Social protection and resilient food systems

Summary 2: The role of Public Works Programmes
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Introduction
Social protection has emerged rapidly as a key development and humanitarian policy issue in the last decade. At the same time, there have been major food price shocks in many countries in the last 5 years. As a result, interest in social protection and food systems is converging and many donor agencies and governments are looking at how different social protection instruments might better support or enable the different components of food systems and maintain their resilience in the face of major shocks and stresses. These summaries, based on a series of reports, explore the impacts of different social protection instruments on resilient food systems and provide a set of key messages for policy makers and programmers working on social protection and food security.

Defining a food system
We conceptualise a food system by drawing on a shared and common definition of food security ('when all people at all times have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life’ FAO 1996) and we focus on four specific dimensions of food security:

- The availability of food: the supply of food at the macro national (global) level
- People’s entitlement to food (henceforth called ‘access to food’): households’ ability to produce and/or purchase food
- The utilisation of food: the intake of sufficient, safe and quality food
- Crisis prevention and management: maintaining availability, access and utilisation in contexts of emergencies, shocks and stresses

Public Works Programmes (PWP)
Public works are a commonly used social protection instrument to provide support for the working age poor who are either unemployed, or underemployed and working in low productivity jobs. The term public works covers a range of programming, which may be grouped into four main types of interventions:

- those promoting temporary consumption smoothing, offering a single short-term episode of employment with a social protection objective,
- those providing a form of income insurance, offering seasonally repeated or on-going employment on demand,
- those increasing aggregate employment by promoting the labour intensification of infrastructure spending, and
- those aiming to promote future employability by improving the labour quality of participants (McCord, 2012).

Each type of programme is relevant in different food insecurity contexts, with short term programmes being primarily significant where food security and labour markets are temporarily disrupted. Such programmes are however often implemented where the problem is one of chronic or seasonal food insecurity, with the result that access and availability benefits are compromised (ibid).
What do we know about the impact of PWP on availability?

Availability can be promoted through both the PWP wage, and also the assets created.

**Wage**

The wage can promote availability by increasing investment in production. However, this outcome is dependent on the adequacy of the wage, and whether the value allows sufficient investment to generate significant productivity impacts, after immediate consumption needs have been met. It is also dependent on whether PWP participation itself functions as a disincentive to own production due to the demands of the work requirement. Evidence on the significance of household allocations to production resulting from PWP receipt is limited, and on the adverse effect of the PWP labour requirement mixed, and influenced by the seasonality of programme implementation.

If provided on a sufficiently large scale and sustained basis the PWP cash wage can potentially promote local demand for food and hence stimulate food imports, market development and also food production, although PWP related evidence of market stimulus effects is limited. Conversely the provision of food based wages using imported food can distort local markets and provide a disincentive to local production and market functioning. Programme design, in terms of scale and duration are key determinants of the impact of the PWP wage on availability.

**Assets**

The assets produced through PWPs such as roads, irrigation systems and soil and water conservation schemes can have a range of economic and productive impacts. However, the relevance of assets selected in relation to local livelihoods, the quality of asset design and execution, and investment in maintenance are the key determinants of impacts on availability in the short and medium term (McCord, 2012a).

It is generally agreed that public works programmes have the potential to promote food availability by increasing household productivity and contributing to the expansion of the amount of land under production. Recent grey literature however suggests that this potential is not always realised. Linkages between the constraints to food security and the assets selected are often weak, and the quality of asset selection, design and construction may in many cases be compromised by district level capacity and resource constraints.

**Local Economic Benefits**

Positive effects resulting from the creation of economic assets such as roads created through PWP have been documented in terms of their impacts on market access (von Braun, 1999), and it is recognised that where adequate materials are provided, and labour inputs are appropriately managed there is the potential for public investment to be crowded in (Barrett et al, 2002) resulting in increased availability and associated food security benefits.

**Resilience and Disaster Mitigation**

PWP assets can also support the promotion of food availability and resilience by mitigating the impact of local risks, through riverine management and dam construction. While there is positive anecdotal evidence of the desirability of such interventions, there is little systematic or robust research into the impact or sustainability of such assets in terms of food security.

**Natural Resource Management**

PWP assets can support natural resource management, for example promoting irrigation and land reclamation. PWPs have also been used to support the creation of assets which contribute to soil and water conservation, an approach which has been adopted in areas where land degradation is a major problem (Siegel et al, 2011).

What do we know about the impact of PWP on access?

**The Impact of the Wage on Access**

PWPs directly affect access through the payment of a wage which is paid either in cash or in food. The receipt of a PWP wage has been universally found to promote food access by relieving liquidity constraints in recipient households, with increased food purchase (quantity and quality) being the primary use of the transfer. Significant benefits in terms of food consumption have been identified in a number of studies (see for example Qisumbing 2003), although the extent of the effect is dependent on the value of the wage transfer, and sustained effects are only observed where programme participation is on-going.
When paid in the form of food, the wage is usually set at a level sufficient to meet household caloric requirements, although beneficiaries tend to monetise some of the food received to gain cash to purchase basic non-food commodities.

The cash wage is set according to criteria which often do not include food security considerations. The wage is often deliberately kept at or below the casual agricultural labour rate, with the aim of promoting ‘self-targeting’ and preventing labour market distortion, particularly where donors play a role in programme design (see Subbarao et al, 2012) and in such instances the impact on access is diminished.

**The real value of the PWP wage**

However, any access benefits arising from the PWP wage need to be considered in relation to the net rather than gross value of the PWP wage, as the additional income represented by PWP employment at household level may be significantly lower than the gross value of the transfer due to income forgone due to work requirement (Van de Walle, 1998) and hence the benefits are commensurately smaller than anticipated. In the few studies which attempted to calculate the net value of the PWP wage, income forgone was found to be between 30-60% of the PWP wage (Jalan and Ravallion, 2003; Del Ninno et al, 2009; McCord, 2012).

**Indirect Access Benefits**

In addition to the immediate impacts of the wage to PWP workers, there are also a number of secondary benefits of PWP implementation which can promote access.

These include increases in labour force participation rates, particularly among women, arising from the availability of paid work in the vicinity of the home, and the provision of equal wages.

Also, in the MGNREGS in India, the PWP wage is above the lowest market wage in some states, and as a result elevates the reservation wage in the casual agricultural labour sector. This can potentially have adverse effects, however, displacing labour from low paid permanent employment into casual PWP based employment (Ravallion, 1990 and Ahmad and Hossain, 1985). A third indirect benefit is a growth in secondary labour demand resulting from i) household investment of PWP income in productive activities including hiring additional labour, and ii) the expansion of production and other activities resulting from the creation of the PWP asset. In this way access benefits are potentially extended beyond the initial PWP workers.

**What do we know about the impact of PWP on utilisation and nutrition?**

While there is considerable evidence on the impact of the PWP wage on increases in household food expenditure and changes in consumption, there is less research into the nutritional impacts of programme participation. Significant benefits in child nutrition have been identified in a limited number of studies (Qisumbing 2003) and increases in calorie and protein consumption documented among members of participating households (Azam, 2012), as well as significant impacts on household dietary diversity (Uraguchi, 2011).

However the intra-household distribution of nutritional benefits from PWP needs to be considered carefully, as there are indications that at a low wage, PWP participation can result in a deterioration in the nutritional condition of workers, measured in terms of Body Mass Index, even at the same time as household nutrition in aggregate is improving.

**Key Messages for Policymaker and Programmers**

PWP s can potentially have a variety of beneficial impacts on food security at household and community level by addressing key constraints to access and availability. However, programmes are not always designed and implemented in such a way as to realise these benefits. Existing processes for monitoring performance and gathering information on food security impacts are limited, with the exception of a small number of programmes in South Asia and Ethiopia. In order to improve the relevance of future programming design and develop a more evidence-based approach in relation to PWP programming, a number of key policy recommendations are set out below.

1. **Select the programme type to match the nature of the food security challenge**

Short term programmes implemented in a timely manner in response to acute market disruptions are likely to protect food access, and prevent reductions in production in the medium term. However, if short term interventions are implemented in contexts of chronic or cyclical food insecurity they are unlikely to have a significant impact. On-going programmes are more likely to have a significant impact on food security in contexts of chronic or seasonal poverty.
2. Ensure that programme design is rooted in an analysis of the labour market and the main constraints to food security
Given the various forms of imperfection prevailing in rural labour markets, the variety of existing employment scenarios and the varying constraints to food security, programme design needs to be informed by a contextual analysis to ensure the main constraints to food security are addressed.

3. Adopt a wage commensurate with desired food security outcomes
A restricted wage may undermine the anticipated food security objectives of an intervention. Wages should be determined taking into consideration both market effects and also consumption needs.

4. Develop targeting criteria in line with programme objectives
There may be a tension between targeting the most food insecure, and those with potential to participate in a PWP. It is necessary to identify the priority beneficiaries, and target accordingly, rather than relying on ‘self-targeting’ through the work requirement and low wage to restrict demand.

5. Recognise the constraints to PWP effectiveness
It is necessary to determine whether a PWP is the appropriate instrument for providing social protection and promoting food security for particular groups of the vulnerable, and recognise the limits to the efficacy of PWP in supporting the labour constrained working age poor. To address this challenge the adoption of alternative, complementary interventions for this group need to be explored.

6. Take technical and administrative capacity into account in programme design
PWP can play a role in promoting food security, but this is contingent on the availability of adequate technical and administrative capacity at local level.

7. Improve the knowledge base to improve evidence based policy selection and design
Conventional performance monitoring in this sector tends to focus on process rather than impact indicators, and on immediate effects rather than the sustainability of impacts over time (IEG, 2011). In order to build an evidence base assessing the effectiveness of PWP interventions, there is a need to put in place robust monitoring systems and shift existing evaluation norms.

References