

Policy Sciences of Social Safety Net Programs

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A. Introduction: Goals & Approaches to Overcoming the Obstacles to Effective Social Safety Net Programs

The goals of this paper are to identify feasible designs for social safety net programs to maximize the human dignity of the poorest families in developing countries, and to provide insights into the best promotional strategies to enact these programs. Design and promotional strategy are obviously connected, in that program design has to be consistent with the promotional appeals that would mobilize sufficient support. The intended audience for this analysis consists of technical experts entrusted with designing safety net programs, policymakers in governments and international development assistance agencies, and activists. The policy sciences framework is employed to reveal considerations of design and strategy that less comprehensive approaches would overlook.

In particular, the focus is on conditional cash transfers (CCTs) as the most promising—but also somewhat vulnerable—safety net instrument that can directly target the most vulnerable families.¹ Well-implemented conditional cash transfer programs have several advantages over other safety net instruments. These programs run counter to the unfortunate fact that the typical safety net system, ranging from vouchers for goods or services to pensions, is more commonly

¹ For general background on safety nets and specifically on conditional cash transfers, see Hickey et al 2009; Inter-American Development Bank 2001; and Milazzo and Grosh 2008.

regressive than progressive. The very poorest people are generally ineligible for contributory pension plans, and they do not have employment covered by minimum wage regulations. They may be able to take advantage of subsidized energy or food prices, but less poor families will usually consume greater quantities of subsidized energy and perhaps even subsidized food; efforts to limit access to the subsidies often fail. In contrast, as long as conditional cash transfers are delivered to the eligible families, the program is clearly progressive.

If the conditions are effectively enforced, and the healthcare and education systems are maintained, CCTs also hold the promise of improving the human capital for the economy and society as a whole. The healthcare and education systems would be under greater pressure to accommodate the additional children who would use these services because of the conditions, yet it is generally accepted that the productivity gains of the children of the very poor would provide a net improvement to human capital.

CCTs also have the potential to make economic policy transitions both less painful for the most vulnerable families and less disruptive in terms of reactions to the transitions. For example, in Indonesia the liberalization of fuel prices through a severe reduction in hydrocarbon fuel subsidies was accompanied in 2005 by a cash transfer program to soften the impact on the poor (Grosh et al. 2008: 52; Widiyanto 2007; World Bank 2005; World Bank 2007b; World Bank 2007c; World Bank 2008; World Bank 2009c); the reaction to the rise in gasoline and diesel prices as well as bus fares was unusually muted. In Argentina an emergency conditional cash transfer program, based largely on work conditions, was introduced in the wake of the huge 2002 economic meltdown, in all likelihood averting a repetition of the violence that has been so

common in Argentina². In Turkey, cash transfers were introduced to offset the removal of agricultural subsidies (World Bank 2006).

The problems that must be overcome include the reluctance of the non-poor to transfer wealth to the poor, the sustainability of pro-poor social safety nets during adverse economic times, inefficient and ineffective implementation, corruption, and conflict between recipients and non-recipients.

The principal argument of this paper is that the design and promotional considerations of safety nets must take into account the largely neglected deference values of power, respect, affection, and rectitude. Unsurprisingly, most of the literature on social safety nets focuses on wealth, the health component of wellbeing, and the skills that education may bring. Obviously, the goals of enhancing the wealth, wellbeing, and skills of the very poor are important, and ought to occupy a central position in appraising whether a safety net program—and in particular a CCT program—is successful. Yet the nearly exclusive focus on these welfare values has overlooked deference considerations that are important for securing a sound³ program. Unless these

² For background, see Lloyd-Sherlock 2008, Ravallion 2002, and World Bank 2007a.

³ Soundness can be gauged by applying the following criteria:

- *Appropriate magnitude* of the safety net program
- *Sustainability* of programs, important because start-and-stop patterns are inefficient and people are more vulnerable if the program has to gear up from a very low level
- *Adaptability* in the coverage, magnitude, and nature of benefits and incentives
- *Efficiency* of programs, varying along several dimensions: avoidance of unnecessary bureaucracy, minimizing losses through corruption, minimizing the Type 1 and Type 2 errors of eligibility

additional benefits are taken into account, CCTs are vulnerable because of the almost inevitable uncertainty as to whether they are the most “cost-effective” way to achieve the more restricted welfare goals. The demonstration of general superiority of CCTs over other social protection *or* human-resource development instruments remains elusive, as indicated by the stream of critical articles arguing that “it is not clear that the CCTs are the most cost-efficient or sustainable solution to the development problems facing low-income countries...[and] there is little evidence that CCTs are a more cost-effective way of improving human capital outcomes and reducing inequities relative to supply-side interventions.”⁴

Developing promotional strategies is a matter of devising appeals. In light of the argument that the appeals should pertain to the whole range of valued outcomes, it is useful to characterize appeals according to not only the standard dimensions of intended audience, timing, intensity, but also according to the value categories invoked, and the nature of emotions or

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- *Effectiveness* of programs, in terms of providing for survival needs, enhancing human resources, and enabling the enactment of other policies if they are themselves sound
 - *Appropriate tightness of targeting*, in terms of both formal criteria and the degree of leakage.
 - *Promotion of other reforms*, made more feasible politically or economically by the existence of the social safety net program
 - *Contribution of programs to human resource development*
 - *Maintenance of constructive community relations*

⁴ This quote, from Handa and Davis 2006: 531, is echoed in Britto 2005, Lloyd-Sherlock 2008, and Bloom et al. 2009: 12.

psychological drives to be mobilized. The triple-appeal principle (Lasswell 1932) is a useful organizing principle for assessing the strategies of presenting CCT initiatives with effective motivational appeals, in the distinctions among raw “id” impulses associated with affection, security and rivalry, the instrumental “ego” impulses associated with wealth, power, skill, and enlightenment, and the “superego” conscience impulses associated with rectitude and respect.

Political Economy? It is useful to examine the degree of compatibility of this argument with the political economy approach to understanding how safety nets can be designed and promoted. Some brave souls embracing reasonable political economy approaches have argued that the standard soundness criteria of a strictly technical analysis for designing safety net programs actually undermine the success of the initiatives; political considerations must be taken into account. This is expressed nicely by Alesina and Perotti (1994: 351), who note, “Political-economy models begin with the assertion that economic policy choices are not made by social planners, who live only in academic papers. Rather, economic policy is the result of political struggle within an institutional structure. The empirically oriented researcher and the policy adviser have to be well aware of how politics influences policymaking.” For example, Pritchett (2005) emphasizes that strict targeting of benefits to the designated beneficiaries may undermine the political support needed to maintain the safety net program.⁵ Graham (1995; 2002a; 2002b) invokes public attitudes toward the poor to gauge the political support for pro-poor policies. The World Bank’s most comprehensive overview of safety net programs (Grosh et al. 2008) has sections on “Appropriate Context and Political Economy Considerations” for each of the major categories of programs.

⁵ This point is echoed by Gelbach & Pritchett 2002; Devarajan & Rein 2002: 13-14; Mkandawire 2005; Pritchett 2005; Pritchett and Woolcock 2002; and Ravallion 1999.

These reasonable political economy approaches must integrate “stakeholder analysis” (identifying the interests, outlooks, and resources of relevant actors) with institutional analysis in order to identify possible outcomes that would not be anticipated through conventional economic analysis. The payoff is that these variants recognize that different policy choices or strategies may be better than what straightforward economic logic would call for.⁶ Thus when applied to the question of how social safety nets should be designed, promoted, and evaluated, the policy sciences perspective—and political economy if it is broadened to go beyond power and wealth considerations—can save policymakers (and those who advise them) from choosing initiatives that appear promising from the straightforward economic perspective, but may be undermined as various actors pursue their particular interests. In light of the fact that some versions of “political economy” have suffered from the sterile embrace of rational choice formalism, it is heartening that other variants have evolved toward the comprehensive policy sciences framework. This attractive methodological symbol can be appropriated to further the comprehensive policy sciences framework, as long as a) in identifying the interests, outlooks, and resources of relevant

⁶ Other definitions of political economy that restrict the field to abstract, formalized or mathematical models, game theory, etc., take an unnecessarily narrow perspective. The core premise of the policy sciences is the maximization postulate: actors *strive* to maximize their valued outcomes. Actors do not necessarily succeed in maximizing, though we assume that they try; and they may value outcomes that go far beyond economic rewards (e.g., power, respect, physical security). Much of policy sciences analysis asks, “Given particular actor’s preferences, role and circumstances, what is the logic of the situation that would induce the actor to choose particular actions believed to maximize?” Sometimes formal modeling may be useful for representing the logic of how actors can or do seek to maximize, but often it is not.

actors, “political economy” does not stop at power and wealth (politics and economics), but rather extends to understanding the pursuit of the whole range of valued outcomes; and b) it does not presume that actors are omniscient in their pursuit of valued outcomes.

B. Trends

Over the past decade, the governments of numerous developing countries have adopted fairly strong social safety net programs targeting the poorest families.⁷ Some of these programs were consolidations and expansions of pre-existing programs, as in Mexico and Brazil.⁸ Some were introduced in economic-emergency situations, as in Argentina. Others were introduced to accompany and soften the impact of structural adjustment initiatives that otherwise would harm low-income families and possibly provoke disruptions, as in Indonesia and Turkey.

With the urging and support of the World Bank, the Inter-American Development Bank, and the Asian Development Bank, middle-income developing countries increasingly emphasized cash transfer programs. The targeted families typically are at the bottom tenth or bottom fifth of the income distribution, as long as children are in the family. The typical transfer for a middle-income developing country amounts to US\$12-20 per month, depending on family size, children’s ages, etc. Eligibility is typically determined through indirect indicators of income and wealth, such as characteristics of the house, absence of motor vehicles, and so on.

The design dimensions that have been suggested or applied for CCTs thus begin with the definition of who is potentially eligible and the magnitude of transfers. Other dimensions include:

⁷ See Grosh et al. 2008 for an extensive treatment of the programs.

⁸ For Brazil, see Britto 2005; Handa and Davis 2006; Soares, Perez Ribas, and Cuerreiro Osorio 2007. For Mexico, see Bate 2007; Handa and Davis 2006; World Bank 2009b.

- the way initial eligibility is established (means-test criteria [proxy tests in lieu of unreliable reports or estimates of income, such as physical aspects such as dirt rather than concrete floors, lack of motor vehicles, etc. are typically used]; identity and affiliation of “enumerators” [level of government, community council, or volunteers])
- nature of the conditions to remain eligible (children’s school attendance, regular healthcare for the children, work or community-service requirements, etc.; “grants” can be separate [e.g., education grants receivable even if healthcare or other conditions are not met] or combined)
- the way the funding for the CCT secured (annual budget allocations, multi-year allocations, earmarked taxes, permanent fund)
- the way the cash is delivered (administrative level, technologies⁹)
- recipient of the cash (usually but not always the female head of household)
- the way compliance with conditions and appropriate delivery are monitored (oversight by local, provincial, or national levels; by the social service administration or by more arms-length agencies)

The point of elaborating on these design dimensions is to demonstrate the considerable flexibility for fashioning a CCT that will be more successful or less successful in achieving the intended goals.

The participation of the international development banks in the formulation and funding of CCT programs is important in several respects. Significant CCT programs require some

⁹ Disbursement methods vary considerably in terms of technology, from ATM withdrawals to waiting in line to be handed the cash.

financing from the government yet the co-financing, along with the budget allocations by the governments, obviously helps to promote the acceptance of the program, while also providing technical assistance and the inducement of maintaining positive relations with these sources of foreign assistance. On the other hand, the requirement to design the program to meet the standards of these organizations (e.g., precise targeting of beneficiaries, such as only families with incomes below a specified level; neutrality in eligibility decisions; and transparent, formal procedures for establishing eligibility and carrying out disbursements) poses constraints on the governments. Of course, some degree of precision, neutrality, and transparency is desirable. Yet as we shall see, these constraints may reduce the capacity of the programs to maximize all the human dignity dimensions, as well as reduce the willingness of the government to maintain or expand the funding of the CCT program.

In the short history of CCT programs and other safety net programs truly focused on the poorest families, perhaps the biggest threat has been the tendency of governments to cut back on the budget during economic downturns. Ravallion (1999; 2002) highlights the danger that in the midst of general budget cutbacks, the allocations for pro-poor safety nets will be cut proportionately more than the overall reductions.

Another threat to CCTs comes, perhaps paradoxically, from the Left. Some activists and government officials with strong redistributive preferences may take issue with the premise that the targeting of beneficiaries implies the right of the government to determine who should receive safety net benefits rather than the right of citizens to a minimum “basic income.” In Brazil, although the *Bolsa Familia* Program has been quite successful overall, this issue has been particularly contentious. Rather than conceiving the Program as support for the very poorest, some government officials regarded *Bolsa Familia* as “close to a basic income approach that

eventually would move towards becoming universal”; consequently the administering agency did not value narrow targeting or means testing (Britto 2005: 16-17). Targeting guidelines were often neglected, leading to a degree of backlash in public opinion, demanding stricter enforcement and more transparency. The question is whether the push for an unconditional minimum income as a right will undermine the initiative to provide a politically feasible program for the very poor—it may be a matter of the sacrificing the good in the futile pursuit of the perfect.

C. Conditioning Factors & Projections

Understanding the dynamics of how CCTs are formulated, promoted, resisted, and possibly implemented requires fleshing out the elements of the social process, which requires identifying the participants, their perspectives, the situations in which they operate, the assets (“base values”) at their disposal, the strategies they adopt, and the outcomes and effects of these strategies (Lasswell 1971, 19).

The perspectives of at least twelve participants/institutions are likely to be relevant to the fate of safety net initiatives:

- government leaders who make authoritative decisions on the formal social safety net policies
- leaders of government agencies that provide social safety net services
- “frontline” administrators who implement social safety net policies, including those who determine eligibility and compliance, oversee workfare activities, etc.
- social service deliverers, such as teachers and health-care providers
- opposition politicians (who may or may not be members of opposition political parties)
- the non-poor public (which, of course, can be further segmented according to income levels, economic roles, etc.)
- the representatives of various segments of the non-poor public

- labor unions (whose membership over time may straddle the categories of poor and non-poor)
- the poor (the composition of which can vary according the economic situation at the time and the cut-off point between the income levels and/or eligibility criteria associated with the status of poor or non-poor)
- the representatives of the poor (including grass-roots organization leaders, national non-governmental organizations, and international non-governmental organizations)
- political parties
- external development assistance organizations, including multilateral and bilateral organizations

To begin our exploration of what appeals will secure the commitment to fund and maintain a CCT program, it is useful to identify the value-outcome considerations that go beyond health and skill; a limited number focus the interactions between power and wealth (the typical political economy preoccupation); considerations of the deference values of affection, respect and rectitude are conspicuously scarce¹⁰, as is the neglect of the enlightenment value. The relevant conditioning dynamics pertaining to these largely neglected value categories are:

1. Joan Nelson (2003) argues that in developing countries, the middle-income population's support for safety net policies is critical, and depends on whether the interests of the poor and the middle-income groups can overlap. The inventory of essential needs as perceived by middle-income groups in developing countries includes low levels of disruption, protection of their rights (including property rights), and opportunities for skill enhancement and economic progress. The poor pose a risk to these needs, particularly if their dissatisfaction leads to

¹⁰ The publications by Carol Graham (1995; 2002a; 2002b) are notable exceptions.

disruption that in turn escalates through the actions by the government, the military, or both. One of the biggest threats to middle-income groups' progress is populism borne of the dissatisfaction of the poor.

The poor also pose opportunity, if they become more productive and contribute to greater demand for the goods and services provided by middle-income segments. Some of these middle-income segments provide the services in greater demand due to CCT conditions; some administer the programs; some sell the products that the poor are better able to buy.¹¹

A compelling argument can be made that a CCT program is a relatively low-cost instrument to achieve these minimal needs. As we have seen, cash transfers can quell disruption. The other approaches for easing the economic burdens of the poor, such as general price subsidies, lead to greater economic inefficiency, and do nothing to induce greater human capital development.

As long as the mobilization of the poor does not threaten the stability that underlies the security and prosperity of middle-income segments, the political participation of the poor also reinforces democratic participation that protects the rights of the middle-income segments. Therefore the Kantian idea that society requires all citizens to be competent to participate as enlightened citizens (Ripstein 2009: 286-92; 399). Therefore this is a potential appeal that clearly can reinforce the more straightforward economic rationales.

2. While Nelson's perspective is limited to understanding how security and wealth considerations shape the outlook of the segments asserted as having pivotal power, Graham (1995; 2002a; 2002b) incorporates the rectitude considerations through the premise that the appeal to the rectitude of the non-poor to tolerate their taxes going to the very poor depends on

¹¹ In addition to Nelson 2003, see Keefer and Kehmani 2005.

the non-poor's understanding of the causes of poverty. The policy sciences construct of "myth" (Lasswell 1932) is relevant here. People tend to have broad, historico-cultural beliefs about the causes of poverty, ranging from laziness and wastefulness of the poor to the legacy of colonialism, political exclusion, or simply the workings an economy that rewards some far more than others. These are myths in that they are largely unexamined, or are even beyond definitive examination. Graham (2002b) reports the major differences across the Western European, Latin American, and U.S. attitudes in accounting for poverty, and consequently in demands that government address the poverty.

However, instead of taking the myths of poverty as static, the promotional strategy ought to take note of the fact that circumstances can alter these perceptions. Most notably, timing is crucial: during certain periods, particularly economic downturns or financial crises that clearly drop some people into poverty clearly through no fault of theirs. When fractions of the middle-income segments are frightened of being reduced to poverty (as happened in Argentina in the wake of their 2001 meltdown), the less forgiving myths become less compelling.

3. Calibrating the intensity of the appeals accompanying a CCT initiative is complicated by the countervailing considerations of signaling that disruptions by the poor can be preempted by providing them with the cash transfers, and arousing resentment that some are being indulged with these transfers. In some circumstances CCTs can fly under the radar to the degree that they are not vigorously challenged (consider the hardly known "earned income tax credit"); in other circumstances the initiative and the compelling reasons to establish it need to be prominent.

4. Institutions representing economic segments are led by representatives who commonly believe that their mandate is to fight for the economic benefits of their members. In the vast majority of developing countries, modern-sector unionized workers are not among the very poor.

Therefore labor leaders are unlikely to support CCT initiatives unless a) the CCT has the potential to assist union members in the case of an economic meltdown (as in the case of Argentina following the 2001 meltdown), b) the political parties associated with the unions stand to gain from expressing their rectitude, and gaining respect, by endorsing a CCT initiative that reinforces their leftist commitment (as in the case of Brazilian President Luiz Lula da Silva's *Partido dos Trabalhadores*). The former case would call for an instrumental ("ego") appeal; the latter case may well call for a superego appeal.

In addition, direct appeals to the working-class general population invoking rectitude and respect can combine superego and id appeals by emphasizing that the non-poor are more successful; that the non-poor, in their superiority, can indulge their generosity by supporting the CCT program; and that they are imposing the societal norms of pursuing education and health onto the poor.

5. One aspect of safety net programs most likely to arouse labor union opposition is the workfare approach. For example, the major Argentine union confederation, the Confederación General de Trabajadores (CGT), did not take a position against safety nets in general, even though under normal circumstance CGT members would not qualify for safety net benefits, yet the CGT leadership did express concern that workfare would undermine union employment opportunities. This presents a dilemma that safety net program designers must address: workfare conditions may be important for the respect and general dignity of recipients, particularly males in the household. In addition, the symbolism of the lazy welfare recipient is a chronic risk for any safety net program that does not require effort on the part of the beneficiaries. The Argentine government addressed the tradeoff by setting the compensation for adult work or educational activities at just below the market wage for unskilled workers Grosh et al. 2008: 486).

6. The ways that decisions on initial eligibility, determination of compliance with conditions, and disbursements are made will often raise issues of respect, affection, and power within the communities in which some formally eligible recipients reside. Other families with modestly higher incomes, or even with comparable incomes but who fail to meet the proxy means test, may well resent the perceived arbitrariness of their ineligibility, possibly undermining the social capital of the community. In fact, even the legally eligible beneficiaries may find the targeting to be too narrow, simply out of a sense of rectitude and would regard the formal restrictions as unjust, or because of concern that resentments and friction that would arise in the community through the exclusion of other community members. For example, it has been widely reported that in many Indonesian villages, the formally eligible cash-transfer recipients have supported a broader distribution. If, for example, all families in a fairly uniformly low-income village are given equal portions, the village may have a better chance to maintain mutual respect among all families. In addition, formal targeting may be loosened by decisions by safety net administrators under pressure to maintain positive relations with formally ineligible families. One important implication is that obsession about tight targeting may be misplaced. Having local councils or village heads make the eligibility and disbursement decisions, as opposed to having “enumerators” and disbursement officials reporting to higher governmental levels, may not be the orthodox approach to guarantee formal targeting, but may be preferable in terms of maximizing human dignity.

7. Rather than assuming that the net addition to the wellbeing of recipients is equal to the benefits they receive from the formal safety net program, one must recognize that in some contexts the safety net program will crowd out informal community arrangements that provide some benefit for particularly vulnerable families. In other words, community interactions based

on rectitude, respect, and affection may be undermined when knowledge of cash transfers induces community members to perceive less obligation to provide informal, community-based safety nets. In Ethiopia, for instance, sharing food or other necessities has been a long-standing adaptive response to drought and other adverse circumstances in many villages, but these informal arrangements can erode when formal safety net transfers seem to supplant sharing among households (Dercon 2002: 155). This “crowding out” would reduce the overall degree of protection that planners might expect, and potentially undermine the informal arrangements when the formal safety net programs are no longer in effect. Therefore to reach a planned-for level of net benefits, it is necessary to adjust for anticipated reductions in informal community-donated benefits.

8. The wellbeing concerns, particularly with regard to personal security, are unsurprisingly particularly acute in countries with severe ongoing conflicts or high likelihoods of disruption. The motivation to reduce or preempt these threats may lead to deviations from targeting the poorest families uniformly. For example, the Colombian government designed the coverage of the *Familias* Program with special emphasis on areas that had experienced violence. In addition to the standard considerations of “economic growth, building quality government, and sharing the fruits of growth,” the Country Assistance Strategy that the Colombian government and the World Bank formulated “added a fourth pillar: (iv) building the foundations of peace. The Project also contributed to this pillar since it supported the expansion of *Familias* to areas previously affected by violence.” (World Bank 2009a: 2). This reflects an explicit choice to diverge from the targeting orthodoxy of applying only income levels, family circumstances, and conformity with conditions. In all likelihood the appeal to the Colombian Congress to continue the CCT program is strengthened by casting it as an element of the pacification effort.

Defensive wellbeing concerns have also been relevant in Argentina (strong potential for disruption following the 2001 economic meltdown), Turkey (with the withdrawal of massive farm subsidies), and Indonesia (with the withdrawal of massive fuel subsidies).

9. Maintaining the respect of the eligible recipients of CCT transfers has to confront the risk that “being on the dole” will erode the respect (and self-respect) accorded to the recipients. Some design alternatives can lessen this risk. If the transfers for education are formally separated from the others, they can be legitimately cast as “scholarships” for the students. Argentina’s *Programa Nacional de Becas Estudiantiles* (National Scholarship Program) has a means test criterion; Mexico’s *Oportunidades* (formerly *Progresas*) program has education grants in addition to transfers related to health, nutrition, and other supports.

10. New administrations of different parties or factions than the predecessor administration have an incentive to create their own programs rather than to continue the programs for which previous administrations would receive the political credit. Insofar as pro-poor safety net programs reflect the righteousness of the administration that enacts them, the successor government faces a reputational dilemma: maintaining the program gains little, but takes up resources that the government could devote to its “own” programs; if the programs are simply terminated, the new administration appears to be turning its back on the poor. The alternatives are to terminate the program, perhaps by condemning it for corruption and inefficiency; starve it through inflation or budget cutbacks; or modify and re-label the program. These all pose risks to the sustainability and consistency of the safety net initiatives.

This problem can be mitigated if the new government can re-label the existing program, change its parameters without compromising its soundness, or both. In Mexico a progression of safety net programs (CONASUPO in the 1960s, PRONASOL in the late 1980s, PROGRESA in

1997, *Oportunidades* in 2002) changed labels but avoided dismantling, despite significant changes in PRI administrations early in this period and the even more significant shift to the center-right PAN party in 2000. In terms of changing the parameters of the program, one option may be to expand it, to higher benefit levels, broader coverage, or both.

Another approach to insulating a CCT program from government changes or overall budget stringency is to establish a high-profile fund, with the administrative apparatus to manage it, for the explicit purpose of transferring funds to the poor. In Pakistan, the Benazir Income Support Programme, established in 2008 following a severe economic downturn, is a remarkable case in point. Invoking the miranda of the assassinated Benazir Bhutto, and creating a small but presumably influential bureaucracy, the Programme would pose serious political costs for a government intent on dismantling it.

D. Alternatives

The recognition that much is at stake with CCT programs beyond wealth, education, and health leads to recommendations that policymakers must seriously consider the following:

1. Conditional cash transfer programs ought to be prime candidates to carry the social safety net burden.
2. The most “administratively efficient” approaches to carrying out CCT programs may have to be adapted to permit greater decentralization, community monitoring and disbursement, etc.
3. Stringent targeting rules may have to be loosened in order to alleviate potential conflicts in communities and to foster greater social capital.
4. The intensity of the appeals has to be calibrated carefully, to avoid arousing resentment from the non-poor while making the case of using CCTs to avert disruption.

5. CCT programs may have to be insulated from termination or cutbacks by emphasizing the superego rectitude demands that would raise the political costs of dismantling them.
6. Formulating appeals to establish, maintain, or strengthen CCT programs must keep in mind the symbolic aspects—the impacts of which will vary contextually—of the entire range of value categories and motivational components. This includes the Kantian appeal that democracy will be strengthened via a more enlightened citizenry, the peculiar mix of rectitude and superiority, the respect and affection impulses that potentially could be stimulated by according benefits to fellow citizens, and so on.

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