural factors, such as poor governance restricting economic opportunities. Better understanding of the specific factors that result in limited income can help realistically assess the potential of social protection to tackle the root causes of income insecurity and design policies that can be more appropriate to challenging the existing barriers.

**Figure 2. Income exclusion as a pathway to other forms of social exclusion**



In other cases, income may not be the primary transmission pathway, and exclusion may be conditioned by non-material factors. For example, discriminatory norms and behaviour can limit access to services and participation by restricting income earning potential; but they can also pose direct barriers. For example, restricted access of girls to education may be due to traditional norms rather than insufficient income. In this scenario, social protection may not

enhance livelihood outcomes if policies fail to tackle the specific factors that cause exclusion. For instance, education grants and school-based feeding programmes may not increase girls' access to schooling if informal social norms continue to restrict female education.

Finally, it cannot be assumed that social protection always has a positive impact on social exclusion. Social protection – through design and/or implementation – can reinforce existing inequalities. For example, targeting by social category can exacerbate social divisions by including some groups and excluding others (Holmes and Jackson, 2008; Holmes, 2009). Likewise, poverty targeting has been criticised for ignoring many poor citizens and for the potential stigmatisation of beneficiaries (Mkandawire, 2005). This implies the importance of identifying the patterns of local social and institutional relations and the causes of existing inequalities to inform the design and implementation of policies and programmes.

## **6 Social protection and its contribution to social inclusion**

This section suggests that social protection can not only bring about short-term improvements in human well-being, but it can also address the root causes of poverty and vulnerability by investing in human capabilities and productive capacity, promoting legal rights and institutionalised access to services, and addressing social inequalities through design and implementation.

### **6.1 Using cash transfers for improving human well-being**

There are many studies that demonstrate the effectiveness of social protection in contributing to various dimensions of well-being by addressing income insecurity as a pathway to exclusion. In particular, social protection programmes offer income support, which is used by individuals for improving their food consumption, accessing health and education services, and taking part in ceremonial and social events. In this scenario, social protection improves well-being outcomes without necessarily affecting the root causes of deprivation.

Evidence suggests that both unconditional and conditional cash transfers help households spend more on food, education and health care (see literature review in Devereux et al 2005; Adato and Bassett 2009; DFID 2011). Most evaluations highlight increased food consumption as the most immediate outcome of cash

transfers. For example, in Mexico, the mean per capita household food consumption among Progresa beneficiaries increased by 11 percent (Hoddinott et al 2000), whilst food consumption of the recipients of the Nicaragua's Red de Protección Social increased by 21 percent (Maluccio and Flores 2004).

A study in east and southern Africa shows that cash transfers were used to cover costs associated with accessing health care and education, including transport, medicines, school books, uniforms and hygiene costs (Devereux et al 2005). The unconditional Old Age Grant and Child Support Grant in South Africa have led to increases in school enrolment (Samson et al 2004). Similar impacts have been documented with regard to unconditional cash transfers in Zambia and Malawi (Covarrubias et al 2011; Miller et al 2008). A multilevel analysis of the effects of Malawi's Social Cash Transfer Pilot Scheme demonstrates improved health outcomes for school-age children (Luseno et al 2013). In South Africa, transportation to hospital and hospital fees appear to be more affordable with the receipt of unconditional cash transfers (Goudge et al 2009).

It is important to be aware that the impact on human well-being can often be limited depending on the transfer amount. For example, in Nepal, as part of its agenda to promote social inclusion, the government of Nepal has introduced various social protection programmes, some which are explicitly designed to tackle social exclusion. There are at least five cash transfer programmes that support socially excluded individuals by using caste and ethnicity-based as well as geographic targeting. The overall poverty impact of these programmes is insignificant (Holmes and Upadhyaya 2009). This partly reflects the low benefit size of these programmes. For example, the Child Grant offers NPR 250 (USD 3) per month, which comprises one sixth of the poverty line. The national poverty line for 2010/2011 in Nepal has been established at NPR 19,261 per person per annum or 1,605 per person per month. The ODI research on the impact of the child grant found that it did not significantly improve the living standard of the poor (ODI forthcoming). For example, whilst many respondents used the transfer to contribute to the cost of minor medical treatments, transportation to health care facilities and medicines, they mostly relied on loans in case of serious illness.

## 6.2 Long-term effects of cash transfers

Conditional cash transfers (CCT) programmes targeted at poor families with children have been advanced in the last decade as a means to directly facilitate access to education and preventive health care. They are also expected to contribute to long-term human capital development as a way to break

intergenerational transmission of poverty. CCTs incorporate conditionalities that require regular school attendance, health check-ups, and nutrition monitoring. Conditionalities are designed to alter the behavior of the poor who tend to underuse education and health (for example, of parents who may not prioritise education or regular health check-ups) and stimulate demand for services.

CCTs can address the drivers of social exclusion that are conditioned by inadequate skills and poor health, and thus contribute to long-term income inclusion. In particular, investments in children's education, health and nutrition can ensure that the generation of young adults that joins the labour market in the future has adequate skills and health, will be able to generate adequate income and advance their livelihoods. Thus, they can stimulate greater productivity and prevent intergenerational transmission of poverty (de la Brière and Rawlings 2006, ILO 2011). This implies that social protection has the potential to alter the existing institutional barriers that restrict the ability of individual to develop their capabilities and take advantage of labour market opportunities.

The effects of many CCT programmes on education and health have been widely documented through rigorous impact evaluations. A comparison of six CCTs showed that five programmes led to increases in primary school attendance and three to increases in secondary school attendance rates (IEG 2011). A systematic review of CCTs in Mexico, Nicaragua, Malawi, Honduras, Brazil and Colombia indicate that cash transfers increased the use of preventive health services and in some cases improved health status (Lagarde et al 2007). Impact evaluations from major CCT programmes, such as Progresa/Oportunidades in Mexico (Skoufias 2001; Behrman and Hoddinott 2005) and Bolsa Família in Brazil (Bastagli 2008; Veras Soares and Silva 2010, Veras Soares et al 2010) demonstrate increased enrolment, improved school attendance and decreased dropouts. CCTs contributed to an increase in the average school enrolment in Nicaragua's Red de Protección Social and secondary school enrolment rates in Colombia's Familias en Acción as well as increased participation in growth and nutrition monitoring in both countries (Rawlings and Rubio 2005).

Extensive research evidence suggests that investments in human capital undoubtedly contribute to developing a skilled and healthy labour force and improve labour market productivity and well-being. At the same time, there is a need to specifically evaluate the long-term CCT impacts, including their effects on employment and income earning potential and medium to long-term patterns of household welfare and vulnerability to shocks (Rawlings and Rubio 2005). As the study of the Nicaraguan Red de Protección Social highlights, it is crucial to

document whether the short-term effects of CCTs will persist after the programme completion and whether there are long-term effects that are not captured by short-term evaluations (Maluccio and Flores 2005). The CCT effects may vary across various age cohorts of children depending on specific contextual conditions and policy environment.

Better understanding of CCT effects on educational outcomes is crucial for assessing the potential of CCTs to promote social inclusion. Greater educational outcomes can significantly enhance individual productivity and earning potential. Whilst we know that CCTs increase school enrollment and attendance, there is only limited evidence about their potential to promote longer years of schooling, improved graduation rates and better learning outcomes (Baez and Camacho 2011; World Bank 2013).

The existing evidence on educational outcomes offers important insights on the effectiveness of CCT-based policies to promote human capital. Veras Soares et al (2010) point out that whilst Bolsa Família was effective in both increasing school attendance and decreasing dropout rates, it did not improve educational outcomes. This suggests that by focusing on demand-side CCTs may not “enable disadvantaged children to break the intergenerational transmission of poverty if educational policies do not concomitantly improve the performance of such children while in school” (Veras Soares et al 2010: 186). This points out the importance of improving the supply-side performance in the education sector, including the quality of teaching, school infrastructure and learning environment. Ultimately, this poses the importance of linkages and synergies between social protection and interventions in the education and other sectors.

### **6.3 Strengthening productive capacity**

Social protection can enhance individuals’ productive capacity and their ability to enhance their future income in addition to immediate income gains. As discussed in earlier, this can be achieved by building human capabilities. Participation in social protection activities can also enable poor and vulnerable individuals to strengthen economic assets and invest in agricultural inputs. This in turn can enhance their productive capacity and increase their income in the long term, thus addressing long-term income exclusion. Social protection or “livelihood support” programmes that transfer productive assets or offer agricultural inputs tend to have a positive impact on the ability of poor households to build asset base and increase their productivity (Farrington et al 2007; Hulme and Moore

2008; Alderman and Yemtsov 2012). There is also evidence that social cash transfers often enable individuals to make investments in productive activities and enhance their earning capacity (Devereux et al 2005; Gertler et al 2006; Alderman and Yemtsov 2012). A literature review by Barrientos and Scott (2008) suggests that social transfers need to be regular and reliable and offer adequate level of support in order to facilitate household investment and graduation from poverty.

Investment in productive capacity can help address the drivers of social exclusion conditioned by the limited asset base of many poor individuals. In order to tackle some of the underlying structural causes of asset vulnerability, social protection interventions must be designed as part of broader institutional arrangements (Moser 2008; Banks and Moser 2011). Social protection interventions must be embedded in the understanding of the specific economic, social and institutional contexts that affect people's ability to advance their livelihoods. Based on evidence from case studies in Bangladesh, Holmes et al (2008) suggest that social protection programmes reduced the constraints faced by extremely poor households engaging in productive activities. They however argue that social transfers alone may not increase agricultural productivity and must be complemented with other interventions that reduce the risk of asset loss, help households overcome labour constraints, and improve access to markets.

## 6.4 Instituting and enforcing legal rights

Governments can institute and enforce legal norms that establish and uphold citizenship rights and entitlements for social protection. There are a variety of institutional arrangements for promoting right-based social inclusion, including legal guarantees to social protection, affirmative action to reach out and support disadvantaged groups, and minimum labour standards. These actions can address some of the drivers of social exclusion that limit the ability of individuals to benefit from social protection and economic opportunities, and claim their rights to decent working conditions and protection against abuse and injustice

A number of low- and middle-income countries have implemented rights-based approaches to social protection. For example, the 1996 Constitution in South Africa declares that the state has the obligation to provide basic social protection to its citizens (Hagen-Zanker and Morgan 2011). Likewise, the Constitution in Brazil obligates the state to provide health and education services as a basic right of all citizens as well as in principle guarantees social assistance as a right for the poor (Bastagli 2008). Once rights have been put in place, further steps must be

taken to ensure that they are enforced in practice and that everyone benefits equally.

Legal rights can also be incorporated in specific social protection programmes. For example, India's Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) provides a legal guarantee for 100 days of unskilled manual work per year to adult members of any rural household (Holmes et al 2011). MGNREGA not only guarantees the right to work in principle, but it has also put in place a number of institutional features to enforce people's access to its benefits. These include grievance redress procedures and bottom-up social accountability mechanisms known as "social audits". It also offers affirmative action through quotas for the Scheduled Castes and Scheduled Tribes and thus facilitates the inclusion of disadvantaged individuals. Successful implementation of these measures varies widely across India, which suggests that the contribution of social protection programmes to social inclusion is context-specific and may vary depending on regional characteristics and implementation practices.

## **6.5 Supporting inclusive policies and institutional arrangements**

Social protection policies and programmes can help establish and uphold equitable and inclusive access to social services. There are two ways in which social protection can improve access to education, health care and important services. As mentioned earlier, it can enhance individual income, which represents a pathway to inclusion, and thus enhance individual ability to bear the costs required for accessing services. It can also directly tackle institutional and policy related barriers that affect people's access to important services. In particular, this includes introduction of systems and measures to offer affordable services and institutionalise equitable access. For example, social health protection is an important social protection instrument that seeks to promote access to affordable and effective health care. It refers to a range of tax-financed and/or insurance-based public and private schemes. Many middle-income post-socialist countries, such as Armenia, Georgia, Moldova and Kyrgyz Republic have undertaken radical health sector reforms to contain the rising cost of health care and offer free, publically subsidised health services to eligible vulnerable individuals.

User charges for basic utilities, including electricity, gas, heating and drinking water impose an especially high cost on the poor and vulnerable. Special policy and institutional provisions, such as "pro-poor" regulatory frameworks, targeted

subsidies, fee waivers, and reduced utility tariffs can allow address the financial constraints of the poor and vulnerable and thus institutionalise equitable access. For example, the introduction of user fees for electricity and domestic water in many countries has been accompanied with targeted provisions to enhance affordability and access for the poor. This includes introducing lower, subsidised “lifeline” utility tariffs for a monthly consumption of water/ electricity/ gas below a certain threshold sufficient to cover basic needs for the poor (Trémolet and Binder 2009). Many countries, including South Africa, the Philippines, Pakistan and Bangladesh have a life-line tariff for electricity. Depending on their targeting effectiveness, utility subsidies can tackle social exclusion drivers as they institutionalise access to services, which many poor individuals would not otherwise be able to afford.

## 6.6 Enhancing gender equity

Evidence shows that social protection can promote gender equality and empowerment with variable success depending on a specific instrument, programme design and contextual conditions. In their study of gender aspects of social protection, Holmes and Jones (2010) found that numerous programmes had “gender-sensitive design” features, including support for girls’ education and better access to and use of health care and other basic services; support for women’s participation in economic activities and equal wages; and the introduction of flexible hours and child care support to accommodate domestic caring responsibilities. However, they argue that many social protection programmes still assume that gender equity can be promoted by simply targeting women and that they fail to incorporate design mechanisms that can help tackle the existing social, cultural and institutional inequalities.

Molyneux and Thomson (2011) researched the extent to which gender equity and empowerment were integrated in three conditional cash transfer (CCT) programmes in Latin America, including the Juntos in Peru, Bono de Desarrollo Humano in Ecuador, and Bono Juana Azurduy in Bolivia. These CCT programmes had a positive effect on women’s lives; at the same time, they did not address the unequal division of labour in the households. In particular, the conditionalities increased women’s workload, but did not encourage men’s participation in childcare, and thus they only reinforced women’s caring roles. The authors conclude that CCT programmes must not only focus on children’s needs, but also seek to improve women’s lives by explicitly addressing their needs and concerns and supporting their economic and individual empowerment.

## 7 Implications for research and evaluation

As this paper shows, more research is needed to establish the potential strengths and limitations of social protection in tackling social exclusion and promoting social inclusion. An important research question is whether and in which circumstances social protection can challenge societal institutions that generate social exclusion both within formal and informal domains.

The limited evidence on long-term effects of cash transfers, such as impacts on education and labour market outcomes has to do with the fact that surveys over long period of time are costly and time-consuming (World Bank 2013). Furthermore, longer-term impacts can be measured directly only after a significant number of years of programme operation. More evaluations are necessary to establish how cash transfers affect human capabilities, productive capacity and welfare outcomes in the long run.

Rigorous impacts evaluation must be combined with in-depth contextual assessments. The existing evaluations of social protection most often focus on the impacts on specific well-being outcomes, without careful consideration of specific contextual factors and conditions that shape these lives of the poor and the effects of policy interventions. The usage of qualitative methods can generate rich data and help understand how interventions addressed the root causes of exclusion and vulnerability. This approach can help explore the extent to which programme design and implementation were based on the sound understanding of local institutional, social and cultural conditions. It can also reveal any unintended consequences and spillover effects of the interventions.

This paper suggests that the social exclusion framework is a useful conceptual and operational tool for assessing the effectiveness of social protection policies and programmes. It can place a social protection intervention within a specific social and institutional context, generating understanding not only about its livelihood effects, but also about the factors and conditions that affect people's lives and livelihoods. It makes it possible to go beyond a narrow "impact evaluation" approach that focuses only the specific outcomes and impacts of the intervention. The social exclusion lens also makes it possible to unpack the complex relationship between income and non-income aspects of well-being. It does so by focusing on the role of income in access to essential services and social participation and by highlighting the role of social and institutional factors in economic vulnerability.

The application of the social exclusion framework has important policy significance. It can help policy-makers understand the local context (and therefore what drives deprivation and vulnerability) and establish the strengths and limitations of social protection arrangements in tackling specific context-bound constraints to people's livelihoods.

The social exclusion lens can be used in the analysis of existing interventions. For example, an analysis of a cash transfer programme can allow introducing adjustments in the design and implementation of existing policies and programmes to ensure that they not only offer subsistence support, but also tackle the drivers of exclusion and vulnerability. It can also establish the limits of existing arrangements in tackling factors outside the "sectoral reach" of social protection. This can enable policy-makers to identify areas where the programme can be linked to, and coordinated with, interventions in other sectoral areas to address drivers of exclusion more effectively. And it can stimulate broader policy reforms, such as establishing equal minority rights or improving administrative efficiency, to ensure policy complementarity and synergy.

The social exclusion framework can also be a useful instrument for social analysis before an intervention is designed, allowing policy-makers and development practitioners to identify opportunities and risks to policies and programmes and determine how to address them through appropriate design and implementation. In particular, in-depth contextual analysis of existing deprivations and their drivers can create realistic expectations about what social protection can achieve and help establish feasible goals and benchmarks.

## 8 Policy implications

This paper shows that social protection can address social exclusion in two ways. Firstly, it can provide income support and enable individuals improve important dimensions of their well-being. Secondly, it can tackle the specific drivers that cause poverty and vulnerability.

Cash transfers can improve well-being outcomes, including food consumption, access to health and education and social participation. The design of social protection programmes has immediate repercussions for promoting social inclusion. Most importantly, the size of cash transfers is likely to affect the ability of social protection interventions to improve social inclusion. It is important that social transfers offer sufficient financial support to enable individuals to fulfil their

basic consumption needs and improve their access to basic utilities, health care, and education.

Social exclusion is produced and reproduced by the existing formal and informal institutional norms and practices and it is manifested in various aspects of people's lives, including access to economic resources and opportunities, public services, social networks, and political rights. The provision of income support alone may not translate into social inclusion and greater cohesion in societies where exclusion and vulnerability are deeply rooted in societal institutions.

The paper identifies a number of ways in which social protection programmes can alter these drivers:

- CCTs can address the drivers of social exclusion that are conditioned by inadequate skills and poor health, and thus contribute to long-term income inclusion. In particular, investments in children's education, health and nutrition can foster human capital and thus stimulate greater productivity and better access to labour market opportunities.
- Social protection arrangements, such as cash transfers and "livelihood support" programmes can enable poor and vulnerable individuals to make investments in productive activities and enhance their earning capacity. Social protection can thus help address the drivers of social exclusion conditioned by the limited asset base of poor individuals.
- Governments can institute and enforce legal norms that establish and uphold citizenship rights and entitlements for social protection. There are a variety of institutional arrangements for promoting right-based social inclusion, including legal guarantees to social protection, affirmative action to reach out and support disadvantaged groups, and minimum labour standards. These actions can address some of the drivers of social exclusion that limit the ability of individuals to benefit from social protection and economic opportunities, and claim their rights to decent working conditions and protection against abuse and injustice.
- Social protection policies and programmes can help establish and uphold equitable and inclusive access to social services. As described above, social protection can provide income support and thus enhance individual ability to bear the costs required for accessing services. But it can also establish systems and measures to offer affordable services and

institutionalise equitable access. These include, for example, social health protection and special policy and institutional provisions, such as “pro-poor” regulatory frameworks, targeted subsidies, fee waivers, and reduced utility tariffs.

It is important that social protection interventions be designed and implemented in a way that does not reinforce existing social inequalities. For example, programme design must contain institutional arrangements that can advance women’s empowerment in contexts where social norms and practices may restrict women’s roles and decision-making ability in their communities and households. Programmes must incorporate mechanisms to prevent or mitigate possible negative effects on people’s lives, such as increased workload, stigma or social conflict.

It is crucial that governments explicitly recognise the role of social protection in reducing social exclusion and commit resources towards building systems of social protection. Even if public resources are limited, governments can lay out an institutional foundation for social protection by introducing programmes of limited scale with a view of subsequent expansion and scaling up.

At the same time, tackling structural social inequalities requires policies that go beyond the sectoral remit of social protection. It necessitates the need to link social protection with other policy areas and to ensure that economic, social and political initiatives complement each other. In particular, strengthening the linkages between social protection and other social and productive sectors can help address complex social problems in an integrated manner, tackle multiple, inter-related drivers of poverty and social exclusion, and improve well-being.

The importance of multi-sectoral coordination and linkages is gradually entering the international policy agenda. For example, UNICEF’s Social Protection Strategic Framework (UNICEF 2012) emphasises the need to develop and strengthen a multi-sector approach. In particular, it advocates the need to identify the linkages between social protection and other sectors and to incorporate them in the design and implementation of policy interventions. This implies developing and nurturing norms, structures, mechanisms and implementation arrangements that explicitly link social protection with other sectors. International organisations and bilateral donors can make an important contribution to promoting the importance of integrated social protection by enhancing the awareness about the potential benefits and challenges of comprehensive approaches and promoting a broad-based public policy debate in low- and middle-income countries.

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