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**Will the trend towards cash undermine public provisions?
Reflection from Egypt and the ME**

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* The views expressed in this paper are those of the authors and do not necessarily represent those of the United Nations.

Introduction

There are no longer objections to making women primary beneficiaries of social spending in many Arab countries. The rules and norms of patriarchal privilege no longer preclude the rights of women in families to access state support. This leniency may be best explained as an expression of a social, and political order that has been overwhelmed by events and deprivations. The ESCWA report on multidimensional poverty in Arab Countries focuses on the poverty of the under 18 year old and estimates that of the 118.9 million young people living in Arab countries covered by the report, 52.5 million (44.1%) are poor and of these 29.3 million live in extreme poverty (ESCWA 2017: 24). Women are perceived to be carers and therefore the ideal conduit to alleviate the deprivation of children. Could this widely celebrated role of altruistic mothering role and caring have helped to justify and make acceptable the extension of cash transfers to women as primary beneficiaries?

The promise of social protection may have had unintended consequences as protection becomes a domain whereby women are given some support but not enough to realize social transformation and are targeted as trustworthy beneficiaries not as individuals with rights.

This short intervention reviews briefly the promise of social protection in Egypt (and elsewhere) and argues for an approach to gendered social protection that does not undermine its beneficiaries. The argument is not based on previous work that has critiqued cash transfers in Mexico and other parts of south America for putting mothers in the service of the state (Mollyneux 2008) but rather focuses on the dangers of social protection cash relieving the pressure on states to insure labour market based social benefits and rights or using the roll out of cash transfers as a reason to roll in public services such as maternity benefits.

Cash Transfers in Egypt

Although the Egyptian economy grew at an accelerated pace prior to the 2011 revolution, the average of 7% growth did not prevent a rise in poverty. Between 2005 and 2010, poverty increased by nearly 5 percentage points.¹ While regional disparity in poverty is an enduring feature in Egypt with rural Upper Egypt hosting nearly half of the poor population, the metropolitan region poverty headcount rate tripled in the five-year period, going from 5.7 percent (the lowest in 2005) to 15 percent in 2010. The income growth of the bottom 40 percent was also negative in this period, at -1.5 percent, whereas the country's average income fell faster at -2.0 percent (MoSS Egypt, 2016).

The political turmoil and economic shocks of the recent past have increased poverty over the last few years. In 2014, 3.7 million Egyptians (13.4 percent of Egypt's 27.6 million labor force) were unemployed, of which 70 percent were between 15 and 29 years old. The macroeconomic profile has limited the ability of growth to benefit the less well-off. The squeeze on fiscal space from interest payments, subsidies, and higher wages has constrained spending on social sectors which would benefit the poor. Over 7 percent of GDP in 2013/14—more than the combined spending on health, education, and public investment—went to finance energy subsidies.

The post-July 2013 governments embarked on a major economic stimulus and initiated an ambitious social and economic reform program. The stimulus spending has contributed to early signs of an economic recovery but macroeconomic imbalances remain large. Capitalizing on the country's improved stability, the government took important steps in early FY2015 to launch critical reforms and begin fiscal

¹ While data have been released for 2012–13, the methodology has changed and figures are not immediately comparable.

consolidation. Early in July 2014, the newly elected president approved long-awaited structural reforms, including increasing existing taxes, enacting new ones, and streamlining electricity and fuel subsidies. In 2014 two new cash transfers programs were launched signalling a new state sponsored gender-responsive social protection policy direction. The programs called Karama and Takaful have already reached 2.5 million families despite having initially had more modest targets. They were supposed to be gently rolled out and to provide cash to 1,5 million families by 2019. But support for cash given to women has grown and the programs have achieved a degree of popularity and legitimacy particularly since the devaluation of the Egyptian pound in November 2016 and the resulting shock to incomes unleashed by rampant inflation.

Karama (dignity) and Takaful (mutual support or welfare) are both objectively targeted cash transfers that aim to increase the consumption of individuals and families living in poverty in Egypt. Karama provides the elderly and the severely handicapped with a monthly stipend of 320 LE per beneficiary. Takaful is for families with children living in poverty and is a conditional cash transfer that is given to help families provide for their children. Takaful provides a 320 LE base pension with increments per child ranging from 60 LE to 100 LE depending on the age of the child. The transfers, in line with Cash transfer protocol are given to women. The current allocated budget to cover the program costs and transfers is 12bn LE, which represents a doubling of funds previously allocated to social pensions.

Cash transfers are either on the books or planned in several other Arab countries. Syria and Yemen had programs that were disrupted by war. Morocco has a large program that is conditional and which has been scrutinized by research and found to be effective in mitigating extreme poverty. Palestine has a program introduced by the Palestinian authority to compensate families for lack of work and to replace previous programs that supported families of combatants and martyrs. The authority can no longer afford to support its fighters and now relies on donors to support destitute families of unemployed men. Saudi Arabia has introduced a program in its 2030 development plan. Donors have resorted to cash transfer programs to address the needs of refugees in Lebanon.

These programs differ in title and timber. Some express recognition of chronic problems of poverty. Others speak to urgent emergency needs. All accept to give money to women and to enter the realm of family welfare through transfers to mothers and carers. This is a change in the gendered meaning of citizenship that has multiple meanings. On the one hand it is a recognition of women's roles as carers, as welfare providers and as responsible agents which is late in coming. On the other, it may imply a resolve to help families with cash but ignore the situation of women as productive individuals.

Cash transfers have been successful in mitigating poverty. Extensive poverty targeting has resulted in an estimated 8% reduction in poverty headcount rate in Mexico and Ecuador and 3% in Brazil (Fiszbein and Schady 2009). In Mexico, CCT programs have also resulted in increased school enrollment and attendance, lower drop-out rates, and increased nutritious caloric intake (Rawlings 2005, Hoddinott et al. 2000). Egypt's program was recently evaluated. Its impact on poverty mitigation, on increasing children's nutritional intake, and on increasing over all household consumption was positive. However its impact on women was unexpected

Although designed as a gender aware program, its impact on women's empowerment was found to be **negative!** Women's empowerment was measured through a series of 9 questions on decision making in the household. The questions included decisions on work related issues such as decision to participate in wage labour and decision on agriculture (many are rural households where farming is the principle activity). It is these work related decisions that women could not make alone or with a level of authority

or autonomy. The transfers seem to have a negative impact on women's ability to make decisions.² There is debate as to whether the practice of giving women in households a transfer is empowering or constraining women as care-givers and increasing their burden by rendering them responsible for ensuring the household fulfills the conditions of cash transfer programs (in the case of conditional programs)(Molyneux 2008). But there is another angle of concern that is shaping the gendered impacts of CCT's in Egypt and perhaps elsewhere. The transfers in themselves are not a panacea and will not do more than keep families afloat. They are essential for millions but not sufficient as a tool of social policy.

What is at Stake?

Although social protection is integral to social policy and specifically social security regimes, the genesis of protection in the domain of donors has created an artificial separation and delinking between protection and its wider policy context. However, countries that have developed their own social protection models have linked them to economic and social policy in general. For example the Latin American countries that forged ahead with the no-longer new paradigm of conditional cash transfers did so as a response to sustained and high economic growth that was precipitating marked and widening inequalities and which, at the same time, afforded the government the luxury of increasing social spending.

Discussing social protection in a vacuum would be a mistake in a regional or national debate on the rights of the poor and the entitlements of citizenship. As Devereux et al. have noted, externally-driven and/or funded social protection programs have little domestic traction. They are either perceived to be unnecessary, too generous or too miserly, too small if introduced as pilots and on the whole unsustainable or insignificant. They are yet another donor band-aid placed on a festering and deep wound (Devereux et al. 2010: 3). Cash Transfer programs in Arab contexts are inspired by donors and international financial institutions such as the IMF and World Bank but implemented by national state bodies mandated with providing citizens with social support (ministries of social affairs, labour, social funds). The broad and evident lesson from all of these programs has been:

- 1- The quality of the implementation is key to the impact of the program
- 2- The transparency and fairness of the program matter
- 3- Monitoring and knowledge creation and evaluation when integral to the program are vital to its success and reform
- 4- Programs are shaped by broader contexts that determine rights of citizenship and rights to political participation.

Cash transfers are therefore not just a technological fix that recognizes women's care responsibilities. They are also features of broader political and social relationships. Gender inequality causes and perpetuates poverty and vulnerability (Jones et al. 2008). Efforts to stimulate and promote pro-poor growth should not fail to include components addressing gender equity in meaningful ways. What is at stake in the Arab region is the meaningfulness of programs that target women. ***Can these programs transform social relationships? Can they alleviate emerging gendered burdens? Can social protection programs realize gender justice in the absence of women's advocates and without the participation of women in governance and accountability procedures?***

Articulations of Cash and Rights

² These findings were troubling to IFPRI and a qualitative study on the impact of transfers on women and power has been commissioned to redress what were deemed methodological errors.

Care Work: One of the many ways gender inequality and inequity manifests itself is the ongoing exclusion of unpaid care work into social protection. Care work, encompassing domestic chores and the provision of care and support for family members (generally children, as well as ill or elderly relatives), is most often considered the domain of women as they often shoulder the burden of such tasks. Though this type of informal care work is generally not conceptualized in terms of economic worth, it is estimated that the monetary value of unpaid care work carried out by women (using domestic work wages as an approximation for the value of care-related work) falls somewhere between 10-39% GDP (UNRISD 2009 research policy brief 9). Making care work more visible in the public sphere and highlighting the value of unpaid care work (and the uneven burden borne by poor women) can help ensure that such work receives more attention during policy creation.

Public Goods and Services: Social public goods are the services and deliverables by which the state distributes assets such as health, education, social protection and other citizenship rights thus ameliorating distribution imbalances and inequities. In other words, they deliver ‘capabilities’ to citizens and their absence or short-fall leads to capability or human development poverty³. If 34% of Egyptians are poor by this measure, then our public goods are missing a third of their target population. The fair distribution of these goods can insure that opportunities are equitably distributed across the whole population regardless of class or location. They can insure that people get an excellent education in a public school, that they can be healthy while living in a remote village, and that they have access to gainful employment and social security regardless of their origins or characteristics (Sholkamy in UNDP 2005). The transfer of assets through the delivery of public goods is an effective means to realizing social justice and equitable distribution and is complementary to the vision of a liberal market economy and to growth. Saad Nagi summarizes this position stating that social policy can guard “against market failures and excesses promoting balance in development and attaining equity in the distribution of associated gain and pain” (Nagi, 2001 p.236). The problem with this approach is that it imposes higher public expenditures, requiring more revenues, which may in turn make governments impose higher taxes and perhaps control resources and assets so as to finance these expenditures. Such an economic regime is discouraging for industry, investment and capital.

Women and Work: Women are unable to realize the full welfare functions of work. Poverty gaps between women and men are especially large within the 25-34 year age group as women struggle to get paid work and provide care for their children and other dependents. In this age group, there are 122 poor women (surviving on less than 1.90 USD per day) for every 100 men globally. In Egypt, the male unemployment rate in 2015 averaged 9.15%, and the female rate was 24.87%.

There also continues to be a nascent crisis of social security and savings. Although pensions have increased in 2016/2017 from a total of 43bn to 163bn LE, the actuarial challenges threaten the future sustainability and affordability of current social pensions savings. This is a threat to the long term well-being of the elderly in general and of women in particular.

Cash transfers are insufficient tools of social protection if they are not part of a gender justice strategy which problematizes these three aspects of social life and the citizenship rights. Cash transfers can only work if women and their advocates are addressing structural inequalities precipitated by unfair care burdens, underfunded public services and unfair labour markets.

Beyond Cash

³ Meaning the capability to be well-nourished, healthy, educated, living in freedom and dignity.

Women have made remarkable gains in the past decades in Egypt and in most Arab countries. In 2015 women in Egypt realized the highest ever level of political representation whereby now women have 89 seats (15% of seats) in Parliament. The right to a quota of 30% of elected seats on municipal councils⁴ was secured in the Constitution of 2014. Saudi Arabia recognized the rights of women to political representation and to mobility in 2017. The countries of North Africa, of the Levant and of the Gulf have broken multiple gender barriers and have acknowledged the right to work, to representation and to political participation. But gender differentials persist particularly where working class women are concerned. For example, of those who work in Egypt, 36.7 % of women work for their family without pay while only 5.3% of men reported a similar work status (CAPMAS 2015). This gap does not reflect the unpaid 'care' work that women undertake. The overall Female LFPR rate in Egypt is 24%, and is particularly low for young women aged 15-29 (18% between 2009 and 2014). The changes in social values, high levels of education and attainment as well as the difficult economic condition of middle class and poorer families have meant that women have no option but to work.

Increased educational attainment among women has not fully translated into favourable employment conditions due to challenges in the labour markets of some Arab countries. The current environment is one characterized by a decline in and increased competition for public sector employment opportunities among educated women, limited opportunities in the formal private sector, and the rise of informal private wage employment. The decline in formal employment channels has led to a rise in female entrepreneurship but overall there has been a failure of social protection for women who work.

Informal employment as a % of total non-agricultural employment in Egypt is estimated at 61%. This is far higher than 10% in Eastern Europe and Central Asia, and 45% in the entire MENA region. Egypt did not always have such a large share in informal employment. Between 1960-1976, informal employment decreased from 41% to 24% of total employment due to increased opportunities in the formal sector. But this decrease was reversed, part due to the liberalization of the economy in the 1990's. Yet private enterprises are unable to provide decent work for the millions who need it. Work and welfare are disconnected as income or cash becomes the only reward of work. Depressed wages do not afford workers with enough protection and cannot compensate for the lack of social security and benefits. Pregnancy and child birth provide a good illustration of this failure.

Social Protection in Pregnancy.

The interaction of women's productive and reproductive functions can have lasting adverse consequences for themselves, their children and their family particularly among the poorest who do not easily access services and protection. The tensions between production and reproduction present an intractable challenge because many LMICs typically place low priority on women's work and maternity and social protection and lack adequate will and support for achieving gender equality. Pregnancy and the postpartum period are a time of vulnerability when women risk both their health and their source of livelihood. Vulnerable workers (often women) in factory settings and within wider global commodity chains have broadly-speaking been excluded from the right to maternity protection. Not enough is known about how social and economic forces and the availability of maternity and social protection impact on the relationship between pregnancy, motherhood and work.

A high proportion of women report symptoms of ill-health in pregnancy, affecting their daily activities (Agampodi et al, 2013). The Global Strategy for Women's, Children's and Adolescent's Health proposed a "Survive, Thrive and Transform" agenda for 2016-2030. Expanding on the Millennium Development Goals'

⁴ No elections for municipal councils have taken place since this quota was enshrined in the constitution in 2014.

(MDGs) narrower focus on maternal and child deaths reduction, this agenda calls for the promotion of health and well-being within supportive environments and highlights the importance of multi-sector approaches, including nutrition, water and sanitation, social protection, gender equality and labour issues.

Maternity and social protection: If women assume the hardships and risks of pregnancy as a dictate of biology that does not necessarily mean that they must do so without recognition and support. In some settings, the families of both mother and father lend care and material support to enable couples to meet their reproductive intent. In more modern setting, markets recognize the need for maternal support as working women are guaranteed maternity leave and pay to enable partners to have a family. The state sometimes steps in to provide health care and child support. Maternal support is a component of a gendered social contract that extends to families through women as direct beneficiaries.

This contract is under duress for despite decades of gender equality and women's empowerment policy and research work, the rights of the working mother are far from universally secured. The proliferation of unprotected and unstable work arrangements where few savings are made mean that women are unprotected by work place provided maternity rights and benefits. The regimes of social protection on the other hand which are designed to protect, and support people made vulnerable by poverty and joblessness are in many cases not designed to provide maternal cover (in many cases so as not to inadvertently promote population growth amongst the poor). Reproduction becomes an economic hardship when women must not only stop work to give birth and care for an infant but also manage with less income and more care work. in spite of significant overall progress in maternal and child mortality, in lagging regions, 46 per cent of births in the lowest quintile took place without trained staff and 55 per cent of births took place outside of health facilities. Several health indicators have worsened across the country, including childhood malnutrition (stunting, underweight, wasting), but these are particularly worrisome in Upper Egypt. Stunting is also more prevalent in Upper Egypt, at 26 percent, compared to Lower Egypt or metropolitan Egypt, at 18 and 19 percent, respectively.

Cash Transfer programs are cheap to deliver, effective in immediately providing relief for vulnerable families and amenable to promotion and celebration. Although they are programs that target women as beneficiaries and although valued and well regarded by elites and beneficiaries alike, the delivery of cash cannot realize the right to social protection if it is devoid of an intent to realize justice. These programs must not occlude women's needs for services and for decent work.