

# **Public Provisioning for Social Protection and its Implications for Food Security: An Analysis**

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# Structure of the Presentation

- Data on mapping hunger and malnutrition-across selected regions and countries;
- Trends and patterns of public provisioning on social protection and their empirical association with hunger and malnutrition; and
- Couple of case studies followed by concluding remarks

# Extent of Hunger and Malnutrition

- In 2012-14, almost 805 million citizens were reported to be chronically undernourished ;
- The GHI score for 2014 remains 'serious' for a large number of countries (39);
- In terms of broad regions, progress in East and South-East Asia as well as Latin America and the Caribbean was impressive, whereas South Asia (SA) and Africa South of Sahara (ASS) tend to do relatively poorly;
- In fact', for the year 2014, the ASS (18.2) has the highest GHI score, closely followed by SA (18.1).

# Region wise GHI score since 1990

Regions	1990	1995	2000	2005	2014
Developing World	20.6	18.9	17.5	15.9	12.5
<b>Africa South of the Sahara</b>	<b>25.4</b>	<b>25.5</b>	<b>24.4</b>	<b>21.8</b>	<b>18.2</b>
<b>South Asia</b>	<b>30.6</b>	<b>27.3</b>	<b>25.0</b>	<b>23.4</b>	<b>18.1</b>
East and South East Asia	16.4	13.9	11.9	10.0	7.6
Near East and North Africa	8.1	7.8	6.8	5.9	4.9
Latin America and the Caribbean	9.3	8.3	6.8	5.7	4.4
Eastern Europe and Commonwealth of Independent States	NA	5.3	5.1	3.2	2.6

# How Food (in)security is defined?

- WFS 1996: when all people at all times have access to sufficient, safe, nutritious food to maintain a healthy and active life;
- However, in spite of the rate of increase in global food production being consistently higher than the rate of the growth of the global population, there is a crisis of food security in large number of developing countries.

# Hence

- This obviously requires a careful analysis of the contemporary global food system, particularly:
  - Role of trade,
  - Finance capital and multinational corporations,
  - Responsibilities and functioning of the national governments, agencies of communities,
  - Class / caste / race / gender questions vis-à-vis farming,
  - Control of agriculture, and
  - Access to social protection provisionings.

# Data Sources and Methodology

- Data compiled from the SoFI, 2014 report of the FAO for Sixty-four countries;
- World Social Protection Report, 2014 of the International Labour Organisation (ILO);
- Social Security Report, 2010 of ILO;
- International Comparison Programme database of the World Bank on World Development Indicators ;
- GHI report, 2014 of the IFPRI et al.

# Results GHI Report, 2014

- In a number of countries, namely, Benin, Cambodia, China, Colombia, Dominican Republic, Ghana, Guyana, Honduras, Indonesia, Mauritania, Mongolia, Rwanda and Vietnam, reductions in GHI scores close to 50 percentage points over the period 1990 to 2014;
- Whereas, for Bangladesh, Burkina Faso, Republic of Congo, India, Madagascar, Namibia, Swaziland and Zambia—the decline is in the lower range.
- Then there are countries such as: Guatemala, Lesotho, Swaziland, Zambia and Zimbabwe, where the progress is negligible (or there is a worsening) over the same period.
- In the BRICS (Brazil, Russia, India, China and South Africa) cohort, the progress by Brazil, China and South Africa on this count is commendable, whereas India performs poorly.



# Results from SoFI Report, 2014

- During the period 2012-14, countries, namely, Central African Republic, Congo, Ethiopia, Madagascar, Namibia, Rwanda, Tanzania, Zambia and Zimbabwe have been scoring more than and / or close to 40 %.
- In other words, almost close to or more than 40 % of population of these countries is termed as food inadequate.
- Further, a close look at the country specific performance on this indicator, countries like Botswana, Costa Rica, Côte d' Ivoire, Lebanon, Liberia, Madagascar, Namibia, Swaziland, Tanzania, Uganda and Zambia have been the worst performer in 2012-14 compared their respective score for PoFI in 1990-92

# Contd...

- Hunger and malnutrition has its own gender dimension as 60 % of the world's hungry happened to be women.
- It is indeed a shocking statistic that 50 % of pregnant women in developing countries lack accesses to adequate dietary care which possibly is a major contributor to almost thousands (240 thousand) of maternal deaths from childbirth annually.
- Due to inadequate food and nutrition for mothers, one in six children are born with a low birth weight in developing countries and annual incidence of under-five mortality in these countries is around 45 %.
- To put it starkly, hunger and its related diseases leads to loss of one child in every 10 seconds.
- Further, hunger and malnourishment has its own social-physical-economic geography. For instance, among India's Scheduled Castes / Tribes (SCs / STs), who are relatively worse off, incidence of hunger and malnutrition is particularly high and compared to the bottom of the heap in Sub-Saharan Africa.

# Concept of Social Security/Protection

- The notions of ‘social protection’ and ‘social security’ are often used interchangeably in contemporary discourses;
- However, in this paper we would generally adhere to the former.
- In a very basic sense, social protection refers to government measures / public actions to address socially unacceptable deprivations and vulnerabilities and its obvious components would include: (social) insurance, assistance and inclusion

# ILO's Concept of Social Protection

- The ILO's Social Security (Minimum Standards) Convention, 1952 (No. 102) establishes worldwide-agreed minimum standards for all nine branches of social security.
- These branches are: medical care; sickness benefit; unemployment benefit; old-age benefit; employment injury benefit; family benefit; maternity benefit; invalidity benefit; and survivor's benefit.
- Further, the ILO has extended its social security definition by adding *general protection against poverty and social exclusion* into the existing nine branches of social security.

# What it Means?

- For policy priorities with respect to social protection one needs to state clearly the norms, needs and requirements in a particular context and at a specific socio-economic conjuncture.
- Depending on the specificities one can think of an appropriate menu from wide spectrum of policy options (e.g. infrastructure, education, health and sanitation, insurance and safety nets, public works programmes etc.) which may be better suited and effective in the given context.

# Public Provisioning for Social Protection

- With respect to total public social protection expenditure (including health expenditure) as % of GDP, it is quite clear that developing regions tend to do relatively poorly on this count.
- As per the latest available data (2010-11) Africa's total public social expenditure stands at 5.1 %, which is less than one / fifth of the share of Western Europe, which stood at 26.7 % of GDP.
- The world average of the public social protection expenditure stood at 8.6 % in 2010-11, which was higher than 5.8 % in 1990.
- However, it is quite clear that both within developed and developing regions there are significant variations

# Share of Social Protection Expenditure (including Health Expenditure) in GDP (in %)

Regions / Subregions	1990	1995	2000	2005	2007	2009	2010/11
<b><u>Africa</u></b>	<u>2.7</u>	<u>2.8</u>	<u>4.3</u>	<u>4.3</u>	<u>4.8</u>	<u>5.4</u>	<u>5.1</u>
North Africa	4.2	4.3	5.9	6.4	8.4	9.5	9.0
<b><u>Sub-Saharan Africa</u></b>	<u>2.4</u>	<u>2.5</u>	<u>3.2</u>	<u>3.8</u>	<u>3.9</u>	<u>4.4</u>	<u>4.2</u>
<b><u>Asia and the Pacific</u></b>	<u>3.4</u>	<u>2.8</u>	<u>3.5</u>	<u>3.0</u>	<u>4.1</u>	<u>5.3</u>	<u>5.3</u>
Middle East	4.9	5.2	6.6	7.6	6.5	8.8	8.7
Western Europe	20.9	23.6	23.3	24.8	24.1	27.2	26.7
Central and Eastern Europe	12.8	15.5	14.6	16.6	16.2	19.7	17.6
Latin America and the Caribbean	8.0	9.6	10.2	11.4	12.0	13.6	13.2
North America	14.0	15.8	14.7	16.1	16.4	19.2	19.4
<b>World</b>	<b>5.8</b>	<b>6.0</b>	<b>6.5</b>	<b>6.7</b>	<b>7.3</b>	<b>8.8</b>	<b>8.6</b>

# Relationships among variables

- The available evidence lends strong support that countries prioritising social protection provisioning are able to address the problem of hunger and malnutrition to a large extent.
- The relationships have been plotted as scatter diagrams for better visualisation.
- As mentioned earlier, our focus is on the developing world and sample consists of sixty-four countries for which data were readily available, from the sources mentioned earlier, for the following three indicators:
  - i) share of social protection expenditure;
  - ii) per capita GDP; and
  - iii) prevalence of food inadequacy (PoFI)



- Of course, as ‘one-size-cannot-fit-all’ and much more careful country-specific examination of the above noted and other relevant variables in tackling hunger and mal-nutrition is needed.
- As already stated in the foregoing, food security has several dimensions and indicators, its correlates are manifold, the cause-effect relationship is quite complex and ought not to be reduced to a simplistic frame.
- However, our preliminary exercise suggests that social protection seems to play a pre-eminent role in countries which have addressed one of the most basic human needs.

# Results:

- Data clearly show that countries spending 5 % (average between 1990 and 2010-11) or more on social protection have PoFI score of less than 15, and the list of countries from our sample as follows:
  - Armenia (5.8), Mexico (6.1), Azerbaijan (7), Mauritius (7.2), Kazakhstan (7.3), Algeria (7.5), Tunisia (8.1), South Africa (8.2), Chile (10.7), Jordan (10.7), Costa Rica (10.7), Uruguay (17.1), Brazil (17.9) and Cuba (19.2).
- On the other hand, countries with less than 5 % of social protection expenditure show high scores for PoFI and the list includes:
  - Botswana (39), Namibia (50), Rwanda (43), Mozambique (35), Zimbabwe (41) and Zambia (55).

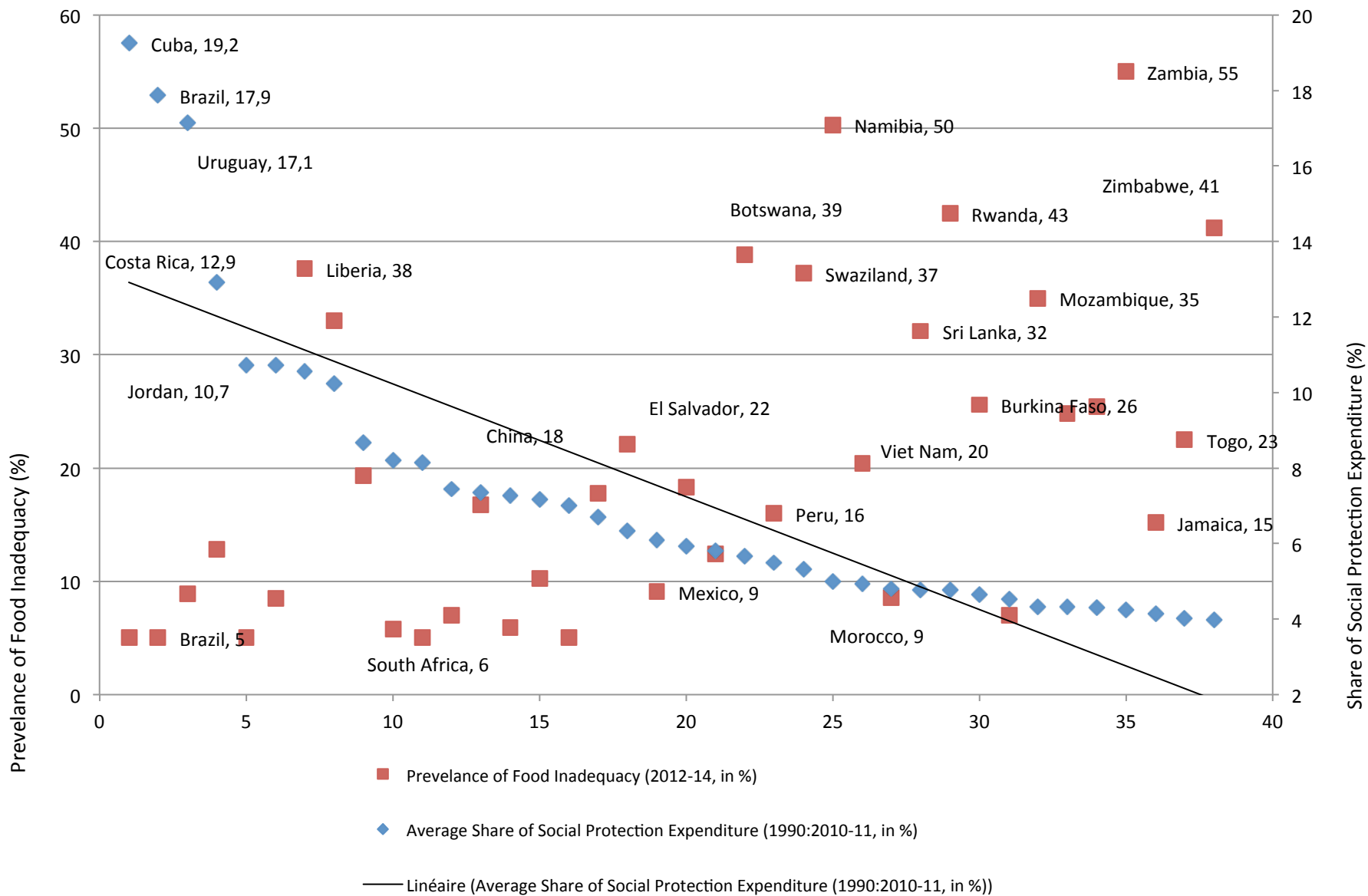
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- However, there are a few countries which seem to do well with respect to hunger and malnutrition even with modest levels (less than 5 %) of social protection expenditure.
- The list of such examples from our sample consists of: Mexico (9), Morocco (9), China (18), Peru (16) and Viet Nam (20).
- It is important to note that low levels of per capita income need not be a major constraint in provisioning for social protection.
- For instance, in our sample, there are 35 countries which have annual per capita income of USD 5000 or less .
- Of these a few are able to spend 5% or more (out of GDP) on social protection, whereas there are others who hover around 3 % or less

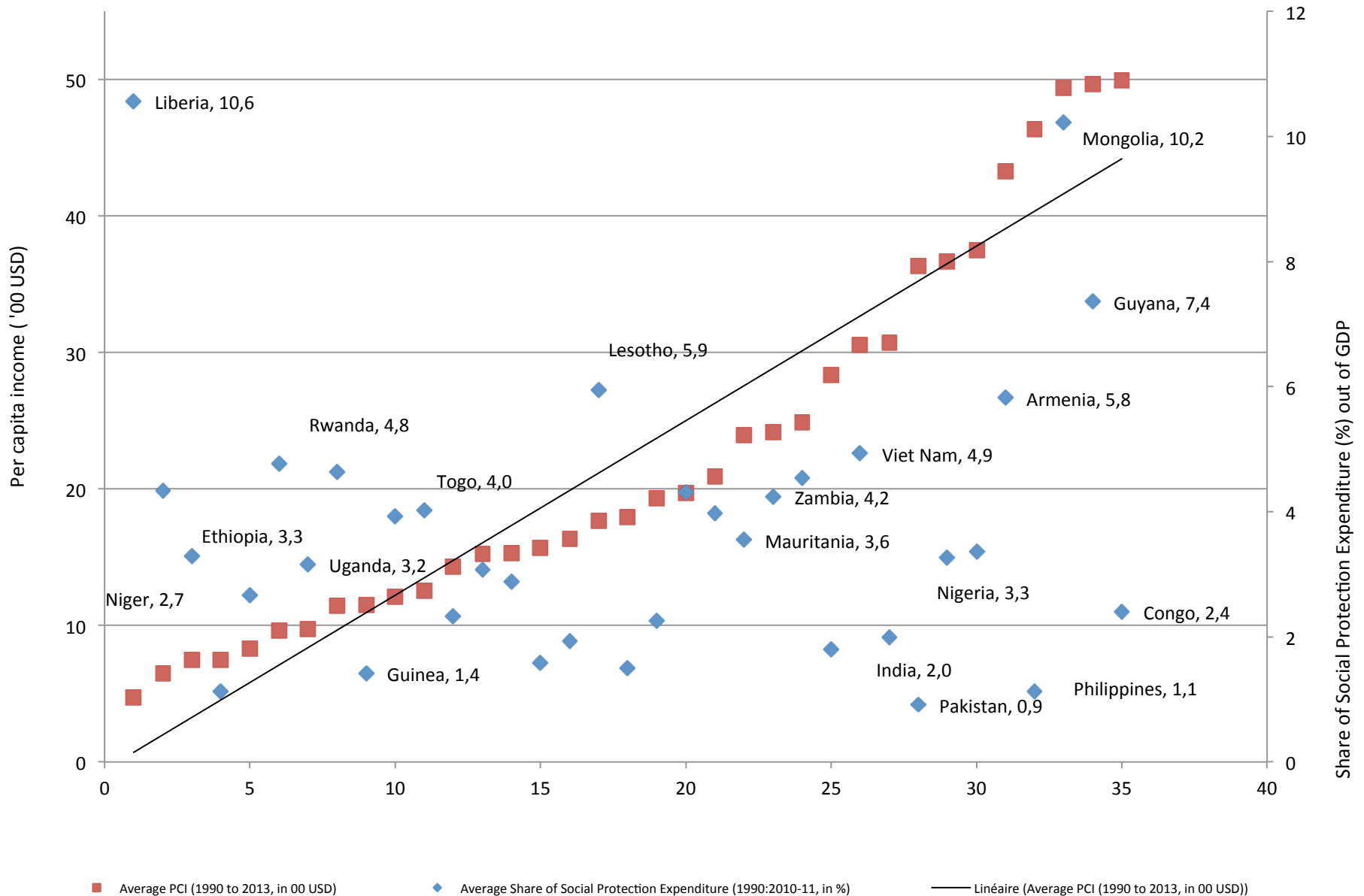
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- With regard to the relationship between per capita income and PoFI, it is true that higher levels of per capita income helps in facilitating lower levels of hunger, although there are countries with relatively high levels of per capita income but also high scores for PoFI (e.g. Mongolia and Congo).
- It could be on account of higher levels of inequality of income / opportunity among other factors.
- Important point to stress here is that countries can address hunger effectively through higher levels of social protection expenditure, even at lower levels of per capita income.
- From our sample, the examples include: Ghana (7), Nigeria (11), Armenia (12), Guyana (17) and Viet Nam (20).

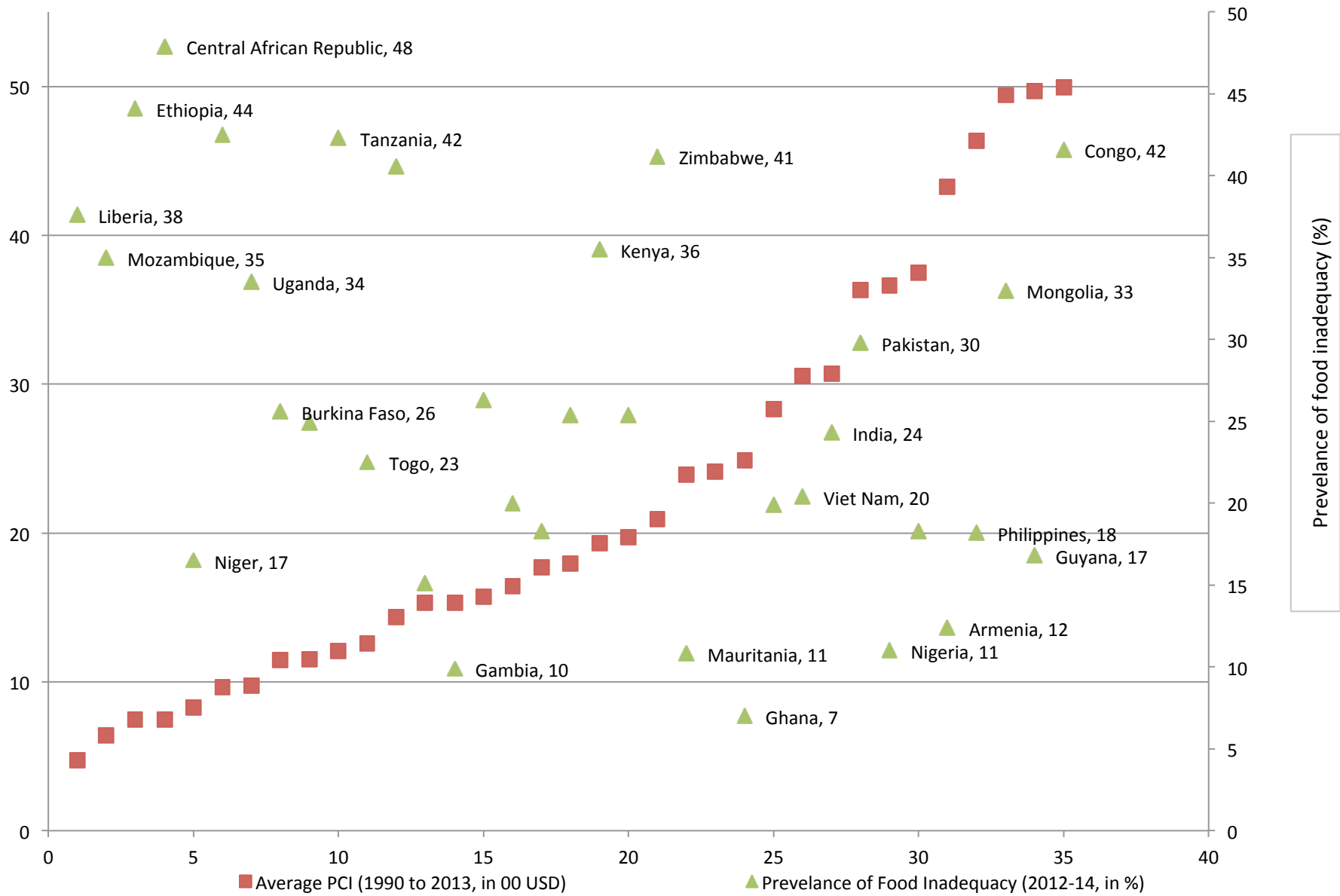
# Relationship between Social Protection Expenditure and PoFI



# Relationship between per capita GDP and Social Protection Expenditure



# Relationship between per capita GDP and PoFI



# Case Studies: India

- India's PDS has world's largest government supported distribution network, with **498 thousand fair price shops** nationwide, serving approximately 160 million households and the entitlement of cereals alone ranges between **25-35 kgs** per household per month.
- There are instances that PDS reduced the poverty-gap index of rural poverty by **18 to 22 %** at the all India level, between 2004-05 and 2009-10.
- It is also worth highlighting that over the same period, performance of states (Provinces) with better functioning PDS in place has been even more impressive (e.g. Tamil Nadu and Chhattisgarh have reduced the said gap from **61 to 83 % and 39 to 57 %**, respectively).



# Employment Programme

- With regard to the income support measure through creating employment opportunity, MGNREGS provides enhancement of livelihood security, giving at least 100 days of guaranteed wage employment in every financial year to every household on demand, whose adult members volunteer to do manual work.
- The MGNREG programme is indeed the largest public employment programme in the world, providing work to 50 million rural households, and nearly one in every 3 rural household has benefited from it.
- Through this provisioning, in the financial year 2013-14 (till 31 December 2014) alone, 1.21 billion of person-days of employment were generated;
- Out of which 40 % participation was from marginalised groups (Scheduled Caste and Scheduled Tribe) and;
- 56 % beneficiaries were women.

# South Africa

- Public provisioning on social protection through [old age pension and child support grant](#) which possibly have been critical in facilitating low levels of hunger and food insecurity in South Africa.
- In fact the [child support grant](#), which has the coverage of more than 10 million children as per the recent estimate, has been much lauded in improving child outcomes e.g. school attendance, nutritional status and reduction in child labour.
- As a recent ILO report notes, “child support grant has the potential to alleviate credit constraints, which in turn supports investment by families in schooling and nutrition of dependent children”.
- In South Africa, within the broad head of social protection expenditure on old age, disability grant, foster care and child support grants have been receiving high priority and the annual provisioning per beneficiary for these components, for the financial year 2015-16, is reported to be [USD 1620, 996 and 386](#), respectively.
- Clearly, these important programmes have been critical in ensuring low levels of PoFI for South Africa.

# Brazil

- Brazil's creditable performance in tackling hunger and malnutrition particularly through its 'zero hunger' and other programmes such as increased minimum wage and the '*BolsaFamilia*' (cash support from government to poor families).
- As per a recent report: "in just nine years (2003-2012), it (Brazil) has slashed child malnutrition by 61 % and rural poverty by 15 %".
- The said report also notes that over the same period, 28 million people have been lifted out of poverty and child malnutrition has been reduced substantially."
- It is worth noting that Brazil's expenditure on social protection, at 17.9 % of GDP, among the highest in developing world.

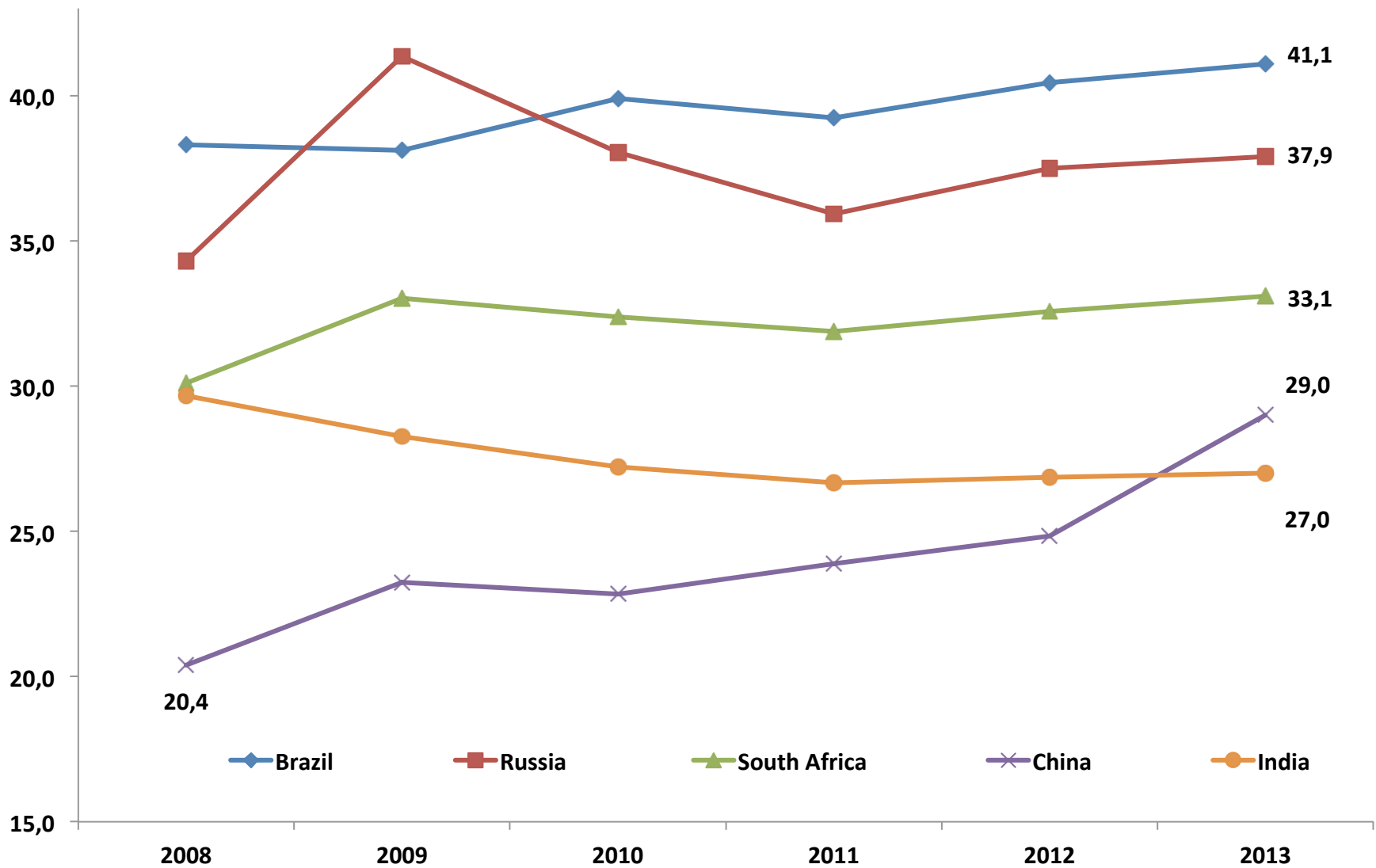
# Concluding Observations

- There is a strong positive correlation between public provisioning towards social protection (through a variety of schemes and programmes) on the one hand and lower levels of hunger and food insecurity on the other.
- A country with better and wider public provisioning to various branches of social protection could go a long way in addressing the concerns of food (in) security, hunger and malnutrition.
- Major policy challenge that governments in most developing countries confront is that of devising appropriate strategies for protecting the vulnerable sections of population.

# Contd...

- Countries with even low levels of per capita income can address the problem of food (in) security by provisioning higher levels of social protection expenditure, particularly for the vulnerable sections of population.
- Important to take into account issues of adequacy of resources, appropriate policy design as well as institutions and governance structures created to deliver the relevant services.
- In most developing countries one of the biggest issue with respect to public provisioning towards social protection to address hunger and food insecurity which is organically connected with that of adequate 'fiscal' or 'expenditure' space.
- They have experienced serious stress in expanding the scope of their fiscal space, as is evident from their tax-GDP or expenditure / GDP ratios.

# Expenditure-GDP Ratios: BRICS Countries



# Tax-GDP Ratios: BRICS Countries

