



The MDGs and Social Policy Innovations from South Asia // Gabriele Koehler

The Millennium Development Goals, with the ultimate aim of improving human rights and human development, have been in place for a decade. Since 2008, massive financial and food price crises, and the recent resurgence of fiscal austerity politics, coupled with the accelerated frequency of natural disasters and political conflict, are reasons for the shortfalls in their implementation. But the deeper shortcoming of the MDGs lies in the lack of analytical and policy depth in the initial MDG design (Hulme and Fukuda-Parr 2009). As the moment to rethink or extend the MDGs approaches, policy makers are taking a renewed look into the structural causes of poverty, deprivations, vulnerabilities, and exclusions and becoming more attuned to the need to formulate comprehensive policies for structural reform (UN DESA 2009; UN General Assembly 2010; Kabeer 2010).

This Poverty Brief argues that:

- The MDGs need to be deepened with comprehensive policies for radical structural reform if human development is to make genuine progress and the MDGs are to materialise equitably.
- There are shifts in global governance, with the emergence of new economic powerhouses which influence global policy decisions and have been introducing socioeconomic policy innovations, notably in social protection. South Asia is one centre of such policy innovations.
- Examples include policies to create employment and wage incomes, policies addressing income poverty, policies addressing social exclusion, and policies for access to information.
- These policies have in common that they are rights based and government-led and -funded.
- If these policy innovations are twinned with progressive, employment-oriented economic policy and coupled with redistributive tax reform, they can serve to accelerate the systemic reform needed to achieve the MDGs.

Introduction

At the global level, the slow progress in human development is due to the asymmetrical power relations which determine global production, trade and finance, and income and wealth distribution. At the national level, deprivations and poverty are rooted in domestic power structures, and anchored in the inequitable distribution of and the systematic lack of access to crucial assets such as land and water; the absence of decently remunerated and longterm employment; the difficulties in accessing quality, inclusive social services; and the knowledge, space and genuine, risk-free empowerment which would enable citizens to claim their rights. Radical reform is needed if the MDGs are to lead towards the necessary transformative change.

Several shifts in global governance may contribute to such reforms. The first is the changing global development architecture –the emergence of the G20 and the BRICS as a new constellation of high and medium income countries influencing global policy decisions and redirecting global resource flows. The second is at the level of policy approaches: countries in Latin America, Africa and Asia are presenting a new generation of policies with the ambition of achieving human development and implementing the MDGs (Hanlon et al 2010). Within these shifts, there is the double effect that some of the countries which are emerging as economically powerful in international trade, investment and development aid are, in their domestic policy, introducing new socio-economic measures, the most prominent of which in the area of social protection.

The South Asia region is one such centre of policy innovation, with a series of programmes designed to advance inclusive human development which are cast as “rights-

based". Recent policy innovations are directed at employment, income poverty, social exclusion, and access to information (see also Bonnerjee and Koehler 2011 and Koehler 2011). This policy brief is on policy intent and design, with a view to highlighting policy innovation. It does not look at outcomes - the persistently poor performance on most social indicators and the key MDG targets, and violence and human rights violations - which would need to be examined separately.

Policy innovations: examples from South Asia

Policies designed to create employment and wage incomes

The best-documented recent policy innovation on South Asia is the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) in India, introduced in 2006. Its objective is to enhance "the livelihood security of people in rural areas by guaranteeing hundred days of wage-employment in a financial year to a rural household whose adult members volunteer to do unskilled manual work." (Government of India 2008a). Employment on public works sites must be made available on request; if a work site is not created, registered work seekers are entitled to an "unemployment allowance at a rate agreed at the state level" (Government of India 2008b:37; Chopra 2009; Ehmke 2011). All workers are registered with a job card; information on workdays, wages, annual budget allocations and expenditures are published, state by state, on the MGNREGS website. The scheme has provisions for transparency and social audits. In 2010/11, the scheme provided employment of at least 15 days to 34 million households.

In Bangladesh, an Employment Generation Programme for Hard-Core Poor was introduced initially in 2008/9, with priority for 81 highly poverty-prone rural sub-districts. The government allocated Taka 200,000,000 in 2008/9 and Taka 117,600,000 in 2009-2010. The objective is to create employment for extremely poor unemployed people in rural areas; increase the purchasing power of the extreme poor people affected by food price inflation; and develop and maintain small-scale rural infrastructure and communication systems. As a first outcome, the government recorded a total of 2 million labourers, roughly 80% men and 20% women, with almost 90 million workdays created. The wage rate is 100 Taka per day (approximately US\$ 1.35). There is an unemployment allowance, modelled on the Indian example - if an applicant fails to receive a job within 15 days of registration, she or he will receive a social transfer (Government of Bangladesh, no year). This again is an interesting combination of an employment scheme linked to social protection, similar to the NREGS.

Similarly in Pakistan, an employment generation scheme in small local level public works for rural unskilled workers is to guarantee employment, again for one hundred days a year, with a guaranteed daily wage equal to the minimum wage. A pilot scheme was announced in 2010 for twelve least developed districts and districts affected by the security situation. Five billion rupees were allocated for this programme in the 2010 fiscal budget, with a view to covering 200,000 households in the first year (Government

of Pakistan, Minister for Finance). Implementation has, however, not yet begun.

In Nepal, the Karnali Employment Programme (KEP), adopted as a policy in 2010, aims to create 100 days of employment for persons without employment living in Karnali, the poorest region of Nepal, with a population of circa 350,000. The government budget allocation is Rs. 250 million. Reportedly, over 60,000 of the 64,000 households found employment, albeit averaging 15 - rather than the stipulated 100 - days in the programme's first year (Vaidya et al 2010). The programme offers a notion of an entitlement to a job, a minimum wage, and to social protection.

The fact that governments are systematically designing public works schemes to generate - even if limited and exacting - employment with an element of predictability, transparent wage regimes, and access to social transfers if the works scheme does not materialise - suggests a shift in poverty and employment policy.

Policies addressing income poverty

Several South Asian countries feature social assistance, often age related. One of the oldest universal social protection schemes is Nepal's social pension scheme, introduced in 1995 for Nepali citizens over the age of 75. Eligibility is based on citizenship, creating a sense of entitlement by virtue of having contributed to the economy and society in the course of one's life. Moreover, despite the low level of the benefit, in low-income rural areas, the amount received gives some - even if marginal - financial autonomy to elder family members. Bangladesh, India, Maldives also have social pensions, they are means tested as opposed to universal.

Also in Nepal, a Child Protection Grant was introduced in 2009. The objective is to assist families in offering better nutrition and accessing health services for children under 5. It is categorically targeted to all families in the Karnali Zone, and to low-income, landless Dalit households throughout the country. The entitlement is 200 rupees monthly per child for up to two children per family; if there are more than two children, the girl children are the recipients (Government of Nepal 2009). Although not mentioned explicitly, it relates to the right of the child, as agreed in the country's post-conflict Interim Constitution.

In Pakistan, the Benazir Income Support Programme (BISP), introduced in 2008, is a scheme to promote "equal opportunities and social justice", and "poverty alleviation and women empowerment among the underprivileged section of Pakistani society". It is proxy means tested. Cash transfers of 100 rupees (\$12) per month are made to roughly 430,000 beneficiaries, aiming for a 20 percent decrease in poverty by 2014 (Government of Pakistan, no year). In multi-generational households, each family carries its own entitlement. The women as the entitlement holders receive a citizenship card as well as a bank account in their own name, providing women in low-income households an unprecedented degree of visibility and conceivably some status in the family. "The decision to identify women as primary beneficiaries represented a break from past practice and institutional habit of con-

structuring the relationship between the state and individuals through the male heads of family." (Gazdar 2011:8).

These social assistance schemes addressing the most vulnerable groups are innovative in that they are based on citizenship – thereby constituting a right. Like the employment guarantees, this marks a policy shift.

Policies addressing the impact of social exclusion

Exclusions - based on gender, caste, ethnicity, language, religious affiliation, age, and other vectors of identity - are pervasive across South Asia, creating economic poverty and societal and political disadvantage. They are among the key obstacles to human development and equitable MDG achievement and require dedicated policies (Ka-beer 2010; Koehler 2009). Several South Asian schemes address social exclusion, especially with respect to gender and caste.

The Bangladesh government introduced a secondary school stipend as early as 1994 for all girl children, regardless of the economic situation of the family, to address the gender gap in education. Girls' secondary school enrolment now stands at 42%, compared to 22% in 1989; in fact, the gender gap has been reversed (Asadullah and Chaudhury 2009: 1372), and the scheme may now be extended to all secondary school children to encourage more boys to continue schooling.

In Nepal, school stipends are available for girls and for children from disadvantaged castes, administered by a School Management Committee which identifies eligible children, and distributes and monitors the scheme (Koehler, Cali, Stirbu 2009). The objective is to overcome family- and community-level resistance to the education of girl children and children from the Dalit caste.

Several states in India have developed girl child grants to halt female foeticide and infanticide. In Madhya Pradesh, for example, girl children registered at birth are to receive an accumulated fund of approximately Rs 180,000 rupees (approximately US\$ 2,700) from the state government at the time of marriage. A similar scheme in Tamil Nadu deposits 22,200 rupees (approximately US\$ 500) for each girl child at birth, which she is to receive at age 20, while the interest is available to her family for educational expenses (Government of India 2007; Srinivasan and Bedi 2009).

In terms of policy innovation, these schemes acknowledge social exclusion as a systemic challenge and as a violation of rights which requires government attention.

Policies designed to facilitate access to information

In most countries, policies and delivery mechanics of social protection measures are complex, fragmented, and beneficiaries often lack information as to eligibility, application processes, benefit levels, etc. Good communications and transparency are thus vital for social protection. It is therefore of interest that right to information acts have been adopted in India, Bangladesh and Nepal (Bonnerjee and Koehler 2011). Their impact has not yet been systematically evaluated, but they undeniably can provide a handle to facilitate implementation and delivery of the social policy and social protection measures.

Outlook

The policies presented above are innovative, and they can contribute to addressing the impact of the fiscal, financial and food price crises, and they can play a role in helping achieve the Millennium Development Goals, improving human rights and reaching towards inclusive human development. They have in common that they are rights based, they acknowledge and attempt to tackle poverty, vulnerability and social exclusion.

There are nevertheless a number of caveats. These policy innovations in the field of social protection are ultimately conceptualised and delivered as individualised forms of poverty policy. This is a move away from the 'development policy' of earlier decades which was conceived as integrated rural development, including attempts at land reform and efforts for agricultural upgrading, or as community- and national-level economic development (Bonnerjee and Koehler 2011). The innovations are primarily situated in the domain of poverty alleviation, and while they address employment, they are not geared to changing macroeconomic growth patterns and facilitating economic restructuring towards employment-rich, high productivity, creative sectors (Sabates-Wheeler and Koehler 2011). Despite considerable increases in the fiscal resources devoted to these programmes, they do not (yet) constitute a re-direction of incomes and wealth that would redress the increasing income inequalities witnessed across most of South Asia. And, related to this latter point, the small size of the social assistance benefits in the individual programmes would rarely suffice to enable asset building in the recipient households, and thus genuinely change situations of economic and social exclusion.

The policy innovations should therefore not be romanticised as a panacea, but instead recognised and enhanced as a shift in policy philosophy which can have a considerable impact on social policy governance, nationally, regionally and globally. If they are twinned with progressive, employment-oriented economic policy and coupled with redistributive tax reform, they can serve to accelerate the systemic reform needed if human development is to make genuine progress and the MDGs are to materialise equitably.

Gabriele Koehler is a development practitioner based in Munich, and a Visiting Fellow in the Vulnerability and Poverty Reduction Team at the Institute of Development Studies, Sussex, where her current research is on South Asian welfare states and their social protection policies. Earlier, she worked as an economist with UN ESCAP, UNCTAD, UNDP and UNICEF. Gabriele is a member of the initiative "human security-2015", an effort to influence discussions on the Millennium Agenda beyond 2015, and of the Inequality and Social Justice Roundtable Group (see (<http://www.ids.ac.uk/idspublication/inequality-and-social-justice-roundtable-consultation>)).

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