

For Protection and Promotion: The Design and Implementation of Effective Safety Nets

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Washington, DC: The World Bank, 2008, pp. 587
ISBN 978-0-8213-7581-5

The highly respected British newspaper *The Times* recently published (23 October 2009) a text by Sam Kiley, a former Africa bureau chief of *The Times*, titled “Do starving Africans a favour. Don’t feed them”. The author wrote:

There is famine in Kenya and Ethiopia again. Sending food and emergency relief will make things worse in the long term . . . Oxfam reveals in its latest paper, *Band Aids and Beyond*, that between 70 and 92 percent of US aid to Ethiopia has been food aid—and almost all of that was the surplus product of American farms. So Ethiopia has had no need to feed itself. Worse still, Ethiopia and Eritrea spent billions that should have been used to develop self-sufficiency between 1998 and 2000 on a border war over a mess of barren rocks. They could do this because we in the wealthy North fed the populations of both countries.

Thus, what can be done? The solution does not lie in providing food aid, but in facilitating improvements in infrastructure and communications, and, above all,

ethnic fragmentation, and public attitudes about inequality. The chapter concludes with a discussion of how to share finance among levels of government.

Chapters 4 through 6 are dedicated to the main processes involved in the implementation of safety nets, with particular attention to benefits and costs of targeting. Targeting can increase the benefits that the poor can realize with a given budget (maximizing impact) or can achieve a given impact at least budgetary cost (minimizing costs). Chapter 4 gives good evidence that, for the most part, programmes can focus resources on the poor to a moderate or high degree without incurring high errors of exclusion and various types of costs. However, there are also cases when this does not happen. Adequate attention is directed towards four important steps that determine who is actually in the beneficiary group: precisely defining the eligibility criteria, conducting outreach to ensure low errors of exclusion, screening to ensure low errors of inclusion, and rescreening or exit policies to ensure that people move out of the programme as appropriate. The crucial question that often arises is how narrow targeting should be, especially when poverty rates are high. The chapter concludes with a discussion of the administrative requirements to achieve these tasks.

Chapter 5 presents a dispersed body of knowledge on the conceptual and practical details of programme benefits and payments. It covers the problems related to benefit levels and how to structure them, and analyses the question of labour disincentives and how they can be handled through the benefit structure. The chapter discusses programme elements designed to move households towards independence through required or optional linkages to actions or services that are likely to help in that effort. Tentative lessons suggest that compulsory links should be limited to cases where the supply of required services is ample, the services will be useful to all, or most transfer recipients already use the services. In a wide range of other cases, voluntary links through information, referrals, one-stop shops, and the like may be applicable. Payment mechanisms should be affordable, safe, reliable, and easily accessible to all beneficiaries. A number of different payment instruments are available, including cash, checks, vouchers, and in-kind benefits.

Chapter 6 discusses the value added by and the experience involved in developing and using monitoring and evaluation systems for safety net programmes. A monitoring system is an essential management tool that regularly provides required information about how well a programme is working so that its managers can take action to improve the implementation. Programme evaluation refers to an external assessment of programme effectiveness that uses specialized methods to confirm whether a programme meets required standards, to estimate its net results or impact, and/or to identify whether the benefits the programme generates outweigh its costs. The chapter explains the most frequent types of evaluation used for safety net programmes: process evaluation, assessment of targeting accuracy, and impact evaluation. For each type, guidance is provided regarding the value of the programme evaluation and how it should be conducted.

The quality and care with which programmes are designed and implemented, from the selection of beneficiaries to the provision and monitoring of benefits, have a large impact on the efficiency and effectiveness of a given programme. Because there is no single recipe for a safety net, policy-makers must clearly understand the range of options they face. Thus, Chapters 7 and 8 summarise design features and choices of specific interventions. Chapter 7 is dedicated to understanding common intervention possibilities and presents a menu of options, such as cash transfers of various sorts, food transfers, general price subsidies, public works, conditional cash transfers, and other possibilities, that are important as determinants for access to critical services. For each option, the authors describe key design features, outcomes, advantages, disadvantages, and lessons. It is underlined that even within a given type of programme, there are many variations in detail and the way these are handled can significantly change the programme and its success. Three factors emerge as crucial for the success of a given safety net programme in achieving the desired goals. The first is selecting the right programme to address the needs of the intended beneficiaries given the existing political and administrative environment. The second factor is customizing the design of the selected programme. The third factor is paying adequate attention to the details in all aspects of programme

the importance of its long-term sustainability: not only fiscal, but also political and administrative sustainability.

Chapter 10 illustrates how those principles lead to different variations of safety net systems and programmes in different country circumstances. The authors are fully aware that there is no single recipe for a successful safety net system, as needs and capacities differ by context. Furthermore, the programme mix and the handling of individual programmes are different from place to place and change with time. Safety net systems should be built up from a few programmes maintained over time to allow institutional capacity to be developed. Safety net systems in middle-income countries, like Croatia, may aspire to cover all target groups and motivations for safety nets, although they tend to focus on helping the chronically poor.

Although it is a voluminous book, due to the user-friendly approach and key messages for each chapter presented at the chapter's beginning, it is easy to go through. Regardless of the fact that globalization is lifting more people out of poverty faster than ever before in the history of the world, there are still many people and families in need.

While I was reading *For Protection and Promotion*, I was reminded of the late John Lennon who was killed on 8 December 1980 in front of his apartment in the Dakota building in New York. I was humming and whistling one of his songs. At the beginning, it was just an unknown melody passing through my head, but after some time I became fully aware what song it was. It was Lennon's "Jealous Guy," because I was jealous (or envious) that I did not participate in the preparation of this excellent book. Thank God, there is still good old Jagger and the Stones' "Time Is on My Side."

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