

## The politics of social protection: why are public works programmes so popular with governments and donors?

By Anna McCord

**T**his Background Note is an initial exploration of the political economy of adopting public works programmes (PWP) to promote social protection and employment in low-income countries (LICs) and fragile states. It examines how aspirations linked to household, local and national economic development, concerns about productivity and graduation out of poverty, and the desire to promote political stability can influence the selection of social protection instruments. The Note also discusses how this choice may be more closely linked to political economy concerns than to empirical evidence of programme impact.

The Note illustrates how politics matter in the selection of social protection instruments and how political dynamics can lead to inflated expectations about impact if programme design and institutional capacity are not given adequate attention. The Note outlines potential political economy drivers of public works programming. It sets out the reasons for the popularity of PWP and the assumptions that underlie this, reviews the (sometimes weak) evidence base for these assumptions and draws implications for both policy choice and programme design.

### The rising profile of public works

There is increased interest in the international development community in the role of PWP in the provision of social protection and the creation of employment in LICs and fragile states. Both LIC governments and donors are keen to identify social protection interventions that not only address basic consumption needs but also contribute, directly or indirectly, to tackling the chal-

lenge of unemployment at both household and aggregate levels, thereby addressing the key current challenges of promoting productivity, growth, and stability, while also promoting graduation and preventing 'dependency'.

There is a pervasive assumption that PWP have the potential to address these diverse concerns simultaneously: they can address not only the basic needs of programme beneficiaries but also the key political challenges of the times – unemployment, growth and stability. This expectation drives the preference for public works over transfer-based social protection in many LICs and fragile states.

### The emerging challenge

This growth of interest in the potential role of PWP has occurred, in part, because of the recognition that the relationship between growth, employment and poverty reduction has not been as strong as anticipated in previous decades, with adverse implications for the potential for pro-poor growth. Over recent years, growth, poverty and unemployment data have also provided evidence of the failure of the much-anticipated 'trickle-down effect'. Many LICs have experienced significant growth over the last decade, but poverty rates have declined only marginally, with growth in the absolute numbers of the poor and persistently high levels of under and unemployment, as growth has delivered either jobless or job-poor growth. For example, annual economic growth rates in Tanzania have risen from 4.1% in 1998 to 7.4% in 2008, but its poverty rates have not fallen significantly since 2001 and the number of people living below the poverty line increased from 12.4 million in 2001 to 13.5 million in 2007 (World Bank, 2012).

The events of the past decade have challenged the old orthodoxy that a rising tide will float all ships. It has become clear that in many countries significant segments of the population are excluded from the benefits of growth, suffering from either systemic unemployment as a result of profound changes in the structure of the world economy, or adverse labour market incorporation (Wood, 1999; du Toit, 2004), enduring conditions that fall far short of the ILO objective of decent work.

This situation has led to expressions of concern at national and international levels about the persistence of unemployment and poverty, and their contribution to ongoing underdevelopment and instability. In some contexts these concerns have been articulated in terms of the rights agenda, in relation to the fulfilment of the individual economic and social rights to work and to a decent standard of living. Elsewhere they have been framed in terms of the negative implications of poverty and unemployment for stability – a concern that has become prominent in the wake of the 2008/9 financial, food and fuel crisis and the events of the Arab Spring.

The financial crisis and the resulting global economic slowdown have exacerbated the effects of the ongoing global economic transformation. The problems of employment and poverty are now perceived as representing direct and real threats to both the human development agenda and national and regional stability. This has made the search for responses to poverty and unemployment that are both rapidly implementable and likely to bear immediate results more urgent. In this context, the potential for social protection to be part of the armoury of policy interventions used to address the human and political costs of rising unemployment and impoverishment is being eagerly examined.

### **Growing expectations of social protection**

Simultaneously over the past decade there has been a significant extension of social protection provision for the poorest in both middle- and low-income countries. Provision was extended from primarily contributory social security for elite groups to non-contributory assistance for the poorest – a movement led by middle-income countries (MICs) in Latin America, Asia and Africa (Hanlon et al., 2010). The donor community has supported, and in some instances led, these initiatives and a significant number of programmes, notably social cash transfer and public works programmes, have been developed with donor finance. In part, this is an attempt by donors to address the structural economic transformation which is undermining the ability of labour markets and subsistence agricul-

ture to provide adequate employment and means of livelihoods for significant proportions of the workforce in many LICs.

At the same time the expectations associated with social protection provision in LIC and MIC contexts have diversified significantly. The most minimal conception of social protection is the provision of a ‘social safety net’ to ensure that the basic consumption needs of the poorest are met at times of crisis, as expressed in the conceptualisation of social protection as a form of social risk management (see Holzman and Jorgensen, 1999). Others have conceptualised social protection as an intervention that guarantees ongoing financial support for the poorest in the form of a welfare entitlement, and others have extended expectations beyond welfare and the guarantee of basic consumption to encompass ‘graduation’ out of poverty itself (for an overview of the diversity of objectives associated with social protection provision, see Devereux and Sabates-Wheeler, 2007).

Graduation has become increasingly associated with social protection provision, and particularly public works interventions. It may be defined as: ‘a process whereby recipients of cash transfers, food aid or free or subsidised inputs and assets move from a position of dependence on external assistance to a condition where they no longer need these transfers, and can therefore exit the programme’ (Sabates-Wheeler and Devereux, 2011: 7).

At the same time ideological developments have also driven an extension of the expectations associated with social protection. In particular, critics from the right of the political spectrum have argued that consumption-oriented welfare provision should be replaced with provision that addresses both consumption and productivity, harnessing welfare provision to the promotion of livelihoods and employment (for example, Midgely, 1999).

Hence pressures from both right and left have converged to promote and popularise an approach to social protection provision that adds graduation and growth as central programme objectives, extending far beyond less ambitious welfare-smoothing objectives. Examples of programmes that have these aspirations range from the Chile Solidario, which combines social protection in the form of cash transfers with social work support, to programmes such as the Productive Safety Nets Programme (PSNP) in Ethiopia and the Productive Social Safety Net Programme (PSSNP) under the Tanzania Social Action Fund (TASAF), which aim to combine PWP employment, cash transfers and complementary programming, such as agricultural extension and micro-finance to promote productivity and graduation.

## The search for policy responses to unemployment and poverty

Governments and donors have explored a range of national policy options to address unemployment and poverty. On the one hand they have introduced a range of macro-economic, industrial and labour market policy interventions to promote market-based employment creation. On the other, they have experimented with a diversity of social protection measures both to meet individual welfare needs and also to stimulate demand and promote productivity. The development in recent years of a range of social protection programmes aiming to promote productivity in LICs illustrates this.

In this context there has been a resurgence of interest in LICs in the potential contribution of PWPs. They are assumed not only to offer direct welfare benefits through employment creation but also to have a range of other outcomes with the potential to contribute to both household productivity and broader economic growth, without raising the concerns regarding dependency and fiscal unsustainability that cash-transfer-based social protection provokes (McCord, 2009).

The popularity of PWPs is based on three broad sets of assumptions that relate to their performance at the micro-economic, macro-economic and socio-political levels. At the micro-economic level, the selection of PWPs is based on a set of assumptions relating to their ability to promote household-level productivity and livelihoods without inducing dependency. PWPs are also assumed to contribute directly through the wage transfer and indirectly through skills and asset creation to graduation out of poverty.

At the macro-economic level, it is assumed that a PWP will stimulate demand by injecting cash into the rural economy. The expectation is that a PWP will protect consumption during economic downturns, functioning as a form of automatic-stabiliser, in the case of the scaling up of an existing programme, or as a counter-cyclical intervention, when new programmes are initiated in the response to a crisis. There is also an aspiration that by creating productivity-enhancing assets and stimulating demand, PWPs may also contribute indirectly to national growth.

At the socio-political level the set of assumptions associated with PWP provision relate to their function as political and social stabilisers. They garner political support from the poor by offering direct assistance to their plight, and from the middle classes, who hope that PWPs will prevent dissent, migration and other undesirable responses to unemployment on the part of the poor. In the context of actual or potentially fragile states, it is also

assumed that PWP implementation can prevent rising social unrest and destabilisation, through a variety of direct and indirect channels including the direct employment of potential ‘spoilors’ of the peace (UN, 2009).

The remainder of this Note examines each of these sets of assumptions in more detail. It reviews both the evidence and the political economy considerations that inform each and assesses their implications for PWP design and implementation, in the context of the institutional and budgetary constraints prevalent in many LICs and fragile states.

## Economic function of PWPs at household level

### Assumptions

The micro-economic assumptions underlying the adoption of PWPs relate primarily to household welfare and productivity. Such programmes are popular because, in addition to the wage component, which has a direct impact on household-level welfare, it is also anticipated that they are likely to enhance productivity and even promote graduation. It is also widely assumed that the provision of social protection in the form of employment will reduce dependency.

Linked to this, there is a widespread perception in many LICs, particularly in sub-Saharan Africa, that social protection in the form of public works will prevent the dependency that is likely to occur if governments use alternative social protection instruments, such as unconditional cash transfers. The fear is that the poor might come to ‘depend’ on cash transfer receipt and withdraw from the labour market if the state offers guarantees of welfare, and that through the provision of state sponsored employment, rather than transfers, such ‘dependency’ will not occur.

In addition to the broader dependency assumption, the anticipation that household-level productivity gains will result from the combination of wage income, skills development and asset creation, often combined with complementary interventions such as micro-finance and agricultural extension under a PWP, makes these programmes an attractive social protection option. Typically social protection provision is perceived by governments as consumption expenditure, but expenditure on ‘productive’ PWP employment is considered as an investment due to the expectation that it will result in the creation of assets and productivity gains.

In many instances, the presentation of PWP expenditure as an investment is also linked to the expectation that PWP participation will lead to graduation out of poverty for at least some households

as the result of the bundle of benefits comprising the PWP wage, work experience and improved access to assets, and possibly also the provision of complementary interventions. The anticipation that participants will graduate out of poverty and away from ongoing reliance on state support is politically attractive because it recasts social protection as a temporary ‘treatment’ for the poor or unemployed, rather than an ongoing form of support with recurrent expenditure implications for governments or the donor community. The PSNP in Ethiopia and PSSNP in Tanzania are examples of programmes that share these objectives.

### Evidence

However, the evidence base on the relationship between PWP implementation and either productivity gains at household level or graduation is limited. In order to appraise the evidence, it is useful to consider how PWPs might contribute to household productivity changes and graduation. The socio-economic aspirations associated with PWPs outlined above are rooted in the potential for the PWP wage, the assets created and the skills that beneficiaries gain through programme participation to stimulate sustained increases in economic activity at household level. These three mechanisms are discussed briefly below in relation to the current evidence.

Typically, receipt of a PWP wage increases household consumption during the period of programme participation. This provides a basic welfare benefit that can promote consumption smoothing at times when livelihoods or labour markets are disrupted. There is evidence to confirm that PWPs have these direct welfare benefits as long as the wage is set at a level that is adequate in relation to the poverty gap. These benefits are the result of increased household income and usually take the form of improved household consumption, greater education participation rates and various psychosocial benefits. However, there is less evidence for other assumed benefits, including productivity gains of the wage transfer.

There is little evidence that PWPs provide sustained benefits beyond the period of programme participation and, in some instances, the wage has been found to be so low that even direct household welfare benefits are limited. 95% of programmes in sub-Saharan Africa (McCord and Slater, 2009) and the majority in Asia (McCord and Chopra, 2010) provide only short-term employment. For this reason programme impacts tend to be limited to short-term consumption gains. Such limited benefits are adequate if programmes are a response to a short-term wage shock. However, in the context of an extended economic or humanitarian crisis, or in situations of

structural unemployment and chronic poverty, the impact of such interventions is likely to be limited. Low wages and the short duration of employment in most programmes limit opportunities for accumulation and, as such, they are unlikely to result in significant investment in productive activities or to enable households to cross a graduation threshold on a sustained basis.

The criticism of short-termism does not hold true for those rare programmes that offer guaranteed employment, such as the massive Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), which has been in place in India since 2005 and employs more than 50 million workers each year. However, even in the case of this scheme, there is little evidence, or anticipation, of significant accumulation or graduation out of poverty as a result of programme participation. Instead, objectives focus on basic consumption smoothing during periods of hunger.

In addition to the wage, a PWP also entails the creation or repair of assets, typically ponds, irrigation systems or rural access roads. Depending on the relevance of the assets selected and quality of implementation, these have the potential to enhance household, local, regional or even national productivity (McCord, 2012a). Depending on the scale of implementation, the benefits from such assets can potentially have significant employment or livelihoods multiplier effects over time, but such effects have not been empirically documented in relation to PWPs. Such benefits may be limited where assets are not fit for purpose in the medium term because of poor integration with national infrastructure systems, lack of resources for maintenance and repair, or the absence of personnel to staff facilities (see, for example, Robinson and Torvik, 2005).

There is, to date, little evidence to confirm that the creation of assets through public works has made a significant or sustained impact on productivity or growth generally. A recent systematic mapping of the impact of PWP implementation found that there is also a lack of evidence in fragile contexts (Holmes et al., 2012). The key constraining factors here relate to the institutional capacity of the implementing agency, be it government or a development partner, to oversee the design and execution of assets and to engage strategically with local development processes.

PWPs also have the potential to promote ‘employability’ through skills development and work experience. This could reduce unemployment, promote self-employment and informal sector activity and stimulate a resurgence of economic activity in post-conflict contexts where economic reconstruction is constrained by the absence of

skills. However, there is little evidence to support the assumption that this is a significant outcome of PWP implementation.

Evidence on the relationship between PWP participation and graduation outcomes is also lacking. There is little evidence, in terms of longitudinal data or tracer studies, that would enable an assessment of graduation performance. Similarly there is no evidence to suggest that PWPs are more or less ‘dependency-inducing’ than other forms of social protection intervention. In fact, the notion that social protection provision in any form causes dependency is poorly rooted in the empirical evidence (see, for example, the discussion in Meth, 2004). Instead, the limited evidence available suggests the reverse; social protection support can promote labour market engagement (Posel et al., 2006).

## Economic function of PWPs at national level

### Assumptions

Major development partners commonly assume that PWPs have significant potential for economic stabilisation and could contribute to economic growth through a combination of direct and indirect effects if implemented on a sufficiently large scale. In recent years, this potential has been referred to in terms of crisis mitigation programming. Multilateral agencies highlight the potential counter-cyclical or automatic-stabiliser function of PWPs, in terms of stimulating demand by creating a market for capital inputs while simultaneously increasing state employment and, hence, protecting consumption (see, for example, World Bank, 2011, and Baunsgaard and Symansky, 2009). It is anticipated that PWPs will provide a demand stimulus during economic downturns and that the assets they create will promote future productivity.

### Evidence

In terms of broader economic impacts, the PWP wage can function as a demand stimulus, in much the same way as a cash transfer, if the programme is of extended duration and sufficiently concentrated in terms of a given market. There are also potential secondary impacts on employment demand, as was the case in the programmes implemented under the New Deal in the US during the 1930s (Harvey, 2007). However, the limited scale and coverage of most programmes restricts the potential for multiplier effects and significant demand stimulus. Micro and macro studies of the impact of the Expanded Public Works Programme in South Africa during the early 2000s illustrate this challenge (McCord, 2004; McCord and Seventer, 2004).

Therefore, national growth is more a potential than demonstrated outcome of PWP provision. It is contingent on contextual factors that relate to institutional and fiscal capacity, the scale and quality of PWP implementation, and the quality and appropriateness of assets created.

The anticipation of discernible economic benefits at micro, meso and macro level means that, unlike spending on cash transfer programming, governments and development partners can characterise PWP expenditure as investment rather than consumption. Donors keen to promote this form of intervention use this feature as an incentive to promote PWP to governments. However there is to date no clear evidence that PWPs have had significant beneficial impacts on regional or national economic performance.

## PWPs as political and social stabilisers

### Assumptions

The third set of assumptions that drive PWP selection relate to the potential for PWP to promote political and social stabilisation by diffusing the latent and patent unrest that results from poverty, unemployment and instability. PWPs can also be politically valuable because they can be implemented and marketed in a highly visible and populist manner. In addition, some argue that the act of employment creation can be symbolically important, irrespective of the scale or duration of provision, because it represents the authority of government and its capacity to provide basic support for its citizens. Accordingly, PWPs can demonstrate a tangible and direct response on the part of the state to the challenge of unemployment, which may enhance citizen perceptions of state legitimacy and capacity. In this way, PWPs can offer a significant bundle of direct and indirect benefits that have the potential to promote both economic and political objectives.

The initiation of PWPs in situations where governments are seeking to secure political support illustrate this populist aspect, as evidenced by the initiation of the MGNREGS in India, the EPWP in South Africa and the AGETIP in Senegal at key electoral moments.

Job creation schemes are also seen to have a key role in both the prevention of instability and the promotion of stability and post-conflict recovery. This has led donors and governments to invest in PWPs in many fragile contexts on the basis of the assumption that there is a strong relationship between lack of employment, poverty, economic exclusion and instability. This position has been advanced in recent decades in relation to fragile states, culminating in the UN’s Policy on Post-Conflict Employment



Creation, Income Generation and Reintegration (PCEIR) (UN, 2009), which proposes employment creation as a critical component of the process of post-conflict stabilisation. This argument has also been a feature of policy analysis since the financial crisis and Arab Spring. Direct employment has been adopted as a pre-emptive policy intervention to prevent destabilisation in the context of growing structural unemployment, or a sudden crisis resulting in elevated unemployment, in both fragile and non-fragile contexts, and also as a key intervention to promote stabilisation after a period of crisis.

PWPs have been used frequently in contexts of post-conflict reconstruction. This reflects the need for both accelerated infrastructure provision and rapid (albeit temporary) absorption of potential political ‘spoilers’ of the peace, such as recently demobilised soldiers or youth unable to find employment. Recent examples of such interventions include the Youth Employment and Empowerment Programme (YEPP) in Sierra Leone (Weeks, 2011) and the Government of South Sudan’s adoption of a public works employment component within its disarmament, demobilisation, and reintegration (DDR) programme for ex-combatants (Government of the Republic of South Sudan, 2011).

PWPs have also been used as a pre-emptive stabilisation measure in many contexts where chronic poverty and structural unemployment are a problem, notably the National Youth Employment Program (NYEP) in Ghana and the Youth Employment Scheme (YES) in Nigeria (Ofem and Ajayi, 2008). PWP have also been adopted in response to rising unemployment resulting from the financial crisis, in attempt to pre-empt or diffuse labour unrest.

### **Evidence**

While it is evident that there are close associations between poverty, unemployment, instability and fragility, the relationship between these factors is complex and the lines of causality unclear. This makes the direct impact of job creation initiatives, including PWPs, difficult to assess. A recent systematic mapping found little evidence of a direct relationship between employment creation and stability in fragile states (Holmes et al., 2012). It may be that stabilisation impacts are, at least in part, the result of the symbolic function of the implementation of a public works programme, which indicates a degree of state commitment and capability in fragile contexts.

### **Summary of the evidence base on assumptions**

Many of the assumptions that lead donors and governments to select PWPs rather than alternative forms of social protection are poorly supported by

the existing evidence. There is little evidence that PWPs have a significant or sustained impact on poverty reduction, livelihoods promotion, graduation, aggregate employment or growth, impacts that extend beyond basic consumption smoothing. This is the case even in the few contexts where large-scale integrated programmes have been successfully implemented.

In part, this lack of evidence is indicative of an undeveloped evaluation literature in this sector, particularly in sub-Saharan Africa (McCord, 2012b). More fundamentally, however, it relates to the problematic nature of the assumptions, their weak theoretical grounding and the inadequate theories of change that underlie much PWP design. These shortcomings relate both to design features, such as low wages, short-term employment provision, the creation of poor quality assets, limited training provision, as well as the lack of unmet labour demand, the small scale of coverage and the limited duration of most PWPs (IEG, 2011). These factors are exacerbated by the significant institutional constraints that limit the quality and scale of programme implementation.

PWPs may have a discernible short-term impact based on the effects of the wage transfer. Particularly in the context of a temporary crisis, they may have an impact on aggregate consumption and stabilisation, cushioning the effect of a shock, such as a short-term financial crisis, by protecting consumption and demand. However, the evidence suggests they may be less effective in the context of the protracted unemployment that characterises many LICs and fragile states and where many hundreds of PWP are implemented.

### **The political economy of PWPs**

As mechanisms for poverty alleviation, the direct and indirect benefits of PWPs are not always commensurate with their financial and administrative costs. For this reason it is difficult to argue that they are necessarily an effective policy choice or an efficient way to deliver social protection. As discussed above, in many contexts the performance of PWPs may not conform to the three sets of assumptions that inform their selection due to a combination of institutional and fiscal deficits that result in sub-optimal programme design and implementation. As a result, the additional benefits assumed to be associated with PWP provision, such as enhanced productivity, livelihoods, demand stimulus and productive asset creation, have not materialised in many programmes. Despite this, the donor community allocates hundreds of millions of dollars to PWP annually. This persistent preference for PWPs

is puzzling given the limited evidence that they contribute to sustained productivity, graduation and growth in practice.

A political economy approach has the potential to help make sense of this apparent paradox. A political economy analysis (PEA) offers a way to identify and understand the structural, political and institutional factors that influence how governance, reform and policy process operate in practice. PEA bridges ‘the traditional concerns of politics and economics, it focuses on how power and resources are distributed and contested in different contexts, and the implications for development outcomes. It gets beneath the formal structures to reveal the underlying interests, incentives and institutions that enable or frustrate change’ (DFID, 2009: 1).

As such, a PEA could enable PWP policy choice and programme design to be understood in terms of the political processes and incentives that guide the main actors, including how PWPs may serve their interests and their relative power to influence decisions about the types of programme that are funded and implemented. While this is not a new approach to understanding policy decisions about social protection more generally, it has not yet been applied to the analysis of PWPs.

A detailed PEA can be applied to a specific context (country, sector, donor agency) and problem to better understand the reasons why different actors favour PWPs and how institutional conditions and programme design influence their outcomes (see Harris (forthcoming) for an example of the latest generation of PEA framework). A preliminary discussion of the *types* of incentives and motivations that key agents involved in PWPs face, which begins to identify some issues that underlie the persistent popularity of PWPs and which demonstrates the potential value of a political economy lens, is set out below.

From the **government** perspective PWPs represent a highly visible response to unemployment, which can be implemented rapidly. They have immediately apparent physical outcomes (irrespective of the quality or sustainability of these assets) and they transfer funds rapidly into the pockets of selected target population groups. PWPs can often also be financed almost exclusively with concessional donor loans or grants, and programme design can be largely imported as a package from external sources and implemented through parallel Project Management Units and/or the NGO sector, with the result that programmes can be implemented even when state bodies have limited institutional capacity or geographical reach.

Visible and rapid job creation are also attractive from the **donor perspective**. PWPs directly address the symptoms of structural problems. They can

also serve to promote stabilisation, in part through their symbolic function and in part by temporarily diffusing unrest resulting from unemployment and poverty within select groups. In this way, PWPs can promote geo-political donor interests, without recourse to more complex and fundamental structural responses that relate to the nature of the global economy or national sectors (such as changes to the structure of the economy or education systems) and which would only bear fruit over decades.

PWPs can also satisfy organisational incentives within donor agencies to maximise the outflow of resources to national governments, and they can satisfy government preferences for safety nets with the characteristics of capital projects. In such instances, whether PWPs represent an optimal response, or rational use of resources in terms of social protection provision, may not be the primary concern.

For **both donors and government**, the anticipation of discernible economic benefits at micro, meso and macro level also means that PWP expenditure can be presented as an investment rather than spending on consumption, as is the case for cash-transfer programmes. Conceptualisation of programmes in this way, despite the lack of evidence in many cases, is significant because it enables major donors to promote PWPs over alternative forms of social protection provision – and donor-advocates of PWPs use this feature to incentivise development partners to adopt them.

For **recipient populations**, particularly the working-age poor, PWP often represent the only direct form of support from the state in terms of consumption smoothing and direct poverty alleviation. Irrespective of whether or not they represent the optimal use of available resources, or have a sustained impact in poverty or livelihoods, beneficiaries tend to appreciate PWPs in the absence of any other form of social protection intervention. They welcome even a temporary increase in income, regardless of whether it has longer-term or broader economic effects. Often the middle classes also tend to support PWPs as a means to prevent dissent, migration and other coping strategies adopted by the poor in response to under and unemployment, which are perceived as threats to their own interests.

## Conclusion

There is a danger that PWPs are seen as a policy panacea for ‘jobless growth’ and the political instability that can accompany it. Ostensibly, some donors favour them over other forms of social protection because of their anticipated economic and political benefits. While there are some experiences where the political impact and long-term traction

of PWPs is striking, and potentially transformative, this review shows that the current policy preference for PWPs is not entirely evidence-based: current data on the impacts of PWP implementation is inadequate to support widespread assumptions about micro- and macro-economic outcomes, or indicates that these assumptions hold only under particular institutional and programme conditions. The available data also suggests that the current popularity of PWPs may be linked in part to political and organisational interests as well as concerns about programme outcomes. In this context, this Note suggests that a PEA would be a useful tool for better understanding these issues.

Alone, PEA cannot solve the question of why donors and government support PWPs despite their often limited impacts. However, it can help to untangle the web of political, ideological and institutional interests that drive policy and programme implementation and make the logic behind the choices and preferences of different actors clearer.

Effectively delivering public works programming generally requires significant institutional capability (variously and depending on context in local government, the private sector, central government and communities), which implies a need for careful planning, particularly in fragile contexts where this capacity may be lacking at many levels. In light of this, it is critical to pay careful attention to political dynamics and institutional capacities.

An exploration of the changing political and economic aspirations associated with social protection in general, and public works programmes in particular, in LIC and fragile states indicates that there is a need to understand more clearly the political economy factors influencing the selection and

design of job-creating forms of social protection. This is particularly relevant given the prevalence of an intervention for which the evidence of impact is extremely limited, and at best inconclusive, in terms of its role in promoting household-level productivity and graduation, creating regional and national demand stimulus, or promoting social and political stability. This is important in contexts of structural labour market disruption relating to global economic transformation, or contexts exacerbated by economic or humanitarian shocks.

While the assumed linkage between PWP implementation and productivity growth is positive inasmuch as it ensures that social protection provision remains on the table in states prioritising growth and stability, the relative de-prioritisation of fundamental welfare aspects of social provision and the partial subordination of social protection to broader productivity and growth objectives may result in the selection of sub-optimal social protection design in contexts of constrained institutional or fiscal capacity. This is, at least in part, due to a set of political economy drivers that give preference to policies on the basis of assumed, rather than actual, impacts or prioritise symbolic over empirically attested policy choices. It is important to understand these drivers of policy choice so that future programming can be sensitive to domestic and international geo-political realities and, within these constraints, contribute to the development and design of interventions that are most likely to also deliver significant welfare and employment benefits.

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