



‘Vulnerable yet Viable’: Social Protection Policies for Households Affected by HIV and AIDS

“Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control” (United Nations 1948).

The previous sections highlighted the findings of a study commissioned by the Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) on the impact of HIV and AIDS on agriculture and food security in the seven most affected counties in the region - Botswana, Lesotho, Namibia, South Africa, Swaziland, Zambia and Zimbabwe. The sections examined the aggregated impact on household agricultural labour supply, economics as well as food availability, access and utilisation. The study tracked, among many variables, household dependency ratios, productivity, consumption patterns, asset-base, and gender dynamics. A key conclusion was that while the epidemic is having an ‘invisible’ impact on agriculture and food security – issues of hunger and HIV are reinforcing each other – and leading to a potentially tragic new level of famine.

In addition, a new statistical tool, the “Household Vulnerability Index” (HVI) was introduced to support regional vulnerability assessments and early warning systems with a yardstick for determining the current levels of vulnerability introduced by the epidemic. This tool aims to enable policy makers to develop more strategic policy responses with respect to various sources and degrees of vulnerability.

With this information, it is possible for policymakers to consider more effective strategies for development and social assistance to address the unacceptable levels of deprivation that have been introduced into households by the HIV epidemic. This final section of the book is a special call to policy makers to design new social protection regimes that will rebuild the resilience of affected households. Careful assessment of these

“varying degrees of resilience” constitutes the missing link in the current design of development programmes.

Expanding the Net: Link between social protection policies and safety nets

In Africa, ‘safety nets’ were promoted in the 1980s as a response to the adverse effects of economic structural adjustment programmes. Although some safety nets

had a development component, they remained largely associated with the idea of a “short-term buffer”.

“Social protection” is a term that extends beyond the traditional concept of short-term safety net programmes, by emphasising a longer-term development approach which includes social assistance and social insurance. Many individuals advocate that social protection should be a right as opposed to a form of emergency relief.

Defining social protection

Social protection has three key elements – vulnerability, unacceptable levels of deprivation, and public action. According to Norton, Conway and Foster, 2002, social protection refers to the public actions taken in response to levels of vulnerability, risk and deprivation which are deemed socially unacceptable within a given polity or society.

Traditionally, social protection was aimed at simply “raising the consumption of the poor through publicly-provided transfers”, but more recently the focus has shifted to “helping low-income households cope with income fluctuations as well” (Morduch & Sharma, 2002).

A narrow definition of social protection might restrict the definition, for policy purposes, to direct transfers of food, but a broader definition recognises that production, employment, trade and transfers can be effectively supported under the rubric of social protection.

Goals of social protection

- 1. Social insurance** - If the objective of economic growth is to raise average income; the objective of social protection is to reduce variations around average income.
- 2. Social assistance** - To buffer the consumption of chronically poor individuals who cannot benefit from interventions that raise earned income (i.e. the labour-constrained poor – people with disabilities, orphans, people living with HIV and AIDS [PLWHIV] etc.).

Types of social protection

- 1. Production-based entitlements:* stimulated through the provision of inputs (seeds and tools) to food deficit farmers;
- 2. Employment-based transfers:* can be created, for example through food-for-work projects;
- 3. Trade-based entitlements:* can be enhanced, for example by using consumer subsidies or food price interventions.
- 4. Transfer-based entitlements:* food aid or supplementary feeding, or cash transfers or vouchers that boost the purchasing power of the food insecure.

Traditional safety nets have been short-term programmes designed to re-distribute resources to poor people to reduce chronic poverty or to protect them against risks to their livelihoods. These populations have experienced risks posed by disease, loss of employment, drought, conflict, financial crises, or macroeconomic adjustment. Social protection is a more holistic approach, and involves programmes that reduce the impact of emergencies by assisting households to cope with the aftermath. Social protection also promotes interventions designed to prevent emergencies, shocks and destitution in the first place. To achieve both the short-term and long-term goals of a broader development strategy, there is a need to develop and maintain partnerships between government, the private sector and civil society (IFPRI, 2004)

The Dilemmas of Public-funded Social Protection for Food Security

Several theories have been put forward as to why southern Africa coped less effectively with the food crisis of 2001/02 than with the drought of 1991/92. The World Food Programme (2005) described it as the “lethal mix of three factors – HIV and AIDS, market liberalisation, and governance failures”. All three of these factors have impacted negatively on informal social security systems and have increased the poverty and vulnerability of people throughout the southern African region.

Against these real and possibly increasing needs, is a call to address the key questions that dominate the debate on social protection in the SADC region:

1. How can poor countries provide effective social protection for their citizens, given the fiscal constraints these governments face, and pressures to prioritise public spending in the “productive” economic sectors rather than the social sectors?
2. Given the close linkages between chronic and transitory food insecurity, can public interventions achieve positive synergies between social protection and pro-poor economic growth, (by supporting people through short-term crises while reducing their long-term vulnerability)?
3. How can governments and donors move beyond supporting a set of loosely related ‘social welfare’ or ‘safety net’ instruments, towards an integrated approach to social protection that addresses vulnerability in a comprehensive and systematic way?
4. Given fiscal and administrative constraints, and an economic context of reducing government interventions in the economy, how can public actors (governments, donors) work together in partnership with private and informal actors (communities, CSOs and NGOs, FBOs) to deliver effective social protection?
5. How can targeting and quantifying of household vulnerability be best improved in order to provide concrete guidelines for designing appropriate social protection programmes for emerging vulnerable groups that differ from the traditional ones?

Based on these critical questions, there are several key recommendations to take into consideration for the design of social protection programmes:

1. Since comprehensive social protection for all southern Africans is unaffordable, at least for the foreseeable future, affordable, high-impact interventions should be prioritised;
2. Social protection must be perceived in its broader sense of providing social assistance to those who are chronically unable to make ends meet, as well as social insurance against transitory fluctuations in household access to food;
3. In the current policy context of Poverty Reduction Strategy Papers (PRSPs), social protection must be fully integrated into poverty reduction programmes, and should include measures that empower citizens wherever possible to move out of poverty and reduce their vulnerability.

A Case for Social Protection in Households affected by HIV and AIDS

Given that social protection is an expensive use of scarce public resources, there are four key arguments for prioritising social protection with a specific focus on households affected by HIV and AIDS.

1. Equity – humanitarian relief to people whose lives and livelihoods are threatened by natural disasters is grounded in the humanitarian principle that saving lives is an imperative that must be followed, whatever the cost. International human rights charters - e.g. the United Nations Universal Declaration of Human Rights, 1948, reinforce this argument. The HIV epidemic has reached emergency proportions in southern Africa. The epidemic was sighted as a contributing factor in declaring a state of food emergency in Lesotho and Swaziland in 2005. Hence all national and regional development programmes and policies need to reflect the same urgency and concern to save lives and livelihoods - no matter the cost.

2. Millennium Development Goals - the current preoccupation of governments and donors with poverty reduction and the UN Millennium Development Goals (MDGs), requires a holistic approach that includes not only policies for raising incomes, but also redistribution of assets and income to the poor. This should include measures to reduce income variability and smooth consumption – which is the essence of social protection. In addition, social protection can also generate positive returns, as the presence of effective social assistance and social insurance programmes can encourage moderate risk-taking by the poor, leading to higher average incomes.

3. Cost of ignoring social protection - the direct and indirect cost of not investing in social protection policies and programmes presents another argument for investing in social protection. In countries that are heavily dependent on rain-fed agriculture, the costs of harvest failure are threefold: lost income to farming households, lost foreign exchange from agricultural exports, and higher than normal food imports, for which scarce foreign exchange must be

expended. A recent study of the costs of climatic variability in southern Africa estimated that the 1991/92 drought cost the region over US\$ 2 billion in lost maize production (10 million tonnes), in costs of importing cereal to bridge production deficits, and in incalculable wider impacts on the agriculture sector and GDP (Clay et. al, 2003). If these countries had succeeded during the 1990s in ‘weather-proofing’ their economies – by investing in small-scale irrigation, livelihood diversification, market integration and comprehensive social protection measures – then the costs and impacts of the 2001/02 weather shocks might have been largely contained. Instead – though the full costs have not yet been estimated – the 2001/2 crisis exposed the heightened vulnerability of national economies and household livelihoods. These effects were magnified in most affected countries by the absence of adequate social protection policies and programmes.

- 4. The “new reality”** – a new reality that governments need to accept is that the magnitude of the impact of the HIV and AIDS epidemic on agriculture and food security has reached “famine level proportions” - but unlike the case of drought, famine and floods – the impact of the epidemic is gradual and not easily visible or quantifiable to attract crisis-type emergency intervention and aid. Yet, the impact of HIV and AIDS on household food security in the SADC region has reached alarming levels. In this crisis lies the call for a new design of public-based social protection packages and programmes, based on this new reality, that will reduce vulnerability in the short term and develop coping capacity for the longer term. The new programmes should be based on a new scheme of Public-Private Partnerships. The region needs a long-term, multi-sectoral response to HIV.

Policy Recommendations

Duvereux (2003) highlighted three categories of focus for the development of the ideal, comprehensive social protection policies for Southern Africa. These cover risk reduction, mitigation of impacts and building coping capacity (resilience).

1. Risk Reduction Measures:

The establishment of National Social Protection Agencies (NASPAs) co-ordinated at the regional level by SADC, with at least four mandated functions:

1. To develop and implement a clear strategy for monitoring, and quantifying the impact of HIV and AIDS on agriculture and food security, as well as monitoring and measuring the resultant vulnerability on livelihoods, for public action and response;
2. To find sustainable solutions to the problem of constrained access to agricultural inputs that undermines the viability of farmers’ livelihoods and raises vulnerability throughout the region;
3. To monitor national food availability and trends in food prices, in collaboration with early warning systems such as FEWSNET, and to ensure that rapid response capability exists;
4. To design more effective responses to the impacts of HIV and AIDS on household livelihoods, for instance, by identifying and disseminating labour-saving agricultural technologies and/or low-labour alternatives to farming, for households that have become labour-constrained because of AIDS-related illness and deaths.

2. Risk Mitigation Measures:

The 2001-02 Food Crisis in southern Africa underlined the importance of maintaining national grain reserves. However it is important to:

1. Maintain the appropriate level of national grain stock i.e. balancing risk mitigation objectives against the high financial costs of holding un-utilised grain in silos;
2. Effective and transparent management of the national grain reserves;
3. Invest in exploring the feasibility of alternatives such as grain futures markets.

3. Risk Coping Measures:

A major challenge is to target the benefits of social protection transfers on the most needy – especially in the context of HIV and AIDS. The use of “vulnerability” as an absolute status - for example by simply describing chronically ill or female-headed households or orphans as vulnerable groups – is inaccurate. Specifically, vulnerability should not be used synonymously with need, as it should reflect the likelihood of a particular outcome arising for that group in the future.

Policy options for risk coping measures include:

1. Understudying and extending the concept of social pensions (as in South Africa, Namibia and Botswana) to all countries in SADC;
2. A robust targeted public transfer scheme based on a standardised vulnerability index able to establish and categorise the level of vulnerability in a given HIV affected household that would minimise the losses to untargeted transfers;

3. Select measures that achieve both risk coping and risk reduction objectives simultaneously e.g. public works programmes, which build market-integrating roads and other infrastructure; and school-based feeding schemes that enable transfer of skills that should offer future generations more livelihood options than farming for subsistence.

For the longer term, a risk management approach to household food security is critical. There is need for an approach that would shift policy attention away from reactive short-term safety nets, and towards a risk reducing strategy that minimises income and consumption variability by supporting farmers while simultaneously promoting livelihood diversification, to reduce dependence on rain-fed agriculture. Since the objective is to support more secure and more lucrative livelihoods for all southern Africans, such a strategy should achieve both social protection and economic development objectives.

A targeted Public Transfer Scheme based on a standardised vulnerability index: The Household Vulnerability Index (HVI)

Implementing any risk coping measures for households affected by HIV and AIDS will be highly dependent on proper targeting of the vulnerable, because not every household affected by AIDS falls under the vulnerable category.

The Food, Agriculture, Natural Resources Policy Analysis Network (FANRPAN) has developed a tool for quantifying vulnerability of affected families – the Household Vulnerability Index (HVI). The different Household Vulnerability Indices (HVI) reflected the different degrees

of vulnerability. Three levels of vulnerability will be of particular importance for social protection purposes:

1. Vulnerability level 1 = Coping level households (CLH) – households in a vulnerable situation but still able to cope;
2. Vulnerability level 2 = Acute level households (ALH) – households that have been hit so hard that they badly need assistance to the degree of an acute health care unit in a hospital. With some rapid-response type of assistance these may be resuscitated;
3. Vulnerability level 3 = Emergency level households (ELH) – the equivalent of an intensive care situation – almost a point of no return – but could be resuscitated with the best possible expertise.

Policy makers and development specialists can use this tool to design, plan and implement comprehensive and well-targeted public-funded social protection programmes that specifically focus on reducing household vulnerability and to improve food security among HIV-affected families.

Some On-going Social Protection Programmes and Systems

According to IFPRI, 2004, there are already many examples of safety net programme options being implemented in different parts of the world as a way of reducing household vulnerability to food security. These include: cash transfers and conditional transfers; free food distribution; direct feeding programmes; school-based food programmes; food stamps; price subsidies; subsidised agricultural inputs; public works programmes; social health insurance; and micro-finance.

1. Cash Transfers and Conditional Transfers

These involve the direct transfer of cash to poor households. These programmes are often targeted at specific groups – the elderly, children, the malnourished,

pregnant women, single parents, the disabled or the very poor. An urban programme in Mozambique, for example, gives transfers to many of these groups whose households are poor. South Africa and Namibia have old-age pension systems. South Africa also has a child support grant and a disability grant. Such programmes provide significant social and economic security.

2. Free Food Distribution

Hunger is one of the most obvious manifestations of extreme poverty. ‘Free food’ distribution has generally been more politically acceptable than cash transfers. Moreover ‘free food’ from food surplus countries is often available to food deficit countries as food aid, whereas providing the equivalent aid in cash may not be politically feasible. In a pure relief programme, food is distributed free, either as disaster relief or as in-kind transfer to certain disadvantaged groups in the society. Direct distribution is sometimes combined with other programmes involving nutrition, education, and health services.

An example of direct food distribution is food-for-work programmes in which food is used as payment to workers. This is common in many countries in Africa and these programmes play a dual role – providing employment for the poor and creating public assets such as rural roads.

3. Direct Feeding Programmes

These distribute meals and nutritional supplements to people who are deemed vulnerable to malnutrition, usually pre-school children and women of childbearing age from low-income households. The programmes represent a public investment in human capital because they reduce the long-term effects of malnutrition.

The attraction of feeding programmes is that they have a clearly identifiable target group – even very poor countries generally have the capacity to measure malnutrition, and these programmes can be implemented through existing health systems and by community workers.

4. School-Based Food Programmes

These distribute prepared food (e.g. nutrient-fortified biscuits and milk) to children in school. School feeding tends to increase school attendance and reduces short-term hunger experienced by children in the classroom, hence improving their learning ability. Food-for-education programmes distribute free food grain to low-income families if their children attend primary school. The grain can be used to feed family members or sold to meet other expenses.

Both these feeding programmes provide immediate sustenance for the hungry while empowering future generations by educating today's children.

5. Food Stamps

These are distributed to eligible consumers. The food stamps or coupons have a cash value when used for purchasing food in a commercial store and the seller redeems the stamps from a bank or a government office. The major advantage of a food stamp programme is that it utilises the normal food marketing system hence eliminating some administrative burdens including the cost of commodity handling. The major challenge lies in identifying qualified recipients.

6. Price Subsidies

Some form of price subsidies for consumers is common in most countries. As a way of protecting the poor from

high prices, governments provide food at a lower-than-market price, subsidise commodities and services such as electricity, provide low rent housing, and reduce or waive fees for education and health care services. A general food price subsidy makes unlimited amounts of the subsidised foods to all.

Unrestricted subsidies achieve maximum coverage of the population but are more costly than targeted programmes. Costs and administrative complexity can be reduced through “self-targeting” i.e. by subsidising items disproportionately consumed by the poor. Food price subsidies can also be seasonally targeted – governments of some countries with major seasonal food shortages and price spikes, buy food grains during the harvest season and release stocks onto the open market during the lean season.

7. Subsidized Agricultural Inputs

Agricultural inputs such as fertilisers are often subsidised to help poor farmers and increase crop productivity. However, subsidised agricultural inputs are commonly used in direct proportion with landholding size, so such subsidies end up benefiting the not so poor. Instead free distribution of very small quantities of inputs such as fertiliser and seed to small and marginal farmers can increase their incomes more effectively.

As an excellent example, a food security pack is distributed by an NGO, Programme Against Malnutrition (PAM) in collaboration with the Zambian government, to vulnerable but viable households to self-sustain and increase their food security.

8. Public Works Programmes

These programmes constitute an important type of safety net for reaching the poor throughout Africa.

They provide emergency relief, as well as contributing to economic development. These kinds of programmes transfer short-term wages or food but, if carefully designed, could also help build needed assets such as schools and clinics, facilitate access to markets through the construction of roads and provide training and organisational capacity.

In South Africa, the public works programmes have included support for small contractors, certified training to increase opportunities for workers to enter the labour market and capacity building for community-based organisations involved in project implementation.

Public works programmes are “self-targeted” in that the very poor are most likely to accept the low-wage, unskilled work offered. In terms of policy recommendations, these programmes should target infrastructure and resource deficiencies and focus on high return investments. They should be mainstreamed into cross-sectoral public planning and they should be flexible enough to respond both to chronic poverty and crises.

9. Social Health Insurance

In many African countries, social insurance is a form of social protection. Social health insurance schemes are typically contributory in nature, with participation by government, the beneficiaries themselves, and donor organisations or international agencies such as the International Labour organization (ILO).

10. Micro-finance

Micro-finance, which includes both credit and savings, is a form of social protection and enterprise promotion. The worldwide micro-finance movement has promoted individual and group-based access to savings and credit,

sometimes with insurance and training components. The movement has for the first time, given millions of poor people access to more formal financial institutions.

Micro-finance can protect the poor during large shocks, helping them to avoid drastic actions such as distress sales of land and draft animals that can permanently damage future earning potential. The presence of micro-finance institutions in the community can also increase a household’s risk-bearing ability, enabling investment in more profitable activities.

Some of the challenges with microfinance arise from difficulties in reaching the poorest; developing sustainable co-insurance between poor people and these factors are exacerbated by the HIV epidemic. Other barriers are the expense of building parallel financial institutions, and the lack of rural infrastructure and markets that hinder credit viability.

Conclusion

Social protection refers to the public actions taken in response to levels of vulnerability, risk and deprivation which are deemed socially unacceptable within a given polity or society. Most societies have private inter-household, intra-family and intra-household transfers that promote resilience to shocks, mitigating their negative effects. However in countries or communities where people are universally poor, there is less to share, particularly in times of shocks that affect many in the society (such as drought, famine, floods, HIV, or widespread structural unemployment), which is precisely why social protection is critical in Southern Africa. Social protection must, however, be perceived in its broader sense of providing social assistance to those who are chronically unable to make ends meet, as well as social insurance against transitory fluctuations in household access to food.

The HIV and AIDS epidemic has introduced a new reality in the region that will require new thinking and innovation. The programmes described in this section confirm that it is indeed possible for governments to accompany vulnerable groups and help them cope through creative public programmes. “Social protection” is a newer term that incorporates safety net programmes but also includes a role for “renewed state involvement”, emphasises a “longer-term development approach”, and is often “advocated for as a “right”, rather than a reactive form of relief”.

Any meaningful efforts to develop a comprehensive social protection programme for HIV affected households must be accompanied by a comprehensive system of measuring and quantifying vulnerability – *the impact of HIV and AIDS is gradual, widespread and not so easily visible*. The use of “vulnerability” as an absolute status - for

example by simply describing chronically ill or female-headed households or orphans as vulnerable groups should be avoided. Vulnerability should especially not be used synonymously with need, as it should reflect the likelihood of a particular outcome arising in the future.

The establishment of National Social Protection Agencies (NASPAs) co-ordinated at the regional level by SADC is an urgent action. These should be tasked to develop and implement a clear strategy for monitoring, and quantifying the impact of HIV and AIDS on agriculture and food security, as well as monitoring and measuring the resultant vulnerability on livelihoods for public action and response. If not checked, the depth, magnitude and severity of HIV and AIDS on agriculture and food security will soon cause a food crisis of much greater magnitude than previously experienced.



