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Social protection’s contribution to social cohesion

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Introduction

During the last three decades, social protection has been a key policy tool to improve human capital and address poverty in developing and middle-income countries. Substantial evidence is available on the positive impact of social protection in reducing poverty and improving education and health outcomes (Bastagli et al., 2016). The literature also suggests that social protection has a positive effect on social cohesion, although empirical evidence is limited (Idris, 2017).

Social cohesion contributes to peace and stability (Idris, 2017). Social cohesion has two aspects: relations and solidarity among citizens, and relations between citizens and the state – also known as the ‘social contract’ (Babajanian, 2012). A cohesive society promotes the wellbeing of all of its members, promotes trust and creates a sense of belonging to the state (OECD, 2012). Social cohesion improves the confidence of citizens in state systems, which can lead to greater support for government policies, reforms and program implementation (Babajanian, 2012). In this way, social cohesion contributes to poverty reduction, economic growth and prosperity (Ibid, 2012). Since the 1990s, many developed countries have incorporated social cohesion into their broader policy objectives (Ibid, 2012).

Social protection can contribute to social cohesion. Examining the role of social protection in promoting and maintaining social cohesion is especially relevant in the context of the current COVID-19 crisis. Globally, countries around the world are faced with the enormous challenges of protecting citizens, delivering essential services, and maintaining consensus around necessary isolation and distancing measures. Prolonged economic downturns could lead to unrest and political instability, and test what in many places are already fragile social contracts (DFAT, 2020). Social protection measures have been widely deployed by governments to address the economic effects of job and income losses caused by COVID-19 (Gentilini et al., 2020), and to mitigate the social impacts of COVID-19 in a bid to maintain national and regional stability.

However, there are a number of challenges in establishing the relationship between social protection and social cohesion. Firstly, implementation issues – such as a poor capacity to deliver the right transfer amounts to the right people at the right time – may affect the impact of social protection on social cohesion (Holmes, 2009). This implies that poorly managed social protection programs may not have any impact on social cohesion due to governance weaknesses, rather than any inherent weakness in the link between social protection and social cohesion. Secondly, the literature in this field is scarce (Idris, 2017) as evaluations on the impacts of social protection have been focused on poverty reduction and human development objectives (Babajanian, 2012; Bastagli et al., 2016).

Another difficulty is the lack of an established set of indicators and a coherent and consolidated analytical framework for social cohesion (Babajanian, 2012). To address this, a study commissioned by Germany’s GIZ proposed the effect of social protection on social cohesion could be assessed against progress towards the following outcomes (Ibid, 2012):

* Establishing a state-society contract;
* Ameliorating material poverty;
* Reducing economic and social inequalities;
* Tackling social exclusion and promoting social inclusion; and
* Strengthening social capital and interpersonal relations.

These outcomes bear similarity to Devereux and Sabates-Wheeler’s conception of transformative social protection, which includes four types of interventions: protective relief from poverty; preventative measures which avert and alleviate poverty; promotive measures supporting income and productive capabilities; and transformative measures addressing social inequity and exclusion (2004). This paper presents short summaries of available evidence of social protection’s contribution to social cohesion in the five outcomes discussed in the GIZ study. Social protection broadly includes social insurance (such as pensions to which individuals and employers may also contribute) and non-contributory social assistance (child grants, disability grants, unemployment benefits and social pensions). This paper focuses primarily on social assistance in the form of cash transfers, as it is funded from government revenues, represents an investment by the state and links to the idea of the state’s social contract with citizens.

Key themes emerging from the literature include:

* Social protection programs represent a direct link between people and governments, and can help to shape citizen perspectives on a state. This is a double-edged sword; positive citizen experiences of social protection may increase citizen satisfaction and trust in state institutions, but negative experiences can undermine trust. Equity, effectiveness and responsiveness are key factors that can improve citizen experiences of social protection, and by extension strengthen social contracts.
* Social protection programs are most frequently designed to alleviate poverty, and as such can help to address economic factors that may contribute to social unrest, inequality and exclusion. Alleviating economic pressure and helping households to manage shocks can have a range of flow-on effects, from increasing family investment in health and education to reducing intimate partner violence. However, benefits must be adequate to make a difference, and higher levels of social spending and coverage are associated with larger impacts on inequality.
* Beyond the economic impacts of social assistance benefits, the effects of social protection on empowerment and social inclusion are mixed and depend on program design features. Programs may provide opportunities for decision-making, education and training that contribute to women’s empowerment, and social interaction that can strengthen social capital for marginalized groups. Conversely, care must be taken to ensure programs do not exclude vulnerable groups, and conditionalities imposed by programs may reinforce burdensome gender norms.

Establishing a state-society contract

A state-society contract, also called a social contract, ‘emerges from the expectations of people of their state, which are shaped by the state’s capacity and political will to finance and deliver important public goods and services’ (Babajanian, 2012). In other words, ‘it is an agreement between the state and society on their mutual roles and responsibilities’ (Ibid, 2012).

Through cash transfers, a dominant form of social protection, the state supports citizens in overcoming shocks and risks at different stages of life. Unlike many other government interventions, cash transfers can be a direct link from the government to individual citizens, for example through a bank account.

The state-building literature suggests that the provision of redistributive transfers to the poor and other vulnerable groups can generate trust in the state (Ibid, 2012). Most recently, Timor-Leste implemented a large cash transfer program for almost all households during mid-2020, in response to COVID-19-related economic shock. Following the implementation of the program, 64 per cent of the population trusted the government to take care of them during COVID-19 – an increase from 49 per cent prior to the social assistance transfer (ORIMA & The Asia Foundation, 2020).

Social protection can also foster trust in state institutions through its reduction of economic hardship and disparity, particularly in fragile or post-conflict contexts (Babajanian, 2012). By the same token, poor implementation can undermine trust in the government’s ability to provide for its citizens’ welfare. Two studies highlight this perspective:

* Sri Lanka has a long history of government-provided social protection, which was disrupted during the armed conflict between the government and the Tamil Tigers. The government resumed social transfers in 2009 following the end of the conflict, and in 2013 a study was conducted in three conflict-affected districts to examine whether the transfers had influenced citizens’ perceptions of the state. The study observed that people’s perceptions about the state were formed by not only *what* was given by the government but also *how* it was given. If local government officials treated them with respect and addressed grievances, people were more likely to be satisfied with the programs and with the state. Negative experiences of the program’s delivery such as disrespect shown by government officials, delays in delivering benefits and a lack of transparency were linked to poor relations with state officials and led to dissatisfaction towards the state (Godamunne, 2016).
* In Peru, a study found that beneficiaries of the Juntos conditional cash transfer program reported improved trust towards government institutions involved in the program (such as the health department) (Camacho, 2014). At the same time, there was a decline in trust among non-beneficiaries in Peru’s ombudsman’s office, where grievances were registered but which could not influence enrolment decisions. This reflects that if the targeting mechanism excludes some poor people from receiving transfers, social protection can have the unintended consequence of undermining the trust of those excluded by state systems. Similarly, studies of conditional cash transfer programs in Mexico (Progresa) and Nicaragua (Red de Protección Social) have documented feelings of envy, resentment and sadness among those not receiving subsidies who considered themselves poor and deserving of government assistance (Camacho, 2014).

Governments have deployed social protection to address political and social grievances, and move on from periods of social unrest.

* Timor-Leste experienced significant riots and violence in 2006, motivated by the apparent failure of the government to deliver on promises made at the time of the independence in 2002. In the aftermath of the crisis, the Timorese government put in place a set of cash transfer schemes (including a universal elderly and disability pension, veterans’ benefits and the Bolsa da Mae maternal transfer), aiming to alleviate poverty and thereby mitigate the risk of future unrest and instability due to widespread poverty (Bongestabs, 2016).
* According to a UK DFID paper, Mexico introduced its Progresa (later Oportunidades) cash transfer program in part to address citizens’ dissatisfaction with the state, which had fuelled unrest in Chiapas (DFID, 2011). Another study found that Mexico’s indigenous peoples received a disproportionate amount of social assistance relative to their share of the population, even when accounting for the higher poverty rates among the indigenous population, and that indigenous beneficiaries were less likely to join anti-government protests than non-beneficiaries. The authors argue that this ethnic targeting of social assistance was motivated by a desire to minimise indigenous unrest, which had become a political threat for Mexican governments since the 1990s (Yörük et al., 2019).

Social assistance programs have also been designed to anticipate and mitigate economic shocks and potential unrest associated with major economic reforms.

* Indonesia initially adopted social protection with the aim of minimising resistance to fiscal reform and avoiding potential social unrest. Due to a sharp hike in international fuel prices in 2005, the government-funded fuel subsidy reached almost 30 per cent of total government expenditure. The government decided to reduce the subsidy to maintain economic stability, which led to the rise of the domestic fuel price by as much as 144 per cent and caused riots across the country (Kwon & Kim, 2015). A temporary unconditional cash transfer scheme (BLT) was introduced with the explicit aim of helping poorer households cope with the fuel price increase. This was soon followed by the introduction of the long-term PKH conditional cash transfer program in 2007 (Kwon & Kim, 2015). When Indonesia further reduced government subsidies and fuel prices increased again in 2008, 2013, 2014 and 2015, the government repeated its temporary unconditional cash transfer approach, targeted at the poorest households identified in its unified database, to offset the negative impact of the price increases on poorer people (G20, 2019). However the targeting methods used during the 2005 BLT scheme did not match communities’ expectations of who should receive the transfer, resulting in civil unrest, violent protest and envy (Sumarto, 2020). Whilst the program was intended to reduce the risk of unrest linked to economic change, this demonstrates that if social protection programs are not implemented effectively, social cohesion can be undermined.
* China used social protection measures to minimise the risks of instability during its period of significant market liberalisation in the early 2000s. During this time, China experienced high economic growth and a rise in income inequality. This caused dissatisfaction among the public. There were more than 40,000 protests, demonstrations, riots and petitions a year between 2002 and 2004, and 57,000 in 2005 alone. Subsequently, the government prioritised social policy development with the aim of promoting social harmony. In particular, coverage of social insurance (pension) schemes was broadened to include private sector workers and migrant workers from rural areas. After some years of piloting, in 2009 the government formally introduced a series of rural social protection schemes that included pensions, support for single-elderly citizens without extended family support, and minimum living standard provisions (Li, 2012).

Ameliorating material poverty

Poor people often lack adequate food, shelter and access to education and health care which deprives them from leading a healthy, fulfilled life (World Bank, 2001). They face extreme vulnerability to economic shocks, ill health and natural disasters (Ibid, 2001). For many, poverty also means indignity and social exclusion (Narayan, 2000). Poor people lack power, which limits their ability to interact with employers, the market and the state (Ibid, 2000). High rates of poverty, or entrenched poverty, can contribute to inequality, which can lead to social fragmentation (see next section for further discussion). Reducing poverty, in all of its forms, strengthens stability (DFAT, 2020).

Cash transfers have an overwhelmingly positive impact on poverty indicators, particularly household expenditure (a proxy for consumption), household food expenditure and the poverty gap ratio (Bastagli et al. 2016). The degree of the impact of cash transfers on poverty is influenced by contextual, design and implementation factors such as: the initial poverty level and depth of poverty; the efficiency of delivery systems to identify and reach those who need assistance; the value and duration of transfers; and the simultaneous implementation of complementary programs (DFID, 2011).

The following section outlines some of the evidence of the impact of cash transfers on poverty indicators.

* A review by ODI of the global literature on cash transfers studied 44 evaluations of 31 programs in 19 countries. Twenty-five of these studies found a significant positive impact from cash transfers on overall household expenditure and 22 found an improvement in household food expenditure. The review found a clear link between cash transfer receipt and increased school attendance, as well as increases in the use of health services and dietary diversity. Cash transfers increase beneficiaries’ savings, investment in livestock and, to a lesser extent, agricultural assets (Bastagli et al., 2016).
* A 2019 World Bank study found that Mexico’s previous cash transfer program PROSPERA had a long-term impact on poverty reduction and likely broke the intergenerational cycle of poverty for beneficiary households (Aguilar et al. 2019). By 2017-2018, the children of households that received PROSPERA payments during 1997-2000 were more likely to have formed their own households, migrated to different localities, and have more durable assets and higher consumption expenditure than control counterparts. The study also found that the program had improved intergenerational mobility - the young adults who had benefited from the program had improved education, assets and income compared to their parents.
* In Timor-Leste, the universal old age pension program has had a significant impact on poverty reduction. By 2011, the pension is estimated to have reduced the national poverty rate from 54 per cent to 49 per cent, and lowered the poverty rate among older persons from 55.1 per cent to 37.6 per cent (ILO, 2017).
* By contrast, an evaluation of Pakistan’s Benazir Income Support Program (BISP) found the cash transfer scheme’s impact on the poverty rate was not statistically significant. The study’s authors suggest this was due to the design of the program, which sought to protect the poorest citizens from inflationary shocks, and the monthly stipend amount was too low to pull poor households (often larger numbers of people, with higher dependency ratios and fewer assets) out of poverty. BISP did have a statistically significant positive impact on recipients’ per capita food and health expenditure compared to those who did not receive the transfer (Nayab, 2012).

There is extensive evidencethat cash transfers reduce the depth of poverty, or the ‘poverty gap’ (the average distance between the income level of poor people and the poverty line, as a measure of the intensity of poverty in a country).

* Micro-simulation modelling based on household survey data estimated that the Progresa/Oportunidades program in Mexico reduced the poverty gap by approximately 20 per cent (DFID, 2011).

Social protection may also have an impact, although relatively understudied, on multidimensional measures of poverty.

* One study, examining three large scale social protection programs (PSNP in Ethiopia, NREGS in India and Juntos in Peru), found that multidimensional poverty declined in all three countries over the period 2006-2016, with program participants benefiting the most from this shift. In particular, these programs were linked to a positive and sustained impact on beneficiaries’ asset formation, livestock holding, and some living standard indicators (Borga & D’Ambrosio).

Reducing economic and social inequalities

Economic and social inequalities can increase fragmentation in a society, resulting in a decline in social cohesion. Where this has been studied in Latin America, inequality and exclusion have been found to be major contributing factors to social fragmentation (Babajanian, 2012).

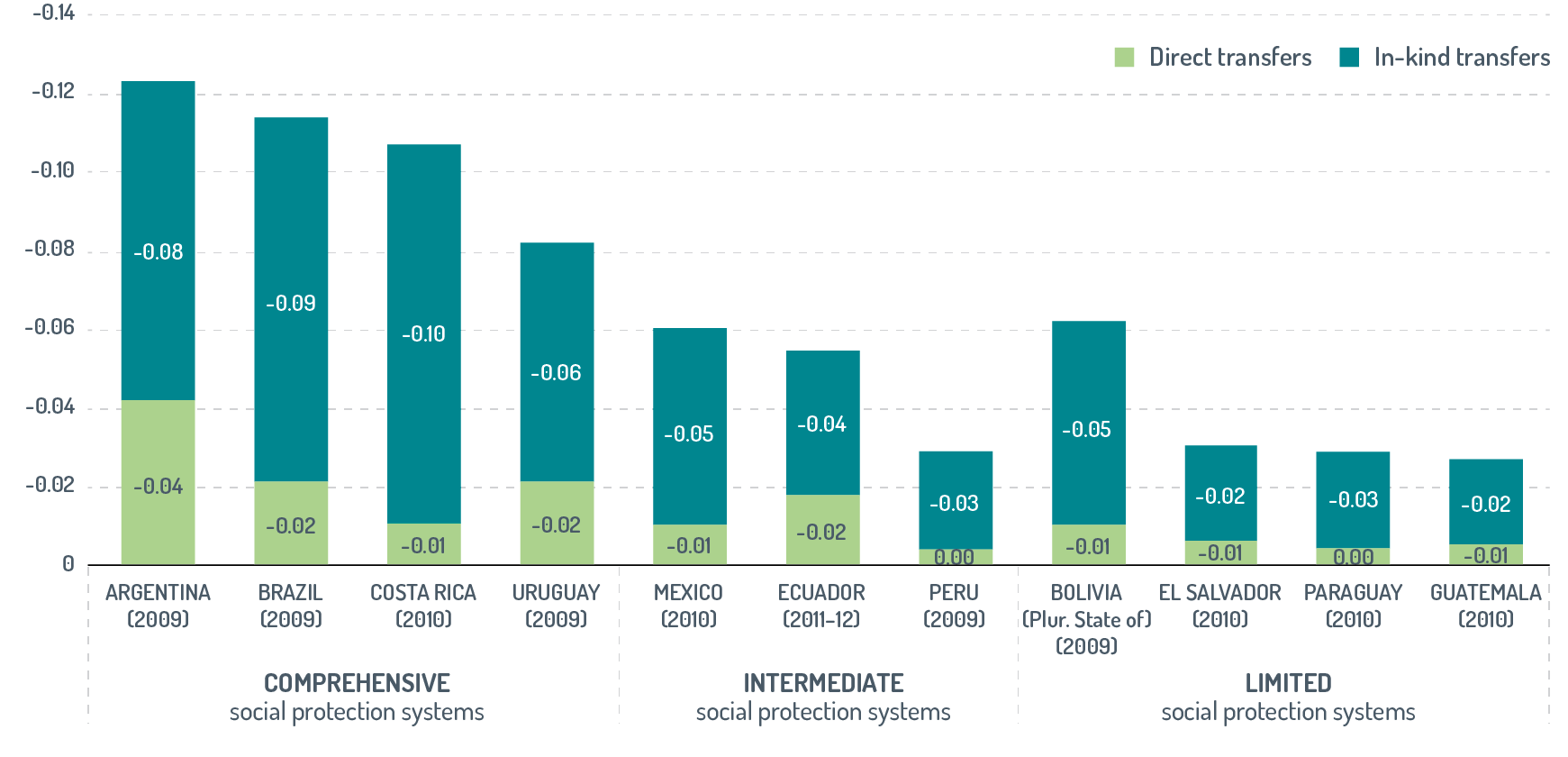
Social protection reduces economic inequality by redistributing wealth (UNESCAP, 2015). Efficient redistribution, for example through social protection, can disrupt the intergenerational transmission of poverty and inequality by helping families access nutritious food, heath services and education, and build the human capital needed to escape poverty traps (World Bank, 2016). It can reduce social inequalities across key population groups by providing resources and thereby empowering women and girls, youth, older persons and persons with disabilities (Ibid, 2016).

However, evidence of the impact of social protection on income inequality is more readily available for developed countries than developing countries. This is due to the limited size of transfers, inadequate targeting and the often regressive nature of the tax system in developing countries (Ibid, 2016). Levels of income inequality before taxes and transfers in Europe and Latin America are similar, but taxes and transfers reduce income inequality by 15 Gini inequality index points in European countries compared to only 2 points in Latin America (Ibid, 2016).

Social protection has been shown to play a role in reducing income inequality:

* An analysis of data from 2004 to 2011 from 21 OECD countries showed that their Gini inequality indexes decreased as social spending increased as a proportion of GDP (Ulu, 2018). An earlier (2006) analysis of trends in 16 nations in Europe and the United States showed that, on average, redistribution via tax and benefit systems reduced overall inequality by 32 per cent (from a Gini coefficient of 44 to 30) (Babajanian, 2012).
* The redistributive impact of social protection on economic inequality varies with the characteristics of social protection systems. A study looking at Latin America found that higher social spending (including ‘in-kind’ provision of health and education services, as well as direct transfers), universal coverage and progressive transfers were associated with a greater impact on inequality (see Figure 1 below) (Ocampo & Gomez-Arteaga, 2017).

Figure 1: Impact of social transfers on Gini coefficient in selected countries in Latin America according to level of comprehensiveness of the social protection systems



* A recent analysis of Brazil’s household data during 2001-2015 found that Bolsa Familia reduced Brazil’s Gini coefficient by 1-1.5 per cent over that period – which is notable considering Bolsa Familia represents less than 0.7 per cent of total household income according to the National Household Sample Survey (de Souza et al., 2019). Brazil’s continuous benefit program, a pension scheme for poorer elderly citizens and assistance for persons with severe disability, was shown to reduce the Gini index by 7 per cent from 1995 to 2004 (Kidd & Huda, 2013). It is likely that the higher coverage and higher level of spending on the pension schemes compared to Bolsa Familia led to its higher impact (Kidd & Huda, 2013).
* The impact of social protection on income inequality in African countries is less clear. In Botswana, Namibia and Tunisia, inequality has declined at the same time that social protection spending has increased. However, in others such as South Africa and Benin, inequality and spending on social protection have both increased, although the increase in inequality was only a fraction of the increase in social protection spending for both countries; it is possible inequality would have risen by even more if not for increased expenditure on social protection (Bhorat et al., 2017).
* In Asia, most countries have experienced rising inequality since 1990 with the exceptions of Malaysia, the Philippines and Thailand, where inequality has declined. An International Monetary Fund analysis attributed the decline in inequality in these three countries to pro-poor fiscal policies and the expansion of social protection transfers (IMF, 2016). The Philippines adopted a range of measures to alleviate poverty and inequality, including launching an integrated social services program in 2002 and a conditional cash transfer program, Pantawid Pamilyang Pilipino Program (known as 4Ps), in 2008. In 2001 Thailand introduced a universal health coverage scheme that substantially reduced the share of the uninsured, benefiting poor recipients more than the rich. Thailand continued to expand social protection with a cash transfer program for farmers and improved access to other social services, while also reducing energy subsidies alongside means-tested procedures to assist vulnerable groups. In Malaysia, significantly developed infrastructure that followed reforms in the 1980s and 1990s may have helped share the gains from growth more evenly across the population. Governance reforms in 2009 to improve public service delivery to the extreme poor, and the elimination of petroleum subsidies in 2013-14 that disproportionately benefited higher-income households, also contributed to the government’s broader aim of providing social safety nets for disadvantaged groups and reducing economic inequality.

Social protection can also play a positive role in addressing social inequality. For example, studies examining social protection’s impact on women’s empowerment indicate that social protection can contribute to promoting women’s dignity and their ability to participate in decision-making and social activities. However, programs are rarely designed with explicit gender equality goals, and in most cases social protection programs alone do not necessarily have transformational outcomes for women.

* The ODI global literature review found that cash transfers led to increased involvement of women in decision-making over household expenditure. Women beneficiaries reported greater autonomy in decision-making than the comparison group by 7.5 per cent for Bolsa Familia in Brazil, 4.7 per cent for PROSPERA in Mexico and 9 per cent for WINGS in Uganda. It also found that cash transfers can delay marriage, increase the use of contraception and reduce the likelihood of having multiple sexual partners for women. Bolsa Familia improved women’s autonomy regarding the use of contraception by 36 per cent. This achievement of Bolsa Familia compared to other programs has been attributed to the mandatory health information sessions that are part of the program (Bastagli et al., 2016).
* A recent review of 38 studies on the effects of social safety net programs on women’s wellbeing in 17 African countries found substantial evidence that programs help to decrease intimate partner violence and increase psychological wellbeing for women, and moderate evidence that programs increase women’s dietary diversity and economic standing. However, in these African programs, the impacts of social safety nets on women’s empowerment and intra-household bargaining power were weak and mixed, demonstrating that conclusions from other global evidence reviews may not apply in Africa (Peterman et al., 2019).
* In a mixed-methods review of cash transfers and intimate partner violence (IPV), 17 of 22 cases found that cash transfers decreased IPV, with little evidence of cash transfers increasing or contributing to IPV. This appears primarily to be due to economic factors, with cash transfers alleviating pressure on household budgets, reducing stressors and improving overall wellbeing, leading to a reduction in IPV. Cash transfers may also reduce intra-household conflict and increase women’s bargaining power (Buller et al., 2018).

Beyond the economic impacts of cash transfers for women, program design features can challenge – or conversely reinforce – gender inequality. If not designed through the lens of women’s empowerment, social protection programs can inadvertently entrench unequal gender relations, stereotypes and gendered divisions of labour, which can exacerbate gender inequality (Molyneux, 2007).

* Research on three conditional cash transfer (CCT) programs – Juntos in Peru, Bono de Desarrollo Humano in Ecuador and Bono Juana Azurduy in Bolivia – found that women’s self-esteem had improved as a consequence of the program conditions, which required women beneficiaries to perform confidence-building tasks such as applying for and obtaining the transfer, dealing with the bank and gaining access to financial services. However, these programs’ conditionalities increased women’s workload, but did not encourage men’s participation in childcare – thereby reinforcing women’s caring roles. The programs were also found to have negative unintended consequences including language discrimination and stigma that some beneficiaries faced in their interactions with service providers (DFAT, 2020).
* An in-depth ethnographic study on the conditions applied to the Juntos program in Peru found they were inefficient from women’s perspectives. Women were obliged to spend significant costs and time to access or wait for services distant to their homes to fulfil conditions, that were frequently closed or short-staffed in any case. Local CCT staff, clinic and school staff and other local authorities used threats of programme suspension to get CCT recipients to perform additional tasks, including having hospital births, participating in parades, and cooking unpaid for the school lunch programme, further increasing the impost on women’s time. These “shadow conditions” were not part of official policy but were a widespread practice (Cookson, 2018).

Tackling social exclusion and promoting social inclusion

Effectively addressing the needs of the most vulnerable provides the bedrock for social cohesion (DFAT, 2020). Some individuals or groups are excluded from accessing government services and opportunities, unable to participate fully in their community or enjoy a standard of living considered normal in the society in which they live. Social exclusion can result from various attributes, such as social identity (for example race, gender, caste, religion, ethnicity, social status, disability) or social location (living in areas that are remote, stigmatised or affected by conflict) (Babajanian, 2012). Increased income through social protection transfers can help improve excluded groups’ economic status, which can facilitate people’s capacity to participate in communities’ social activities and their local economies (Babajanian & Hagen-Zanker, 2012). However social protection’s ability to challenge the underlying drivers of income deprivation can be limited, as these causes are often structural or related to norms, and the design of social protection programs should avoid perpetuating drivers of social exclusion (Babajanian & Hagen-Zanker, 2012).

Governments have introduced caste- or ethnicity-based social protection as well as geographic targeting, sometimes with the explicit objective of promoting social inclusion and cohesion.

* Nepal’s government introduced various social protection programs with the stated aim of supporting socially excluded people and building a more cohesive society post-conflict. Dalits (members of the ‘low caste’ in Nepal’s caste system) across the country are eligible for monthly nutrition-related child grants and educational scholarships. Dalits are also entitled to non-contributory social pensions at the age of 60, whereas the age threshold for the majority of the older population has been set at 70 years. Members of 10 other indigenous ethnic groups with small populations are eligible for monthly cash allowances. However, the impact of these programs on exclusion and social cohesion in Nepal is hard to measure due to a lack of rigorous program evaluation and data. Impacts on poverty are also unclear, because of the programs’ substantial exclusion errors and the low benefit size provided (Babajanian, 2012).
* India’s entitlement-based Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is the world’s largest public employment program, and explicitly seeks to empower marginalised groups in India – specifically women, ‘scheduled castes’ and ‘scheduled tribes’. In the first phase of the program’s rollout, districts with a larger population of scheduled castes and scheduled tribes, and with lower agricultural wages and output per worker, were prioritized (Li & Sekhri, 2020). In 2019, 40 per cent of MGNREGA participants were from scheduled castes and tribes – down from 55 per cent in 2009, but much higher than the overall proportion of the population that belongs to a scheduled caste or tribe (23 per cent) (Tewari, 2019). A 2017 study showed that MGNREGA’s self-selection targeting approach successfully facilitated higher participation by people from scheduled castes and tribes, which are generally the most disadvantaged communities in the country (Joshi et al., 2017). A forthcoming study characterizes MGNREGA as one of a number of sites for marginalized citizens to engage with the Indian state, further arguing that direct linkages between citizens and the state, such as through social protection transfers, can help make citizens aware of their ability to claim services and rights from government in other arenas (Kruks-Wisner, forthcoming).

There is also some evidence that cash transfers can address issues of age-based social exclusion, by promoting self-esteem and empowerment and enabling people to be active participants in their households and communities.

* Qualitative research by NGOs in Namibia and Lesotho found that social pension programs improved the status of older people without relatives, who might otherwise have faced exclusion and isolation from community life (DFID, 2011).

Strengthening social capital and interpersonal relations

Social capital – that is, social networks based on shared norms, values, beliefs, knowledge and understanding – is considered a key dimension of social cohesion (Babajanian, 2012). Social capital contributes to building solidarity and can enhance people’s capacity to organise in their own collective interest, to cooperate to perform collective tasks and to achieve mutual benefits (Babajanian, 2012).

Social protection can strengthen social capital by improving individuals’ ability to help other members of a community. Following the implementation of Timor-Leste’s COVID-19 cash transfer, 82 per cent of the population thought that COVID-19 has brought their community closer together, compared to 70 per cent earlier in the crisis, which suggests that social protection can have positive impacts on social capital and community relations (ORIMA & The Asia Foundation, 2020).

Cash transfers have in many cases been shown to improve the economic status of beneficiaries, which enables them to share their income with others and participate in ceremonial, cultural and other social activities (ORIMA & The Asia Foundation, 2020).

* In Kenya, recipient families of the government’s cash transfer program reported that they were able to participate more in community events and relationships as a result of the transfer. Participants were able to attend social events, share food and borrow from others when needed as they had capacity to repay. Some reported that they were able make small financial contributions to their church or become a member of an HIV support group because of the transfer (Ressler & IFPRI, 2008).

However, there is a risk that social protection recipients could be pressured to allocate the cash transfer to community activities or to redistribute transfers to community members, rather than meeting own consumption needs. It is important for social protection designs to facilitate the strengthening of social capital, whilst also prioritizing the needs of recipients.

Cash transfers can also improve recipients’ self-esteem and confidence to engage with others – including with public institutions. This might be because beneficiaries are able to wear new or clean clothes, or because they are proud of their home environment (for example having some furniture or improved roof) (Bastagli et al., 2016).

* BRAC’s Targeting the Ultra-poor Program (TUP) in Bangladesh improved women participants’ confidence and expanded their social networks. A qualitative study observed that TUP had transformed the women from dependent members of their households to independent income earners. Through regular meetings among the participants organised by BRAC, TUP helped build strong bonds among the members who continued to meet and share experiences after the program ended (Hashemi & Umaira, 2011).
* A study of the Familias en Acciónprogram in Colombia found qualitative and quantitative evidence that the program requirements, including that women beneficiaries participate in social activities like attending meetings and visiting health centres, improved cooperation and trust in beneficiary communities (DFID, 2011).
* In an interesting case study, a UNHCR-Government of Kenya program used a cash-for-shelter program to foster market-based relationships and contribute to social cohesion. The Kenya Kalobeyei Integrated Social and Economic Development Programme (KISEDP) in Turkana, which aims to establish an integrated community to house refugees, found a cash-for-shelter project had positive impacts on social cohesion between local and refugee populations. Refugees were able to purchase building supplies and services on the local market, forging connections through commerce and empowering refugees to make construction choices. This approach was adopted to mitigate the risk of the project becoming a source of tension between the refugees and the local population, and suggests further investigation of the longer-term social cohesion implications of cash assistance would be useful (UNHCR, 2019).

Conclusion

This paper explores available evidence of social protection’s contribution to five dimensions of social cohesion: establishing a state-society contract; ameliorating material poverty; reducing economic and social inequalities; tackling social exclusion and promoting social inclusion; and strengthening social capital and interpersonal relations.

Poverty and inequality are significant factors contributing to social unrest, fragmentation, and exclusion. There is extensive evidence of social protection’s impact on poverty reduction. More evidence exists for social protection’s effectiveness in reducing inequality for developed countries than developing countries, in part because of the low value of transfers, inadequate coverage and regressive tax systems in developing countries. Nevertheless, the literature provides examples of the various ways that reducing economic pressure on and disparity between individuals, families and societies may contribute to better citizen-state relations, promote social inclusion and build social capital for marginalized groups, all of which may contribute to social cohesion.

Beyond the economic effects of transfers themselves, there are clues to the way program design may contribute to - or conversely, undermine – social cohesion. Programs seen as equitable and responsive appear to improve citizen satisfaction with states, while programs seen as unfair or disrespectful may undermine citizen trust. Design weaknesses such as the inadequacy of coverage, low transfer size or inefficient implementation of social protection programs can affect or hinder any impact of social protection on social cohesion. Careful design is necessary, for example to provide opportunities for women and marginalised groups to wield decision-making power, develop skills and build social networks, which may help to improve social inclusion, build social capital and not reinforce inequities and exclusion.

While positive, the extent to which social transfers directly support social cohesion and their impact at a macro level on countries’ stability is less clear. Some countries adopted social protection programs with the explicit objective of promoting social cohesion and addressing social unrest. While in these cases social unrest appears to have been mitigated or improved, there remains little evaluation of the direct contribution of social transfers to the outcome.

To fill the evidence gap in the existing literature on the link between social protection and social cohesion, systematic data collection and evaluation of social protection programs, with an intentional focus on social cohesion, would need to be undertaken.

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