Bargaining with Social Protection: The Political Economy of Social Protection Expansion in Africa in the context of Broader Struggles for Development Policy Autonomy

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Abstract – African Agency in Struggles for Autonomy: Conformance to CTs and Defiance of Subsidies

Using two different instruments of social protection in which the adoption and expansion of cash transfers is associated with policy reforms such as the retrenchment and eventual removal of agricultural input price subsidies, this thesis critically explores the extent to which Ghana and Zambia have been able (or not) to secure and exercise agency with respect to their broader struggles for development policy autonomy vis–à–vis external pressures by posing the question: why are cash transfers more susceptible to external influences than agricultural input price subsidies? In relation to this question, the thesis challenges the seeming twin consensus in the extant literature that has largely held up the rise of Ghana's LEAP and Zambia's unified SCTs as the strong example of the primacy of domestic politics as well as soft forms of external influences. Instead, it attributes their rise to the primacy of 'hard', yet discreet forms of external influences, which were exercised within the context of a new structure of liberal aid governmentality where co–optive measures were employed to implicate both countries into internalising external agents mentality through a complex process of change that further involved the use of complementary institutional dimensions such as donors administrative methods of surveillance and monitoring, that governed the practices of aid delivery, then.

In this regard, the emergence of the LEAP and harmonised SCTs originally, largely, privileges structure and signifies a continuation of the neoliberal agenda, i.e., SAPs 2.0 agenda. This is because both cash transfer policies constitute a new governing technology in North–South aid relations where, through procedures that involved deliberate and intimate confidential discussions, institutions of neo–colonial governance and their agents advanced the 'hard' social conditionalities that led to their emergence. Therefore, the first empirical argument advanced by this thesis is that the Ghanaian and Zambian states and their policy makers were not able to secure, and exercise agency and autonomy on the LEAP and SCTs policies rise. This is on account of the fact that these policies were dictated and imposed by multilateral and bilateral institutions and their agents. This was subsequently enabled by the structuring of the external financing needs of both countries whose severely deteriorated structural conditions intersected with the global context in the 2000s to facilitate such an imposition; this time around, not through the stark exertion of power that characterised the conditionality regime of the SAPs era, but instead, through techniques of cooperation and inclusion that enlisted both countries as agents in their own development by means of tacitly eliciting their consent.

However, conformance to donor–driven cash transfers has not resulted in the reform and eventual withdrawal of agricultural input price subsidies. In relation to this, the thesis maintains that the inelasticity of the GFSP and FISP is primarily on account of their use to advance broader

food security and agrarian rural development goals. Yet, these core developmental functions are only necessary conditions, and acting alone, not sufficient enough to entirely account for the inelasticity of these policies without due recognition of the active presence and involvement of other domestic political economy factors as well as the strong vested interests of domestic elites. These latter explanatory factors are subsequently enabled by the active presence of other contradictory external pressures that have strengthened both countries fiscal space and policy autonomy by changing the way(s) in which they (have) interact(ed) with the outside world, since 2012, thereby serving as alternative sources of development finance to western aid, and hence, enabling them prioritise the strong vested interests and the other domestic political economy factors that have forced the maintenance of these policies over and above the threats of donor retribution over their non–compliance.

As a form of African megatrend, these other contradictory external pressures are forms of private financial flows; in particular, channels of access to international finance such as Eurobonds, and the influence of the BRICS economies (China, in particular) in Africa. Yet, these same contradictory external pressures could not apply in the case of CTs emergence because they were either not present, or sufficiently active enough at the time of the CTs design and roll out. By this finding, the inelasticity of the GFSP and FISP largely privileges agency, or other structural forces compelling domestic policy actors in other directions. This is in spite of the fact that these instruments of pro–poor agriculture were historically introduced to perform some governance functions. This finding therefore constitutes the second empirical argument of this thesis. In view of this, western development partners and their agents may, not be able to successfully impose the conditionalities that structured the LEAP and harmonised SCTs rise, so long as these other contradictory external pressures continue to be present and sufficiently active in these case countries.

Drawing on these findings, the thesis makes four broad original contributions to the body of knowledge on the political economy of social protection in Africa. First, it provides an important perspective on the complex and nuanced context surrounding cash transfers emergence as the findings reveal how external intervention in Ghana and Zambia has become increasingly differentiated in an environment where the 'external–internal' dichotomy has increasingly lost relevance as external actors involvement in domestic reform processes, though through hard conditionalities, has become increasingly more intimate with the involvement of donor–oriented incentive structures and transnationalised policy elite networks that are also domestic in nature. This therefore calls for the reproblematisation of the seeming twin consensus in the wider intellectual debates on the subject. Second, the thesis similarly provides a significant perspective on the complex and nuanced context surrounding the inelasticity of input subsidy policies as the findings reveal how the broader food security and agrarian rural development goals that commonly explain the inelasticity of the GFSP and FISP have been abused for elites strong vested interests and other domestic political economy goals, with elite capture of pro–poor agricultural policies particularly providing sufficient cause for the persistence of these subsidies. To this extent, the thesis helps us understand how Ghanaian and Zambian domestic elites have been able to prioritise the non–developmental functions structuring the GFSP and FISP inelasticity over the broader food security and rural development functions that originally underpin them and the donors' threats of retribution over both states non–conformance to their policy stipulations.

Third, and based on the preceding point, the thesis helps us understand how it is the presence of the other contradictory external pressures that has broadly enabled Ghana and Zambia to secure and exercise agency with these subsidy policies inelasticity through their reclaiming of the broader policy autonomy they long–lost to actors in the global north, who had for many decades dictated the terms of engagement in SSA. Finally, the thesis' methodological contribution lies in its advancement of an innovative approach with specific respect to social protection research which is interdisciplinary in nature and employs a mixed methods approach to identify and better understand the key political economy interactions and processes taking place at key moments of cash transfer and agricultural input price subsidies formulation and reforms.