International Journal of Arts and Social Science **www.ijassjournal.com**
ISSN: 2581-7922
Volume 5 Issue 9, September 2022.

Social Safety Nets in African Low-Income Countries: Unfoldment in Benin

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Abstract: Social safety nets as response to extreme poverty alleviation in African low-income countries still strive to fit and reinvent themselves in order to ensure their main goal achievement. The concept's definition suffers so far of common stand fluctuating importantly referring to institutions, time, place and circumstances. In the context of African low income countries like Benin, safety nets programs play narrowed functions. They address issue of living conditions of most vulnerable, ensure that households' means of subsistence are protected and help them to invest in human capital through children' schooling meanwhile in transition and developed economies these programs occur as sophisticated. In cash and in kind transfers can't be efficiently achievable owing largely to their unaffordable financial cost, to existing administrative capability concern as well as to significant technical challenges involving managerial, conceptual, monitoring, reporting skills' shortage and data availability and reliability. However, such nations dispose likelihood to overcome these undermining challenges simply throughout their rich natural resources' re-appropriation and locally transformation.

Keywords: *Social safety nets, African low-income countries, restricted assistance, undermining challenges, natural resources' re-appropriation.*

I. Introduction:

Regardless of their prevailing ideology or level of development, countries set up social protection programs despite uneven capacities in term of ensuring needed protection to vulnerable and poor. In doing so, they use multiple tools or instruments that appear more or less well set up, implemented and effective. Social safety nets in African low-income countries as protective and productive tool target coverage of most vulnerable and poor within an environment characterized by dominating informal sector, residual formal social security coverage and mass poverty as well. In such countries with huge social challenges and limited public revenue, social policies'deployment through social safety nets aims at pulling needy out of poverty by ensuring protection against risks related to food, education and health for some groups such as elderly, orphans, disabled, internal displaced or refugees, extremely poor, disadvantaged ethnic or religious minorities, etc. However in this context, involved programs persist in being basic and simple far from sophistication they witness in developed or in transition economies. To surround the topic meaningfully, it should be worthy to provide insight to social safety nets concept's definition, their inception, objectives, funding means, their unfoldment as well as major inherent challenges in context of African low-come countries.

II. SOCIAL SAFETY NETS' CONCEPTUAL BACKGROUND AND INCEPTION IN SUB-SAHARAN AFRICA

1) Social safety nets' conceptual background

Analogically the term social safety net is coming from high wire walkers who are supposed to get rescued or protected by safety nets in case they fall down during performing demonstrations. These walkers carry long poles that allow them to ensure balance impeding them to fall. Nonetheless, both safety nets and poles do not guarantee any compensation form to the walker once he or she falls and get wounded. It should be pointed out that this metaphor might not be pasted from circus to society given that the term social safety net involve somewhat insurance'simplications.

There are large gap and variations over this concept definition linked highly to place, time and circumstances triggering significant confusions.Hence some definitions upheld by the World Bank and the International Labour Organisation will be considered in this article.

1-1) World Bank definition of social safety Nets

Since the emergence of social safety nets' concept the World Bank has been continuously changing its definitions and understandings over time through released development reports and papers. In its 2003 clarifying definition, the financial institution outlined that: "Safety nets are basically income maintenance programs that protect a person or household against two adverse outcomes: a chronic incapacity to work and earn, and a decline in this capacity caused by imperfectly predictable lifecycle events (such as the sudden death of a bread winner), sharp shortfalls in aggregate demand or expenditure shocks (through economic recession or transition), or very bad harvests. Safety net programs serve two important roles: redistribution (such as transfers to disadvantaged groups) and insurance (such as drought relief)."(Paitoonpong et al.,2008). Indeed, this definition involved programs that aim at redistributing as well as decreasing risks' impacts in a bid of poverty alleviation. The Bank advocates that the redistributive character will bring about weakened impact of poverty while the risk reduction character is expected to ensure protection of vulnerable and poor individuals, households as well as groups of communities against income or consumption risks inasmuch as they are not insured.

A more recent definition made by Groshet al. (2008) and acknowledged by the World Bank over"social safety nets" or "social assistance" refers to non-contributory transfers programs targeting in a way or another poor and vulnerable people, namely:

- Cash transfers or food vouchers, categorical or resources-conditioned, such as family and elderly allowances;
- In-kind transfers, school meals or supplementation programs intended for mothers and children, but likewise food rations' distribution, school supplies, uniforms, and so forth.
- food and energy's prices subsidies in a bid to improve purchasing power of households;
- Conditional allowances through earned-income deriving from labour-intensive public work;
- Conditional cash and in kind transfers oriented to vulnerable households that obey to certain education and health conditions;
- In fine, fee exemption for schooling, basic services, healthcare, transportation or public services.

1-2) Social safety nets as defined by the International Labour Organization

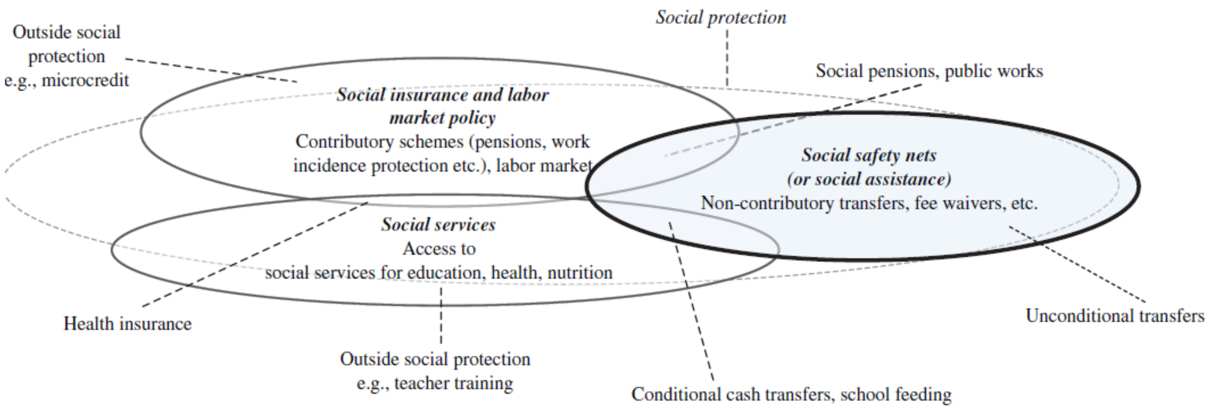
The organization employs restricted definition than that of the Bank. A released research carried out by the organization outlined that "'is a government-provided anti-poverty benefit'' (Gillion et al., 2000). Accordingly, assistance drawn from employers' contributions within private sector is not rigidly involved in the net.In the organization's stand point, social safety nets are involved in social assistance that is component of social security. The latter itself is comprised in larger social protection.

Likewise, it recommended that social safety nets take part in a residual and selective role within social policies in a bid to overwhelmingly fill gap. Social insurance's assignment might be weakened by over-dimensioned role attributed to social assistance and social safety nets. The former is supposed to represent social protection's main pillar (Wickramsekara, 1999).

1-3) Social safety nets' component in social protection

The figure below shows its placement within larger social protection system.

Figure: social safety nets as component of social protection system



Source: adapted from Gentilini and Omamo (2011)

https://www.worldbank.org/en/topic/safetynets/publication/the-state-of-social-safety-nets-2014#:~:text=Social%20safety%20nets%20are%20not,in%20developing%20and%20emerging%20countries.

2) Inception in Sub-Saharan Africa

With their implementation starting during 1980s across African countries, social safety nets' concept was designing temporary measures or policies aiming at relieving people pushed transitorily into vulnerability by structural adjustment programs that manifested throughout deregulation and liberalization of African economies. These structural adjustment programs wanted by Bretton Woods institutions had led to unprecedented social crisis increasing significantly share of poor population that was not benefiting of social protection system (social security was residual and informal sector prevalent)(Cherrier, 2020). Since then safety nets'conception has been evolving over time and fluctuates considerably according to place, circumstances, prevailing ideology and development stage. Broadly, from temporary policies executed in a bid to address downsides effects of structural adjustment programs, social safety nets in sub-Sahara Africa were turned into lasting public policies tools that target enhanced resiliency of vulnerable individuals, households and communities over time.

III. JUSTIFICATION AND FUNDING OF SOCIAL SAFETY NETS

Social safety nets as part of much broader social policies in effect, contribute to poverty alleviation as well as to socioeconomic inequality reduction. They are part of social policies that encompass social protection (social safety nets, social assistance, social insurance), education, health, tax system, basic services, workers' rights (minimum wage, etc), prices' subsidies and further policies.

Hence according to Grosh et al., (2008), social safety nets might participate relevantly in development strategies through 4 pathways:

- They contribute to redistribution. Indeed, As poverty reduction's direct policy they contribute to alleviate poverty and inequality throughout wealth and income'sre distribution leading to improved shared prosperity;
- They enhance households' capabilities by allowing them to undertake projects that were priori made impossible owing to inaccessibility to credit market and also by paving the way to investment in human capital especially children schooling;
- They play an insurance role by contributing to risks' management (protection role). These risks may concern livelihood's means (productive), food, education and health;
- They make possible for governments to focus on efficiency. Indeed, while distress of equity is handled in society using social assistance, it offers room to governments which can then concentrate on growth and efficiency.

Literature related to social safety nets' funding remains still so scarce. In fact, financing social safety nets theoretically obeys entirely to public finance rules. Social safety nets are part of public expenditures that are financed by public revenue and as such are bound by same economic theory of marginal profits and costs. More accurately, they can be financed through reallocation, tax income, debts or subsidies. However reallocating public expenditures of lesser priority is better considering that increasing taxes may lead to meaningful political and economic costs meanwhile debt means hard-paid interests especially for African countries which afford it at highest rate. Indeed, resorting to debt mechanism is fit to situation where financed social safety nets are oriented to meet upcoming generations needs' by enhancing their related productivity or secondly to context where the country faces recession and tries to address it throughout Keynesian approach based in higher social transfers and expenditures. Furthermore, social safety nets' expenditure relatively to gross domestic products remains impacted (even though barely and in a positive trend) by level of income and democracy across larger share of developing world. These countries usually allocate merely between 1 and 2 per cent of their GDP to social safety nets expenses (Grosh et al., 2008).

IV. SOCIAL SAFETY NETS UNFOLDMENT IN AFRICAN LOW-INCOME COUNTRIES: THE CASE OF BENIN

In the context of African low income countries, safety nets programs play restricted functions. They address issue of living condition's improvement of most vulnerable, ensure that households' means of subsistence are protected and help them to invest in human capital through children' schooling while in intermediate economies safety nets can objectify coverage of all targeted groups (much larger coverage). In this case, Safety nets are made up solely of few basic and simple programs that get enhanced over time in a bid to trigger institutional capability's improvement while reversely these programs are sophisticated in economies with higher income such as middle-income countries (Fox, 2003).In African low-income countries, in cash transfers can't be efficiently achievable owing to their financial cost as well as their administrative capability. However these countries can capitalize gains by improving existing targeting methods. The scarce public resources detained should be oriented to social investment encompassing essentially education and health expenses.

Towards implementing, typology and characteristic of social safety nets fluctuate inside these countries' group like elsewhere. In 2015,Hodges and Medeji had provided detailed insight in the case of Benin in West Africa. Indeed, prices' subsidies were constituted prevailing social safety nets in Benin. It was covering food and fuel products as well as electricity. They are then followed in order of importance by type of social nets below:

- School canteens that concern a share of primary students;
- Food distribution programs in cases of emergencies mostly due to floods;
- Nutritional assistance programs covering food or dietary supplements' distributions oriented to malnourished or sick people;
- There is also a bare program directed to most vulnerable and which involves punctual relief, healthcare fees' exoneration, school supplies' distribution and very limited number of scholarship to girls.

Likewise social safety nets extend to some aspects of agricultural sector:

- Free distribution of seeds to certain categories of farmers;
- Fertilizers grants to whole farmers;
- "Money for work" programs doomed to support food sufficiency;
- Prices regulation's mechanism throughout system that ensures gathering of output's surplus coming from seeds and fertilizers recipients' farmers in a bid to constitute security stock and make possible affordability to related food products during period when prices generally spike.

In fine, concerning regular and predictable in cash transfers tohouseholds;it is executed recently with a single program for 2 years period and included2 components:

- Unconditional in cash transfers foroverall targeted households;
- Labour-intensive public work that targets same selected households and paves the way to additional income during short-term hard period while reversely in cash transfers instead ensure sustainable increase of income. The former prevents households to resort to harmful adaptation strategies such as asset sale, child labour or dropping children out of school in order to survive.

Nonetheless, this in cash transfers program covered solely about 13 000 households with global of 66 300 indirect recipients made up of households' members. Regarding targeting method, combined community approach with proxy means test method was implemented. Practically transfers are carried out by Mobile Money or thanks to a microfinance corporation. Obviously, when considering aforementioned data the in cash transfers' coverage remains residual and marginal relatively to prevailing mass poverty in low income countries in general. Hence for better efficiency, higher coverage rate of vulnerable households and more robust and significant cash transfers are needed to tackle extreme poverty.

V. CHALLENGES IN AFRICAN-LOW INCOME COUNTRIES

In implementing social safety nets numerous challenges are encountered around the world and especially in African low-income countries. Without being exhaustive, these challenges might encompass ideology, governance, financing and technic's considerations (Alderman, 2002).

1) Ideological challenges

Social safety nets as else assistances' forms might underpin incentives to idleness and lesser endeavour. Indeed, why bother to work hard when someone can get almost everything almostfree of cost provided by the community. Moreover, if strict means testing method is applied, it can fuel disincentive to harder work cause of possibility to be deprived ofright to benefits. However generally in African societies there is deep-rooted culture of assistance which is basement of human relation hence individualism and self-interest oriented mindset as driver of hard work can't proper so far.

2) Governance and administrative blockages

An efficient administrative mechanism is needed for successful implementation. However, evidences have shown that even in developed world, social administration experiences corruption and mismanagement of resources. Furthermore, in the case of African low-income countries, apart from aforementioned bias, administrative capacity is also weak characterized by low human capital with lack of related skilled staff at domestic level while their import is unaffordable owing to low earnings in effect.

3) Funding issue

Public expenditures are always constrained by budgetary considerations. This emerges as more meaningful in the case of countries in studies inasmuch as their national budgets are considerably limited compared to huge social challenges resulting significantly from rapid demographic growth (filet7). Broadly speaking, robust and efficient social safety nets appear as too costly and unaffordable especially for low- income countries.

4) Technical barriers

The conception and implementation of social safety nets need technical skills that can evolve over time, place and circumstances. Moreover, targeting real recipients is key mechanism to successful poverty alleviation programs but remains difficult task which is not eased given that it highly tied to governance quality.The management, accounting, monitoring and reporting system cope with significant insufficiency. Furthermore, carrying out successfully social safety nets programs at national level requiresdisposing considerable data that are unavailable and whose acquisition remains highly costly and unaffordable. This is even more complicated when basic socioeconomic data such as individual income, asset, age, disability, orphan status are not known precisely and timely or might suffer from relevant reliability concern(Smith et al., 2003).

VI. Conclusion:

Social safety nets as response to social crisis drawn from structural adjustment program in sub-Saharan low-income countries still strive to fit and reinvent themselves to accomplish their main goal that is to say alleviating poverty for most poor and vulnerable. Despite the concept somewhat old inception, it definition suffers so far of common stand fluctuating largely according to institutions, time, place and circumstances. The case of Benin put into evidence that programs constituting safety nets remain basic and simple reversely to what can be observed across developed or in transition economies where they are sophisticated. Such low-income countries are unable to set efficiently safety nets and strong coverage owing overwhelmingly to their high financial cost, to domestically existing administrative capability concern and to salient technical undermining drivers such as skilled workers' shortage and inherent data availability and reliability. However, African low-income countries might significantly resolve funding challenges by simply relying on their immense natural resources' exploitation instead of counting in traditional inefficient pathway based on taxrevenues and external debt. But this implies foremost the withdrawal of neo-colonialism system that is looting machine, the re-appropriation of these natural resources and their domestically transformation.

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