

Citizenship and Social Protection: Towards a 'Transformative' Agenda for Pakistan

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Executive Summary

1. Introduction

1.1 Objectives of the study

The aim of this paper is to provide a dynamic and relational analysis that seeks to tackle the causes of the vulnerability of the poor and marginalised and to develop a 'transformative' approach to the design of social protection strategies. It is based on a scoping study that was carried out in May and June, 2005.

1.2 Methodology for the study

The study is based on information from both secondary and primary sources. Four weeks of field work was carried out in two urban and two rural locations in Sind and South Punjab respectively that included focus groups discussions and interviews with key community and official informants.

2 Conceptualising social protection

This Section examines the nature of development challenge in Pakistan and gives an overview of approaches to social protection among a number of key international agencies. It provides the rationale for a 'transformative' social protection strategy.

International perspectives: World Bank, Asian Development Bank and

International Labour Organization: The World Bank's conceptual approach is anchored in its Social Risk Management Framework World Bank's approach to social protection is anchored in its Social Risk Management Framework which goes beyond *ex post* safety nets to *ex ante* measures which help to prevent and mitigate risk. The Asian Development Bank has a more 'technical' approach that includes social exclusion and domestic violence among sources of risk, and envisages a wider array of state responses at the policy level (anti-discrimination, public information, access to equal justice and good governance). The ILO focuses primarily on vulnerabilities related to the life-cycle of workers and to market-related risks within both formal and informal economy. It makes a distinction between *protective*, *preventive* and *promotional* measures.

Re-conceptualising vulnerability: towards a 'transformative' social protection strategy:

The new approach moves beyond relief and rehabilitation measures, encompassing safety nets in the face of crisis but also the protection of the assets and livelihoods of the poor and the promotion of 'springboards' out of poverty. The emphasis is on public actions taken in response to levels of vulnerability, risk and deprivation and a dynamic understanding of poverty taking into cognisance social, political and economic structures and relationships, and processes of exclusion and adverse incorporation which prevent many poor people from benefiting from market opportunities and policy.

3. The development challenge in Pakistan

This Section elaborates the sources of vulnerability in Pakistan and their mediation by the unequal relations of class, caste, ethnicity, gender and religion.

The paradox of growth without development: Pakistan exemplifies the paradox of 'growth without development.' The shortfall between the human development outcomes achieved by Pakistan and those achieved by others at similar levels is defined as the 'social gap'. Explanation of the 'social gap' is believed to lie in the country's fiscal policy and patterns of public expenditure; lack of management capacity in the public sector; "persistent" problems in governance; and fragmentation of the social structure, not simply along class lines, but also along lines of caste, kinship, ethnic, religious and other divides.

Poverty, vulnerability and social protection in national policy documents:

Pakistan's PRSP lays out the government's analysis of poverty and vulnerability and its strategy to deal with it. It recognizes that poverty is a multidimensional concept that has both monetary and non-monetary dimensions. The government's strategy for social protection is spelt out in greater detail in the Mid Term Development Framework 2005-2010 which operationalises the PRSP. The policy documents contain a fairly broad-brush sketch of poverty, vulnerability and inequality however there is little recognition of the role that power structures play in giving rise to poverty and vulnerability and the extent to which they block attempts to promote the interests of the poor.

4. Sources of risk and vulnerability in Pakistan

Section 4 examines deficits in basic needs among poor and marginalised groups. The study's field work reaffirmed the following sources of risks and vulnerability in Pakistan: **Social**, rooted in the relationships which make up communities and determine the basis for pursuit of livelihoods. Vulnerability may derive from the hierarchical structure of power, authority and decision-making within the family; familial relationships and gender-related vulnerability; life cycle vulnerabilities within family relationships; marginalized identities (caste, ethnicity, religion and language) in both rural and urban situations. Socially marginalised groups remain the most isolated and least well served in terms of infrastructure and facilities.

Political, stemming primarily from the failure to implement the rule of law.

Environmental due to the degradation of natural resources and the environment.

Economic, in terms of downward pressures and fluctuations in income/consumption flows. The overarching problem was seen as the dearth of jobs, but a structural, rather than an individual, problem. Socially marginalised groups were less likely to have assets or opportunities.

5. Insecurity of basic needs

This Section describes informal risk management strategies among vulnerable groups and their inadequacy. The field study revealed that:

- **Food** deficits were not widespread among the groups interviewed but there were exceptions;
- **Water** was a widespread problem related to agriculture, sanitation and drainage, and ranked alongside with food as indispensable to basic survival and health.

- Shelter was bound up with security of rights to ownership or tenure of homestead land in rural areas and housing in urban.
- **Good** health was critical for both, productivity and well-being for those who rely on their physical labour to earn a living.
- **Education** of the children of the poor and marginalised with girls requiring special attention.

6. Assessing social protection strategies in Pakistan

Section 6 describes formal and informal protections measures and their failure to reach those in most need.

Informal strategies for social protection: These strategies included cutting back on consumption and basic expenditures including for schooling and health; selling off assets; mobilising the labour of economically inactive members (children and women) at the household level. Rural households diversified work into off-farm work; construction was a key source of employment in rural and urban areas; begging, drugs, theft, crime and prostitution were the other sources of livelihood. In addition the poor resorted to asset stripping; Informal credit emerged as a widespread means of coping with various kinds of crisis and where not available usurious sources, including landlords, moneylenders and middlemen, provided loans at exorbitant rates of interest. **Informal social protection** in the form of familial, kin and *biraderi* linkages emerged as important support mechanisms for the poor, stronger in rural than in urban locations.

Formal social protection: government and civil society provision

Formal social protection is provided by state and civil society organisations as well as by the private, profit-oriented sector. State social protection measures include straightforward cash transfers, public works programs, food subsidies, microfinance provision and social funds. They have been largely limited to the formal sector of the economy and consequently continue to exclude the vast majority of the poor. **Zakat and Bait-ul-Maal** are the two truly redistributive transfer mechanisms administered by the GOP. At the aggregate level, the funds fall short of need. Field findings showed randomness to the distribution process; complexities of the procedures, and the number of stages involved that multiplied opportunities for illicit charges. Significant sections of poorer groups did not have identity cards and had encountered difficulties in trying to get them. Others had paid far more.

7. Bridging the citizenship gap: a transformative social protection strategy for Pakistan

This Section offers some recommendations for a transformative social protection agenda in Pakistan. The analysis suggests that the citizenship gap (and the associated 'social gap') is closely correlated with deeply entrenched inequalities within Pakistani society along lines of class, caste, kinship, tribe, ethnicity, language and, of course, gender. As a result a widespread *sifarish* economy, based on favours and connections, has emerged.

Recommendations for a citizen-centred approach:

- **Prioritisation** of the 'protection' of the poor and vulnerable through classification of different groups by **economic criteria** i.e. those who are economically active,

but receive low and uncertain returns to their efforts; those who *could* be economically active but are currently inactive; those who are not - and are unable to be - economically active

- Giving particular attention to gender inequalities as a matter of basic justice.
- Promotion of synergy between the different pillars of the PRSP in order to ensure that the poor benefit.
- Development of a unifying framework of citizenship through building a shared minimum social floor to eradicate inequalities in the basic necessities of life, and promoting the collective organisation of the poor and socially excluded *on the basis of non-parochial identities and affiliations..*

Some suggested areas of intervention:

- Simplify the system of social security: 'Guaranteed and predictable' social transfers, a unified system of social security which does not discriminate but responds to perceived need.
- Simplify and rationalise the issuance of National Identity Card system. Verification of citizenship and residence can be done through the Union Council.
- Priority to the elderly, female household heads, the disabled and the long-term ill in the distribution of cash transfers
- Public works programmes
- Microfinance: reaching the poor and socially excluded. Lessons from the field indicate that the poor give priority to regular savings with provision for flexible and open access. The need to link the provision of financial services with activities for the promotion of livelihood skills.
- Health insurance and fee exemptions e.g. the provision of cards to *Zakat* and *Bait-ul-Maal* recipients which would entitle them to full health care coverage at government health facilities.
- Promoting access to education for vulnerable children.
- Security of shelter: land reform as a transformative measure of social protection; active implementation of the National Housing Policy to ensure that policy measures benefit the neediest.
- Protective measures against domestic violence
- Minimum wage legislation
- Building women's agency and opportunities.
- Building micro-level governance through strengthen the training of union councillors which is already provided for; mandatory inclusion of women councillors in committees/sub-committees, arbitration councils, etc., sensitisation of male local government elected members; introducing special measures for relieving elected women of their household burden; setting aside of special funds for women led CCBs.
- Public sector reform for social inclusiveness
- Affirmative action for inclusive citizenship

