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'We Are All Poor Here': Economic Difference, Social Divisiveness and Targeting Cash Transfers in Sub-Saharan Africa

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Abstra

While th ... producti ... any sub-Saharan ... materialise, and ... ecure even minin ... esponse is to target so ... on the level of ... the bottom half of th ... ficiary selection ... as 'the poorest ... even below the welf ... s reshuffling of the income distribution. The article identifies critical trade-offs between the cost and

coverage of different types of social transfer, their social acceptability and their political traction, helping to explain the reluctance of governments to adopt scaled-up poverty-targeted transfers as the preferred form of social cash transfer to those most in need in their societies.

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Notes

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4. This occurred during the implementation of some of the Zambia pilot social cash transfer schemes, and is reported by CARE Zambia (2007) and Ellis (2007).

5. For a revealing account of these various social facets of targeting transfers to the poorest as experienced in the poverty-targeted distribution of fertilizers in Malawi, see Levy and Barahona (2002: 11–14).

6. This article was not written specifically as a critique of the 10 per cent rule, which has made an important contribution to evolving practice in the targeting of cash transfers in SSA. Nevertheless in its conclusions it does return to the rule and identifies several weaknesses for its deployment as a targeting principle in scaled-up cash transfers.

7. Ultra-poverty in the IHS2 analysis is defined as insufficient income to secure enough food even if all income is spent on food, which differs from the Lipton (1983) definition mentioned earlier.

8. For a detailed account of how this is done in the Malawi social cash transfer pilots, see Schubert (2008).

9. The published analyses of these surveys can be found in Devereux et al. (2006), Government of Malawi (2005), Government of Malawi and World Bank (2006), World
Bank (20

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display considerably more variation that the intervening deciles, reflecting that they contain extreme low observations (bottom decile) and extreme high observations (top decile).

13. The argument here has been developed from per capita expenditure data and magnitudes might differ slightly if household-level deciles were used instead, depending on the relationship between household size and per capita income across the income distribution.

14. This takes into account the impact of 59.6 per cent inflation on the purchasing power of the Zambia Kwacha between 2002–2003 and 2005 when the Kazungula scheme started.

15. Consumption per capita is MK1,750 for the sixth decile and MK2,047 for the seventh decile. These observations are made with respect to the mean rural consumption per capita in the bottom decile, and would vary in magnitude depending on how far below or above the mean consumption is any individual family.

16. The evolving design of these pilot cash transfer schemes is traced in Schubert (2005) and Schubert and Huijbregts (2006).

17. It is more common in such surveys for household samples within districts to be contribu … ggregation, such as …

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19. It … to be 40–150 p … ent for poverty- … urse, this compari … hese are often fou … llis et al., 2009: 85 …