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Targeting Practices and Biases in Social Cash Transfers: Experiences in Rural Malawi[1]

Ignasio M. Jimu* & Golden Msilimba**

Abstract

Social cash transfer (SCT) programmes involve direct financial support to vulnerable households. Vulnerability, as a social condition, is often correlated with low income and food insecurity. Cash transfers augur well with neoliberal welfarism in contrast to the traditional relief approach associated with food-based safety nets. The aim of this article is to examine targeting processes and its challenges in Malawi. Proxy indices of ultra-poverty used in the design of SCT programmes are correlated in some way to parameters such as gender, education, structure of livelihoods and type of durable assets owned by beneficiaries. The data demonstrates that beneficiaries tend to be women and persons with very little or no formal education. The authors argue that gender and education are critical parameters that are easier to determine and apply with reduced scope for bias for identifying vulnerable groups and with valuable lessons for replication of success nationwide.

Résumé

Les programmes de transferts monétaires sociaux (*SCT*) impliquent un soutien financier direct aux ménages vulnérables. La vulnérabilité, en tant que condition sociale, est souvent liée au faible revenu et à l'insécurité alimentaire. Les transferts monétaires vont bien avec le « *welfarism* » néolibéral, contrairement à l'approche traditionnelle d'assistance associée à l'assistance alimentaire. L'objectif de cet article est d'examiner les processus de ciblage et leurs enjeux au Malawi. Les indices de substitution d'extrême pauvreté utilisés dans la conception des programmes *SCT* sont corrélés d'une manière

* PhD, Social Anthropology, University of Basel, Switzerland and Chief Executive Officer, National Council for Higher Education (NCHE), Malawi. Email: imjimu@yahoo.co.uk

** PhD, Geography, University of Free State, South Africa and Director of Training and Consultancy, Malawi Institute of Management (MIM), Malawi. Email: golden.msilimba72@gmail.com

ou d'une autre à des paramètres tels que le sexe, l'éducation, la structure des moyens de subsistance et le type de biens durables détenus par les bénéficiaires. Les données démontrent que les bénéficiaires sont généralement des femmes et des personnes ayant très peu ou pas d'éducation formelle. Les auteurs soutiennent que le genre et l'éducation sont des paramètres importants, plus faciles à déterminer et à appliquer, avec une possibilité réduite de biais pour identifier les groupes vulnérables et avec des enseignements précieux en cas de reproduction à l'échelle nationale.

Social Cash Transfers

Social cash transfers (SCTs) are a neoliberal welfare approach to rural and community development involving direct and regular non-contributory cash payments targeting low income and vulnerable communities with the expectations of raising their income levels and smoothing cash challenges encountered at household level (Kalebe-Nyamongo and Marquette 2014). Vulnerability implies some hidden or less overt processes at play. These involve challenges that lead to either inactivity or inadequate prospects and lack of opportunities to improve the social and economic situation at individual, household and societal levels (Jimu 2016). At the household level, vulnerable households are those that are in a state of deprivation and lack prospects of ever improving their lot. They are poor and for reasons related to poverty unable to meet basic necessities of life such as food, clothing, shelter, primary health care and sometimes security of life and property. The underlying motivation shared by international donors and NGOs on the one hand and governments on the other hand has been to offer social protection such that cash transfer programmes have emerged to be one way of delivering aid directly to the poor. Malawi, Tanzania, Kenya, Zambia, Burkina Faso, Cameroon, Ethiopia, Guinea and Senegal have active programmes and evidence from these countries suggests cash transfers can contribute positively towards reducing inequality and the severity of poverty as demonstrated adequately by case studies in Zambia (Matandiko 2010) and Kenya (Ressler 2008).

In Kenya, for example, cash transfer programmes have been functioning for several years and the target has been people lacking access to food sufficient enough to meet daily needs and people affected by the HIV/AIDS crisis (Ressler 2008). The transfer aims also to improve the socio-economic situation of vulnerable children, the elderly and persons with various forms of disability. In some cases the transfer of resources is conditional for the fulfilment of education, health or nutrition targets by the recipients. It has been shown that transferring resources directly to vulnerable people in the form of cash, food vouchers or subsidised access to goods and services is attractive for many reasons, including the potential benefit of empowering the recipients. There is evidence from numerous countries that cash transfers contribute to leveraging access to health and education services.[2] UNICEF sees social cash transfers as a form of indirect empowerment of the people towards becoming active participants in improving their own lives, unlike handouts such as food and clothing which might reinforce dependency (UNICEF 2004 cited in Save the Children (UK), HelpAge International and Institute of Development Studies 2005).

In addition to impacts on human development and poverty alleviation, other studies suggest that social cash transfer programmes may also have broad development impacts, for instance, through changes in household behaviour and through impacts on the local economy of communities where the cash transfers operate. Zezza *et al.* (2010) have shown that household level impacts follow three main channels: (1) changes in labour supply of different household members; (2) investments in productive activities that increase revenue generation capacity; and (3) prevention of detrimental risk-coping strategies such selling productive assets, taking children out of school, engaging in transactional sex and begging and theft. On the basis of data from Kenya and Malawi, Zezza *et al.* (2010) noted that often beneficiary households seem more likely to invest in durable goods, in small animals and tools (hoes, axes and sickle) bicycles and kitchenware. Also, in Kenya they reported a decrease in child labour as a result of improved income earning levels while in Malawi adults in beneficiary households tended to become less dependent on casual agricultural labour. Given the predominance of smallholder farming they could only surmise that social cash transfers permit adults to concentrate on working on their own farm land. Beyond these household level benefits, Zezza *et al.* (2010) further reported three other types of local economy benefits such as transfers between beneficiary and non-beneficiary (eligible or ineligible) households, effects on local goods and labour markets and multiplier effects. Writing on multiplier effects, Save the Children (UK), HelpAge International and Institute of Development Studies (2005) noted that regular cash injections to poor households can contribute to pro-poor growth and poverty reduction, both directly and indirectly (*ibid.*: 3). Zezza *et al.* (2010) emphasised the perception of multiplier effects for local businesses in intervention areas, despite some of the interviewees reporting inflated transport and market prices on social cash transfer payday.

Other arguments surrounding cash transfers have at times vacillated on dichotomies such as conditional versus unconditional, targeted against universal transfer schemes and the impact of transfers on health, consumption, human development and income growth. Devereux placed emphasis on protection and promotion effects and the role of safety nets in reducing chronic poverty (Devereux 2002: 657). Others, however, have observed that cash transfers implemented during situations of serious economic crises can significantly alleviate a disastrous situation by working as local automatic stabilisers (Soares 2009: 1). It has been observed also that social cash transfers reduce inequality especially in very imbalanced communities and countries and they do go a long way towards helping poor households to break intergenerational cycle of poverty (Fiszbein *et al.* 2009: 29). Where social cash transfers have been provided with conditions such as school enrolment, school attendance on a specified percentage of school days and performance, the transfers have led poor households to spend more on education services. It is obvious, however, that conditional transfers may not be effective on outcomes in education or health where supply of these social services is constrained (Handa and Davis 2006: 514).

Among the challenges to date is that many African and low-income countries elsewhere in the world cannot afford cash transfer programmes funded from domestic resources (McCord 2009). Governments are therefore implementing programmes relying largely on donor funds. There are also technical questions about programme design, targeting, transfer levels and affordability. On targeting, it has been suggested that universal programmes have the advantage of extending benefits to everyone while targeted programmes discriminate against other segments of the population. However, targeting allows saving of resources by excluding people who are not poor. These matters call for serious consideration of the targeting process and its associated challenges as Malawi is seeking to expand and ensure access and sustainability of the cash transfer programme.

Overview of Targeting Practices in Social Cash Transfers

Targeting is in simple terms a process of determining how eligible individuals and households are identified and reached in practice. As Slater and Farrington (2009) put it, targeting seeks to ensure that the resources of social transfer programmes are directed only to intended beneficiaries, so as to minimise the coverage of those not intended to be beneficiaries (errors of inclusion) and the non-coverage of intended beneficiaries (errors of exclusion). They noted further that targeting is therefore crucial to the efficient use of scarce resources in social transfer programmes since the purpose is to identify those most in need and ensure they are covered in the most efficient way. In this regard targeting involves two aspects: *whether* to target, and *how* to target. According to Save the Children (UK), HelpAge International and Institute of Development Studies (2005) the case for targeting is usually made on cost-effectiveness and equity grounds. On cost effectiveness, it has been suggested that with a limited public budget for SCTs, it seems sensible and fair to allocate the transfers to those who need them most. By implication this approach entails excluding non-needy individuals or households. Doing so, however, it raises the problem of *how* to target?

Coady Grosh and Hoddinott (2004) identified six main targeting methods used to identify eligible recipients for transfers as follows: (1) means testing based on income; (2) proxy means testing based on some indicator of poverty; (3) community-based targeting (CBT), based on local knowledge of poverty; (4) geographical targeting based on location; (5) demographic targeting, based on some characteristic such as age, gender, or orphanhood; and (6) self-targeting, where the transfer is available to all who apply or offer themselves. For Samson (2009) there are three options: individual or household assessment, categorical approaches, and community based approaches. Individual or household assessments involve testing a person's or household's means for survival, usually with a procedure which verifies an individual's or household's income or assets. Categorical approaches on the other hand rely on easily observed traits – usually demographic or geographic – that are associated with a higher incidence of poverty. For example, social pensions and child support grants are examples of categorically targeted programmes. Categorical approaches often aim to serve two objectives:

1) to target the poor by including groups characterised by criteria associated with poverty, and
2) to provide transfers to groups considered by society to be universally entitled.

Categorical approaches, however, run the risk of excluding very poor households who do not fit the profiles conventionally associated with poverty.

Community-based mechanisms delegate the responsibility for the identification of beneficiaries to community groups or agents. The assumption is that community representatives are in a better position to assess poverty more appropriately in their local context, and they would frequently have access to better information about the poor with whom they live. Community targeting also involves greater local participation in the process, potentially strengthening a sense of programme ownership. Higher levels of community participation, shareholder buy-in and empowering of marginalised community members that result from the processes mentioned above are all benefits arising from transparent processes that may also entail equity (Conning and Kevane 2002). The approach suits well the participatory paradigm and bottom-up approach to social development. However, local elites who may be opinion leaders in some cases may skew the allocation of transfers away from the poorest (Samson 2009). While acknowledging the benefits of CBT such as an increase in local participation and the empowerment of marginalised community members, thereby improving targeting effectiveness, Hypher and Veras (2012) claimed that elite capture can undermine targeting effectiveness, with a few community leaders allocating resources to community members on a basis other than actual need, or more politically active communities crowding out less vocal communities in need. They observed that genuine community involvement in identifying beneficiaries and in ensuring the process is fair and transparent could be time consuming and resource-intensive. Further, a community's poverty assessment may be subjective, may not correspond with the poverty characteristics as defined in programme design and are unlikely to be comparable across communities; therefore, there may be challenges operating CBT on a national scale.

Devereux, writing on cash transfers in Southern Africa, noted that although there is convincing evidence that cash transfers have significant positive impacts on the lives and livelihoods of the poor and the well-being of the household, the impact of cash on local markets, gender relations and social networks of the household is not fully understood, and therefore the total and long-term well-being of the household could also be in question (see Ressler 2008). It has been suggested that impacts of transfers on enterprise development is less understood. It has been shown that effects of giving 'ultra-poor' rural dwellers livestock, skills training and short-term income support increase assets and food security, but effects on production and earnings are mixed.

On the other hand, targeting has been criticised on the account that it tends to be expensive to achieve accurately and can be socially divisive. It has been pointed out that wealthier people are quite likely to resent paying for such programmes through their taxes when they know that they are not bound to benefit them. It has been suggested that the solution is a universal transfer programme, reaching an easily identifiable vulnerable group including older people or young children for example. The advantages of such an approach include coverage, administrative simplicity and acceptance.

In practice, Save the Children (UK), HelpAge International and Institute of Development Studies (2005) have observed that that many programmes adopt a compromise between narrowly targeted and untargeted (universal) transfers. For instance, Lesotho's Old Age Pension is universal for all citizens over 70. Other programmes, such as the Kalomo Pilot Scheme and

Mozambique's Food Subsidy, have a number of complex proxy indicators and means testing procedures to define and identify eligible beneficiaries. The next section looks into approaches to targeting in different programmes in sub-Saharan Africa.

Targeting has the advantage of promoting political will because targeted transfers reduce beneficiaries while improving programme impact. In contrast, universal schemes provide freedom. Targeting demands more administrative resources than universal schemes. In targeted schemes, indirect costs arise as beneficiaries change behaviour to become eligible. Other social costs could include stigma, deteriorating community cohesiveness and potential erosion of formal support networks. The other challenge is that of exclusion and inclusion errors. Exclusion error is a situation where those who should receive a transfer do not, and inclusion error is a situation where those who should not receive the benefit do so. This is the case where means testing is used. From an administrative point of view it is extremely difficult to accurately measure an individual's or household's income and wealth. This is complicated by the insufficient capacity to maintain and update information systems required to accurately target the poor and vulnerable. At the community level it has also been shown that communities find it hard to accept that the 'ten poorest households' will receive free transfers while the eleventh poorest household will not. This is especially problematic where poverty rates are high and logically most people 'should' objectively receive assistance; but because of budget constraints only the 'poorest of the poor' are registered for transfer programmes. The inevitable results of exclusion errors include resentment of the programme and the administration processes by those who feel excluded.

It has been show that targeting itself can be costly in a number ways. The most direct costs are administrative, that is, the bureaucratic costs of assessing the means of programme applicants, and re-assessing participants on an ongoing basis. Added to this government cost are the private costs applicants incur when applying for benefits and these may include time and transportation costs to the respective government offices, queuing, and also the fees (and sometimes bribes) required to process necessary documentation (Samson 2009). It has also been shown that assessments which exclude beneficiaries that receive in excess of a specified income can create disincentives to achieve increases in reportable income. Further, targeting transfers to people residing in specific areas may lead to increased in-migration, which can be costly for the beneficiary but nevertheless preferable to destitution. Social costs from targeting include stigma, the possible deterioration of community cohesiveness, and the potential erosion of informal support networks (Samson 2009).

There are challenges regarding choice of methods to be employed in targeting. Slater and Farrington (2009) have shown that of major concern where implementation capacity is limited is what levels of cost and sophistication of design and implementation can be allowed in the quest to include all intended beneficiaries. They have argued that approaches relying on means-testing or the use of a poverty threshold are expensive in terms of the need for frequent updating of detailed datasets, and so they pose complex problems of interpretation for enumerators. By contrast, approaches identifying the poor on geographical criteria or according to social category such as older people, orphans and vulnerable children or women-headed households etc. have strong potential appeal to the governments of poor countries, not least because their implementation is low-cost relative to that of means-tested approaches.

Successful targeting must be both technically robust (accurate) and socially acceptable (Save the Children (UK), HelpAge International and Institute of Development Studies 2005). On the one hand, to satisfy programme administrators, it must correctly identify the intended beneficiaries. On the other hand, to be acceptable to the communities in which beneficiaries live, it must appear fair and must not generate resentment. It has also been shown that communities are more likely to accept an intervention that targets categories of people who face obvious disadvantages: orphans, older people, people with disabilities, and people who are chronically ill.

With regard to 'exclusion errors' it has been suggested in the study of Save the Children (UK), HelpAge International and Institute of Development Studies (2005) that one way around this problem and others simultaneously is to complement cash transfer with other forms of assistance that people can access if they do not fall into the group defined as eligible for a grant. An example is given of a cash transfer programme in Ethiopia that took a two-pronged approach. Those who can work do public works for food or cash, while those who cannot work (usually 20 % of individuals) receive 'gratuitous relief'. It has been suggested also that this approach makes social protection more comprehensive and the targeting system more socially acceptable. The following paragraphs provide insights into targeting in Africa drawing on case studies from Botswana, Burundi, Ethiopia, Tanzania and Zimbabwe.

Botswana has various SCT schemes in place such as the universal, non-contributory old age pension scheme targeted at all citizens over the age of 65, the Orphans' Allowance, which is targeted at orphans, the World War II Veterans' Allowance and the Destitute Person's Policy (Save the Children (UK), HelpAge International and Institute of Development Studies 2005).

The last scheme targets the poor and vulnerable using the following criteria: people with less than four livestock units (LSU) or earning less than P120 per month; those unable to work due to disability; any child under 18 without parental support and not receiving orphan support; and people affected by an emergency declared a natural disaster or by a temporary emergency.

Various initiatives are also in place in Burundi. According to Save the Children (UK), HelpAge International and Institute of Development Studies (2005) Burundi's Poverty Reduction Strategy Paper (2002) indicates a general shift in government emphasis from food aid and food-for-work schemes towards cash aid. Cash transfers are provided by the government to older people, children and people with disabilities. Another scheme known as the National Children in Distressing Situations Scheme is funded by UNICEF and provides cash allowances to 12,000 demobilised child soldiers. World Vision is also managing a scheme targeted at demobilised child soldiers.

In Ethiopia a government funded project targets beneficiaries who are chronically food insecure, who cannot provide labour to participate in public works and who cannot participate in, or contribute to, other community-based activities and initiatives, e.g., lactating and pregnant mothers, orphaned teenagers, labour-poor households; households without family support or other means of social protection; those suddenly vulnerable due to a drastic loss of assets and unable to be self-supportive (Save the Children (UK), HelpAge International and Institute of Development Studies 2005).

The Tanzania Pilot Community-Based Conditional Cash Transfer Program was launched in February 2009 through the Tanzania Social Action Fund to target the most vulnerable households and improve education and health outcomes in the long run. Community organisations are expected to carry out the screening of potential beneficiaries, communicating programme conditions to potential beneficiaries, transferring funds to individual beneficiaries, and applying peer pressure for compliance with programme conditions (Redko 2013).

The Tanzania Social Cash Transfer has been a conditional programme. The criteria for inclusion and exclusion require that the households be: (1) very poor, (2) not receiving similar benefits in kind or cash from another programme and (3) home to an elderly person (60+) or an orphan or vulnerable child (Redko 2013). In terms of operationalisation, 'very poor' has been defined by stakeholders as a household meeting at least three of the following characteristics: (1) lack of a basic dwelling or *shamba*; (2) difficulty obtaining two meals per day; (3) no adult member has worked in the last month; (4) children with clothes/shoes in poor condition; (5) the family does not own livestock; and (6) the family does not own land.

A comparative study on SCTs in Kenya and Malawi demonstrated that both programmes target the poor using CBT complemented with a proxy-means test in the case of Kenya. They therefore successfully reach the poor, with the Malawi programme reaching those among the most destitute (Zezza *et al.* 2010). Apparently the same study showed also that demographically the beneficiary households in Malawi are older, smaller but with a higher dependency ratio than their Kenyan counterparts. They were also much poorer and orphans and vulnerable children are more frequent. In this regard, from a targeting point of view, the methods used are therefore quite effective.

In Zimbabwe, a review of a Save the Children project combing school feeding cash transfer showed that the project sought to provide support to orphaned children in grades 0–3 living in child-headed households, elderly-headed households (65 years and above), households living with a terminally ill or disabled member and other vulnerable children in that specific priority order. This selection criterion, as applied to the cash transfer programme, implied targeting the most vulnerable of households in the community (Innovative Minds 2011).

Vulnerability and Social Cash Transfer at Rural Household Level in Malawi

The term 'household' is an important factor in SCT regimes. How it is defined and used, however, is subject of serious contestation. As Gregory and Altman (1989) suggested, while it is important to define the household, definitions have to be multidimensional with respect to residential, commensal, genealogical and occupational criteria. As they write, there is a need to ascertain by empirical investigation and observation what physical structure constitutes the house and the relations between the people who occupy it. Definitions must further take cognizance of the change in household composition over time and also cross variations between households. The alternative view, though not unnecessarily contradictory, was provided in Wilk and Netting (1984) (cited in Narotzky 1997: 115) who suggested that when speaking of a household, it is always important to distinguish between morphology and function. In other words, between what a domestic group is and what it does. In their view morphology is a material and cultural concept defining the spatial boundaries and binding links between people forming a household, while function relates to the recurring agency among morphologically defined household members. Turning to the notion of function, there is debate on the pattern of change and of the composition of the household through time, what is called the domestic cycle. The notion of domestic cycle suggests that relationships between members of the household are continually being re-negotiated along basic categories of gender and age, which are also cultural and social products (Narotzky 1997: 115). Sahlins suggested that in the domestic mode of production decisions are taken primarily with a view toward domestic contentment and for that reason for the benefit of the producers (Sahlins 1974). He loosely equated the domestic group of the household to the family, though he acknowledged that production units are not always family-like in nature.

In rural Malawi household forms vary from nuclear to extended, and within the extended category from polygynous through matrilocal, patrilocal and other arrangements. Each one of these aspects implies differentiated production and consumptions arrangements. Although household members, as would be expected, are mainly kin, other non-kin people may share the same space and are linked by other means than kinship relationships. In some cases, non-kin members may be related to members of a household by wage relations (see Narotzky 1997).

Vulnerability is a serious challenge as the Malawi's Integrated Household Survey (IHS) of 2010 showed where around 24.5 per cent of the population was reported to be ultra-poor and vulnerable to natural disasters such as climate change, flooding and droughts. Within disaster prone areas there was a strong correlation between vulnerability to food insecurity and poverty in general but a substantial proportion of the population experienced extreme forms of food insecurity with 33 per cent of the population experiencing very low food security (Republic of Malawi 2012). It has also been shown from the IHS that the proportion of food insecurity is higher in rural areas compared to urban areas, and for female-headed households compared to male-headed households and households headed by widowed persons. Regional variations however show that very low food security is prevalent in the southern region (36 %) followed by the northern and central regions (30 %).

The above scenario has been used to justify the introduction of SCTs countrywide as one of the social protection interventions (safety nets) to cushion vulnerable people from extreme poverty. Other examples of social protection measures implemented recently include the fee waiver in primary school (free primary), school feeding programmes, food for work, targeted input supply and cash for work schemes. Of these forms of social support, SCT programmes are a recent innovation. However, in terms of scholarly interest, the targeted farm input supply has received a lot of attention much of which has been informed by donor and political interests that are implicated in the politics of farm input supply. The safety net programmes employed in this connection have included the Targeted Input Programme involving free packs of inputs to resource poor farmers implemented from 1998/99 to 1999/2000 seasons; the Agricultural Productivity Improvement Programme sponsored by the European Union and providing inputs on credit to resource poor farmers in 1998; and the Farm Inputs Subsidy Programme funded by the government of Malawi, the UK Department for International Development and other international agencies (Jimu 2016). Despite the challenges encountered over the year with respect to targeting effectiveness in many rural communities (Lawson *et al.* 2001) much of this has been due to the difficulty in correctly identifying the poorest families, unwillingness of local communities to single out the poorest families, and apparently the feeling that differentiation among the poor is culturally unacceptable.

Since its inception in 2006 the SCT scheme uses a community based, multi-stage, participatory targeting process (Miller, Tsoka and Reichert 2008). The scheme is unconditional but education bonuses for school-going children make it at least partly conditional (Chinsinga 2009). According to Save the Children (UK), HelpAge International and Institute of Development Studies (2005) 'unconditional cash transfers' refers to transfers of cash made by government or non-governmental organisations to individuals or households identified as highly vulnerable, with the objective of alleviating poverty, providing social protection or reducing economic vulnerability.

Until recently, the SCT programme in Malawi was in a pilot phase. It was launched in Mchinji in 2006, and this pilot phase covered a few districts, eight in particular, out of 28 districts of Malawi, reaching between 1 and 4 per cent of the poor. Kalebe-Nyamongo and Marguette (2014) have shown that only 2 per cent of eligible households receive cash transfers. By February 2009, 8,980 households in Mchinji District were receiving transfers, with a total programme expenditure of US$112,388 per month. By December 2009, the SCT scheme was operational in seven districts, reaching 23,651 households and 92,786 beneficiaries. It was planned to scale up the programme to 300,000 households at an expenditure of US$60 million per year by 2012 (Miller, Tsoka and Reichert 2010). To date, 18 out of the 28 districts have a social cash transfer programme.

The SCT programme is largely financed by donors, mainly the Global Fund through the National AIDS Commission. UNICEF provides significant support for capacity building. Besides providing salaries for both national and district government officers, there is little commitment from the government itself to finance cash transfers (Kalebe-Nyamongo and Marguette 2014). However, the government is slowly embracing the programme. Between 2006 and 2010 the government was simply an implementing agent with all the resources coming from donors. From 2010 the government started to put in money for actual transfers. The government provides 10 per cent of the funding and the donors are looking forward to an increase. Resource bottlenecks make a serious case for targeting.

Study Design

The survey upon which this paper is based was largely a qualitative study, employing survey, key informant interviews and focus group discussions (FGDs). The approach adopted involved identifying key stakeholders in the process of targeting such as the Ministry of Gender, United Nation Children Education Fund (UNICEF), district and local community level leaders and the target groups or beneficiaries. A survey was carried out involving a total of 335 beneficiary households from the three participating district as follows: Balaka in the Southern Region of Malawi, Chitipa in the north and Salima in the Central Region of Malawi. Out of 335 beneficiaries interviewed, 126 (representing 37.61 % of the respondents) were from Balaka; 105 (representing 31.34 % of the respondents) were from Chitipa; and 104 (representing 31.04 % of the respondents) were from Salima. The selection of participating households was by purposive and snowball sampling.

The data collection methods that were used ensured that both qualitative and quantitative data were collected. This was to ensure that issues were captured in a more comprehensive and adequate way. The methodologies were largely participatory involving various stakeholders at household, community, district and national levels. Three FGDs were held in each district. In total nine FGDs were carried out. FGDs were held as a means of gathering group opinions on particular issues of the evaluation. These FGDs were designed in such a way that community members and district level teams were able to share their views as regards issues on targeting that the evaluation sought to investigate. Key informants were also identified and interviewed representing the Ministry of Gender and UNICEF. The analysis captures both qualitative and quantitative findings. Qualitative summaries of information provided by different target groups have been developed through the collation of the most frequent responses but also of unique responses.

Targeting Processes and Experiences from the Field

Targeting processes comprise steps such as planning, training, data collection, entry and analysis all of which are required to identify households and determine their eligibility. Some of the processes are carried out at national, district or community levels. The national level involves the establishment of programme criteria and guidelines as well as identification of eligible beneficiary districts. The district level comprises the District Social Welfare Officer, Social Welfare Assistants, and other officers engaged to facilitate the programme. At the community level the focus is the identification of qualifying households. In this regard the community level is the lowest but also the most crucial targeting level. It is at this level where decisions and recommendations are coined about the ultra-poor and labour-constrained households. Proxy indices of ultra-poverty included: members could only afford one meal a day, were unable to purchase essential non-food items (such as clothes, soap and school materials) and were without a reliable source of income. The household should also be labour-constrained: that is, having no able-bodied members fit for work between the ages of 19 and 64, or having an able-bodied member who has caring responsibilities for more than three dependents. Age and illness (such as HIV/AIDS) have been used to determine the ability of individuals and households to support themselves through paid work. In practice labour-constrained households have been operationalised as those whose breadwinners have died, which have no able-bodied person of working age, have old, very young, disabled or sick persons in the household, or have a dependency ratio of 1:3. It is evident from the findings from the FGDs at district and community levels and from the surveys and key informant interviews with traditional leaders that targeting is sometimes made more subjective and difficult to implement due to gaps in information, capacity and social dynamics involving holders of the traditional rank of village chief. SCT beneficiaries tend to manifest certain demographic and household characteristics which are examined below.

Gender of the Beneficiaries

A total of 272 respondents out of 335 respondents were females. This represents 81.19 per cent of the respondents while 63 out of 335 respondents were males representing 18.81 per cent of the respondents. From this factor alone it is evident that SCT favours female recipients.

Education Levels of Beneficiaries

Out of 335 respondents, 159 respondents (which represents 47.46 % of the total) had no formal education; 105 respondents (representing 31.34 %) had attained primary 1–5 (junior classes); 54 respondents (which represents 16.12 % of the respondents) had attained primary 6–8); nine respondents (representing 2.69 %) had attained secondary forms 1–2 (junior forms) and a further eight respondents (representing 2.39 %) attained secondary form 3–4 (senior forms). Therefore the majority of the respondents had no formal schooling (47.46 %) followed by those who attained primary education. In other words, education levels per district and by gender suggest that most of the beneficiaries have no or lower formal education, with fewer beneficiaries among those who have attained secondary education. In all the three districts, the numbers of beneficiaries decrease with increasing level of education from 'none' meaning no formal education through primary 1–5, primary 6–8 and into secondary. Although this observation cannot be overgeneralised to the whole population this linkage suggests on the surface that the incidence and propensity of ultra-poverty is likely to fall with increasing levels of literacy and education. This is also true given that education is eventually and increasingly becoming recognised as a major determinant of living standards.

In total out of the 335, 159 beneficiaries in the three districts had no formal education (representing 47.5 %), followed by those with primary 1–5 at 105 (representing 31.3 %). With a combined percentage of 78.8 the first two categories command an enormous share of beneficiaries. In terms of actual numbers by gender, a total of 62 beneficiaries in Balaka had no formal schooling and out of these, 52 were female and ten were male. For Chitipa 48 beneficiaries had no formal education and of these 43 were female and five male, while for Salima 49 had no formal education and 38 were female against 11 who were male. The disparity across the gender divide underscores gender imbalance with respect to access to education, economic opportunities on and off the farm and the increasing burden on women of poverty and the need to care for growing numbers of dependent children.

Marital Status of the Beneficiaries

While the data on education attainment gives a clear picture of who is targeted, the data on marital status suggests that widows and widowers form a significant subcategory of beneficiaries (55.22 %), followed by those who are married with one spouse (25.07 %), divorced (14.63 %), married and in a polygamous situation (2.39 %) and finally single (never married) (1.79 %). The results also show that out of 49 respondents who are divorced, 30 were from Balaka, two were from Chitipa and 17 were from Salima. Overall 14.63 per cent of the respondents were divorced, 2.39 per cent of the male respondents had more than one wife (married, polygamous), 25.07 per cent were married with a single spouse, 1.79 per cent were single and not married, 55.22 per cent, which was the majority, were widows/ widowers, and about 1 per cent did not disclose their marital status. Chitipa had the largest number of widows/widowers who took part in this survey (75 respondents) and were beneficiaries.

Livelihood and Assets of Beneficiaries

The majority of beneficiaries are involved in farming or a combination of farming and piece work. Those engaged in farming/agriculture (152 respondents out of 335 respondents representing 45.37 %) are followed by those that are engaged in farming and piece work (118 of all respondents representing 35.22 %). Some beneficiaries own various kinds of assets. A random combination of various assets own by beneficiaries shows that the majority of beneficiaries own land which they use for their own food production and as sites for their own self-provisioning of housing. From the sample, 186 out of 335 respondents owned land only and have temporary housing making up 55 per cent of the respondents. In terms of prominence as a social category this group was followed by those who owned land, some poultry and a house at 26 out of 335 respondents making up about 7 per cent of the respondents. The land which these people own is acquired and held mostly through customary inheritance. These observations underscore the importance of self-provisioning as a livelihood strategy whereby households provide their shelter and attempt to produce what they consume as staples such as maize and cassava. While customary land tenure arrangements have been known to provide relative security of tenure, the level of security is however weakening as a result of the commodification of customary land relations in many peri-urban areas. Commodification of land and dispossession of the same especially among those with tenuous land rights is likely to contribute to rising vulnerability (Jimu 2016). In this context social cash transfers serve as a direct form of social protection designed to mitigate the negative impacts of being ultra-poor and labour-constrained. The transfer can be used as a safety net but may also allow families to build assets to protect themselves against shocks and make them less economically vulnerable to exploitation and dispossession of productive assets like land.

Conclusion: Synergies with Previous Studies

Previous studies on SCTs in Malawi found that Malawi's cash transfers have led to increased nutrition and food security, local trading, school enrolments and attendance, and household disposable incomes, while substantially lowering teenage marriage and pregnancy rates (see Kalebe-Nyamongo and Marquette 2014). An earlier study by Miller, Tsoka and Reichert (2008) observed that the cash transfer scheme is an effective instrument of social protection. In their view, SCTs allowed beneficiary households to protect themselves from economic, demographic and seasonal shocks; to improve nutrition and food security; and increase asset ownership and expenditures on basic necessities. This was the case with Malawi's maiden SCT scheme in Mchinji where beneficiary households were reported to use SCT receipts to reduce poverty and hunger and improve school enrolment among other measurable benefits. Despite the positive results, as Kalebe-Nyamongo and Marguette (2014) observed, elite support for social cash transfer is relatively negative. In their view most elites in Malawi would favour policies that widen benefits, or support the 'active' poor such as micro-finance programmes (selected as viable and desirable by 77 % of survey respondents), public works programmes (selected by 71 %) and fertiliser subsidies (selected by 59 %). Free and universal education (selected by 70 %) and healthcare (by 59 %) were seen as likely to support people to contribute to national economic growth. Social protection strategies are far less popular; for example, cash transfers (selected by 31% per cent, child benefits (by 29 %) and unemployment insurance (by 15 %). Only an old age pension (selected by 48 %) came close to majority approval. The perception among the elites was that recipients 'consume' rather than invest cash transfers, and that SCTs support the 'inactive' poor (Kalebe-Nyamongo and Marguette 2014).

Our findings show that targeting is effective and this confirms findings of previous studies though a careful reading would lead one to suggest that extension of the programme would require adjustments not only in financial input but also to the design of the programme. This is a position shared by Miller, Tsoka and Reichert (2008) who conducted an external evaluation of the first scheme in Mchinji with funding provided by the US Agency for International Development through the Child and Family Applied Research Project and by UNICEF. They observed that effectiveness of the programme was compromised by shortfalls such as ad hoc and uncoordinated implementation, inadequate funding, inherent programme design problems and capacity constraints. These shortfalls tend to be compounded by the lack of a policy to guide stakeholders implementing programmes and projects to reduce poverty and vulnerability (Republic of Malawi 2012).

A reading of other studies, for example of Kalebe-Nyamongo and Marguette (2014), shows clearly that SCTs reach a very small percentage of those that meet the criteria of ultra-poor and labour-constrained. By design, disbursements from the programme target only 10 per cent of the 'ultra-poor'. It has been demonstrated that targeting fails to take into consideration small economic differences among the overall percentage of the population who are poor.[3] No wonder that cash transfers have been divisive because there is very little difference between beneficiaries and the rest of their communities in well-being, access to assets and income and real consumption (Ellis 2012; McCord 2009; Chinsinga 2009; all cited in Kalebe-Nyamongo and Marguette 2014). Miller, Tsoka and Reichert (2008) observed already that cash transfer programmes in Malawi create jealousy and conflict within communities. As a result, some authors (Chinsinga 2009; Ellis and Maliro 2013) have argued for change in targeting to address exclusion and inclusion errors, for instance, through better categorical targeting as in child grants and pensions.

Gender and education attainment are easier to determine and if used well could invite less criticism. The survey data shows that most beneficiaries tend to be female and those with very little to no formal education. Small scale producers who are likely to combine their own production with temporary paid wage labour but also possessing fewer assets than others in their community make a significant proportion among cash transfer beneficiaries. A combination of these characteristics could be used fairly easily and avoid the overt biases in the identification of vulnerable groups.

Notes

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2. See e.g. https://www.gov.uk/government/news/dfid-research-exploring-the-impact-of-cash-transfers-in-africa.
3. A point reiterated by social policy specialists at UNICEF, Sophie Shawa and Louisa Lippi.

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