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The Politics of Promoting Social Protection in Uganda: A Case of the Cash Transfer Scheme for Elderly People

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Abbreviations

AU	African Union
DfID	Department for International Development (UK)
ESP	Expanding Social Protection
FDC	Forum for Democratic Change
GBP	Great Britain pounds
HIV/AIDS	human immunodeficiency virus / acquired immuno-deficiency syndrome
MDG	Millennium Development Goal
MGLSD	Ministry of Gender, Labour and Social Development
M&E	monitoring and evaluation
MP	Member of Parliament
NDP	national development plan
NGO	non-governmental organisation
NSSF	National Social Security Fund
NUSAF	Northern Social Action Fund
PEAP	Poverty Eradication Action Plan
PSPS	Public Service Pension Scheme
SAGE	Social Assistance Grant for Empowerment
SCG	Senior Citizens Grant
SP	social protection
SPTF	Social Protection Task Force
UGX	Uganda shillings
UPE	Universal Primary Education
USD	United States dollar

Abstract

This study examines the different actors and their roles in shaping policy on social protection (SP) in Uganda by examining the experiences with the Senior Citizens Grant (SCG) of the Social Assistance Grant for Empowerment (SAGE)—a cash transfer programme for elderly people that is at a pilot stage.

Data were derived from a review of key documents and published literature on social protection in Uganda supported by semi-structured interviews, a survey and focus group discussions with SCG beneficiaries, political actors, technocrats and members of the civil society. Study findings show that there is a visible effort by the government to work towards a coordinated approach to social protection.

Donors are key in the implementation and financing of social protection in Uganda, and also in policy advocacy and influence. Implementation of cash transfers to the elderly is changing the perceptions of some influential groups including the political elite previously sceptical of cash handouts. However, key sections of the elite especially in the Ministry of Finance are still sceptical about the government's capacity to finance a national rollout of the cash transfer programme.

The priority of government, according to the National Development Plan, favours infrastructural and energy sectors and it is highly unlikely that in the short to medium term resources may be found to rollout the universal social protection schemes countrywide. However, studies indicate that if government chooses, social pensions can be rolled out in Uganda to every senior citizen (65+) without re-prioritising existing spending. Amidst challenges of a patronage political system, social protection could gain traction in Uganda if a political decision is made for wealth redistribution other than the current pro-growth policies.

Key words: social protection, elderly, cash transfers, political economy, neopatrimonialism

1 Introduction to Political Economy Context of Social Protection in Uganda

1.1 Introduction

This study examines the different actors and their roles in shaping policy decisions on social protection (SP) in Uganda by examining the experiences with the Senior Citizens Grant of the Social Assistance Grant for Empowerment (SAGE)—a cash transfer programme for elderly people.

Uganda has an impressive record of poverty reduction with significant declines over the past two or so decades. Uganda is one of the few countries that have already achieved the first Millennium Development Goal target. For example, the share of Ugandans living in poverty has reduced from 50 per cent to 24 per cent since the 1990s (DRT, 2013; MOFPED, 2012). However, despite these efforts, social exclusion of the most vulnerable groups has continued unabated where close to 43 per cent of Ugandans are at risk of falling back into poverty if faced with a shock (DRT, 2013).

A range of complementary social development policies and programmes has been developed. Feeding into this is the donor-influenced SAGE programme and the drafting of a social protection policy framework that is at an advanced stage.

There is surprisingly little scholarship on the political economy of social protection in Uganda, yet there is growing evidence that politics plays a central role in shaping social protection initiatives than has hitherto been recognised (Hickey, 2007). This study sets to answer the following question: What explains the latest attempts and drive towards implementing cash transfers as a form of social protection in Uganda? To answer this question, we document the different actors and their roles in shaping policy decisions by examining the experiences with the SCG of SAGE implemented in Uganda.

1.2 Background Country Context

Uganda is largely a product of colonial experience. Uganda grew out of a forceful consolidation of fragmented societies that co-existed but did not identify politically nor have united systematic economic/social systems. The Uganda Agreement of 1893 gave Britain the powers to administer the country by declaring it a protectorate. The colonial regime created institutions and systems of governance, which had a major impact on the way the country has evolved (Kasekende et al., 2004). The colonial government planted the seeds of neopatrimonial governance by introducing the use of divide and rule (Kabwengyere, 1995), because the overriding concern of the British was to maintain consensus and guarantee governability (Rubongoya, 2007) through forging a common understanding with some groups against others (Doornbos, 1976). The groups the British allied with were the Buganda Kingdom, the Protestant Christians in administration, the Asians in commerce, and the northern tribes in the armed forces. The postcolonial leadership perfected this trend of patrimonialism by holding on to patronage and patrimonialism largely in rural areas, and political patronage to link with the State in urban areas (Mamdani, 1976). Up to now, patrimonialism plays out in the running of the State. Meanwhile, social policy and social developments remained under-prioritised (Ulriksen and Katusiimeh, 2014).

It is against this background that social protection initiatives have been adopted and implemented. Yet it is not clear what major actors, institutions and ideas influence the process, choices and implementation of the social protection policy. This study seeks to contribute towards understanding these forces influencing the uptake of cash transfers to the elderly.

1.3 Research Objectives and Questions

This study aimed at analysing the political economy of SP in Uganda, specifically to:

- Generate insights into the political economy conditions under which major actors, institutions and ideas interact to shape the policy process, choices and implementation of social policy for SP
- Analyse perceptions among key actors involved in social protection and determine the likelihood of the policy getting traction in Uganda.

Overall Research Questions

1. How do political, economic, social, historical and institutional factors and actors support the drive or resistance to social protection uptake?
2. What is the likelihood of the social protection policy getting traction in Uganda?

1.4 Research Approach

Data for this paper were derived from a review of key documents and published literature on social protection in Uganda. This was supported by semi-structured interviews with key officials in the Ministry of Gender, Labour and Social Development (MGLSD), the SAGE programme, and district officials (politicians and administrators) in areas where the SAGE programme is being implemented; and a survey of the SAGE programme beneficiaries. Two districts (Apac and Kyenjojo) with a long history of implementing the SAGE programme, and which offer contexts with differing levels of political support for the ruling party, were selected. With the help of local leaders, programme beneficiaries were interviewed using a semi-structured questionnaire. In total, 235 beneficiaries were interviewed (120 from Apac District and 115 from Kyenjojo District). Focus group discussions were conducted with beneficiaries in a selected locality. The views of some technocrats, political actors and members of the civil society were sought mainly through interviews. We reviewed major Ugandan newspapers to analyse the perceptions of the key elite. While news articles were not necessarily accurate, they reflected public opinion and the views of key people that have shaped social protection perspectives in Uganda. We were however unable to interview officials from the Department of International Development, UK (DfID), which is at the heart of funding, implementing, advocating and influencing social protection in Uganda. Repeated requests for appointments were not responded to. However, secondary data filled in an important information gap, and were also the basis for parts of the actors' analysis in chapter 3.

1.5 Structure of the Report

This paper is divided into five parts. Chapter 2 covers conceptual and theoretical perspectives on social protection. Chapter 3 is the background context of social protection programmes in Uganda; chapter 4 is the political economy analysis of social protection in Uganda, and the last chapter summarises findings, conclusions and recommendations.

2 Conceptual and theoretical perspectives

Different scholars and organisations define social protection differently. For example, Holzmann and Jorgensen (2001) define social protection as public interventions to assist individuals, households and communities in better managing income risks (Holzmann and Jorgensen, 1999). In contrast, the African Union (AU) defines social protection as a package of policies and programmes to reduce poverty and vulnerability of large segments of the population (Taylor, 2008) rather than addressing risk.

In the Ugandan context, the draft National Social Protection Policy Framework for Uganda defines social protection as:

> Social protection entails all public and private interventions that address risks and vulnerabilities associated with being or becoming poor. It refers to all formal and informal initiatives that provide direct income support to extremely poor individuals and households; social insurance to mitigate risks and consequences of livelihood shocks; and social care to reduce social vulnerabilities and enhance the capacity of vulnerable groups to cope with and overcome social vulnerabilities. In the Ugandan context social protection comprises social security (Social Insurance and Direct Income Support) and social care services (RoU, 2013).

In Uganda, as in most developing countries, persons who require social protection interventions include people with disabilities; youth, who form the bulk of Uganda's unemployed persons; women (mainly the widowed, separated and divorced); the elderly with no social support; orphaned and neglected children; street children; the landless (particularly ethnic minorities and indigenous peoples living in and around forest and wildlife-protected areas); those affected by HIV and AIDS, especially where the bread winner is ill or has died; the long-term sick; people in camps for the internally displaced (or newly established resettlement areas) and isolated communities; people living in marginal areas, particularly those prone to disasters; and those who often rely on own account agriculture or casual jobs (DRT, 2008).

In this study social protection is understood to consist of public interventions aimed at assisting individuals and households in better managing income risks. It includes social assistance, social investment and development funds, labour market interventions, pensions and other insurance type programmes.

Social protection has five general functions and objectives (Devereux, 2006; Taylor, 2008). It has a protective function when measures are introduced to save lives and reduce levels of deprivation; a preventive function to assist people from falling into deeper poverty or becoming vulnerable to risks from natural disasters, crop failure, accidents and illness; a promotive function to enhance the capabilities of individuals, communities and institutions; a transformative function to reduce inequities and vulnerabilities through changes in policies, laws, budgetary allocations and redistributive measures; and a developmental and generative function by increasing consumption patterns of the poor, local economic development and enabling poor people to access economic and social opportunities (Holzmann and Jorgensen, 2001). Social protection, especially cash transfers, is also credited for positively impacting the well-being of recipients, increasing their asset base, stimulating economic growth in depressed pockets of the economy and creating jobs that ultimately improve the tax base (DfID, 2009). In many African countries, state social protection instruments serve mainly protective and preventive functions (Barrientos, 2010).

Despite its potential benefits, the degree of government support varies. Some development analysts view social protection schemes as unaffordable in poor countries; second, that they promote dependency; and third, that they are difficult to implement (Lwanga-Ntale, 2008). The first point suggests that a poor country's policy's stress ought to be on economic growth and enhancement of household incomes through increased production and productivity. Social protection proponents are quick to add that even poor countries can afford basic SP if they prioritise it because the amount required for a cash transfer, for instance, is a small proportion of the overall government expenditure (DRT, 2008). In the long run, the net fiscal costs of providing minimum social security benefits could eventually become zero as such costs might be offset by positive economic and fiscal returns, and increased productivity of an educated, healthy and nourished work force. According to social protection advocates, the opportunity costs of no social security benefits would be a weaker labour force, unhealthy children, social tension, high mortality and human suffering (Lwanga-Ntale, 2008).

The second belief is that free handouts create dependency and a culture of entitlement and are often seen as ‘free cash for the poor’ (Lwanga-Ntale, 2008); reducing the incentive for the unemployed to seek work. Critics also fear that poor people cannot be trusted to make good use of the cash received. Other fears relate to diversion of scarce resources away from the productive sectors and possible leakages during implementation. However, proponents of social protection argue that the amounts received are usually too small for all beneficiaries to depend on, so they would continue to work; that state assistance might reduce dependence on family members; and might induce poor and vulnerable people to participate in the labour market, improve social networks, support savings, human capital development, investment and enterprise (DRT, 2008).

Hickey (2007) warns that social protection programmes may be implemented to retain regime legitimacy. Lack of a political contract between states and citizens around issues of social protection constitutes arguably the largest barrier to the institutionalisation of SP programmes. In the absence of a binding contract, SP policies are liable to ultimate distortion by other prevailing forms of politics such as patrimonialism (Hickey, 2007).

According to Devereux (2006), vulnerability can only be sustainably reduced if social protection measures are institutionalised within national governments where citizens have enforceable claims rather than implemented and financed at the whim of donors and international non-governmental organisations (NGOs). Cash transfer pilot projects must become part of nationally owned SP programmes. This requires citizens to mobilise to claim these rights, and accountable and responsive governments, which may not be the case in Uganda. In countries that have organisational and institutional bottlenecks, there are bound to be deep obstacles to effective policymaking and management of social protection programmes (Lwanga-Ntale, 2008).

Politicisation is usually characterised negatively as interference in policy processes and allocation of resources for political purposes, subverting technocratic decisions made on an objective assessment, and prioritisation of needs (Devereux and White, 2008). In social protection, adverse politicisation is associated with patronage-based allocations and distortion of targeting procedures that should be objective, needs based and politically neutral. Governments are routinely accused of favouring their supporters and depriving opposition groups of equitable access to public resources. social protection can become politicised by both ruling and opposition parties, especially in the lead-up to general elections when pledges to provide handouts to the electorate can buy crucial votes. On the other hand, positive politicisation could result in social protection gaining prominence in the political agenda.

Bosworth (2008), Devereux (2010) and Devereux and White (2008) emphasise the role played by various actors like governments, donors and civil society organisations in social protection. According to Bosworth (2008), the most effective social protection programmes have been where governments act alone without development partner support, or where development partners support a clearly government-led and government-owned programme. In the absence of government leadership, it can be difficult to expand and sustain these programmes. Civil society organisations are also important actors (Devereux, 2010; Mugerwa, 2008) especially in mobilising around the struggle to secure social protection and social justice for – and by – poor and vulnerable people and advocating reforms in the social security sector. In addition, the media can play a critical role in keeping the debate ongoing. However, in many African countries civil society is weak, not vocal and critical, and, in some cases, actively repressed by government (Devereux, 2010).

2.1 The Analytical Framework of the Study

The question of what explains the latest attempts at implementing cash transfers as a form of social protection is best answered using a political economy perspective. The political economy analysis is concerned with the distribution of power and wealth between different groups and individuals and the processes that create, sustain and transform these relationships (DfID, 2009). Political economy analysis will be useful in understanding what drives political behaviour and how this shapes particular policies and programmes. Who are the main ‘winners’ and ‘losers’ and what are the implications for development strategies and programmes? What structural, political and institutional factors influence social protection in practice?

Surprisingly, there is little scholarship on the political economy of social protection and yet there is growing evidence that politics plays a central role in shaping SP initiatives (Hickey, 2007). Based on this, we used the political economy to analyse actors, institutions and ideas involved in social protection; their dynamics, interconnectedness and mutual influence on social protection uptake in Uganda (see chapter 4).

Although countries in Africa reflect great variations in social protection arrangements, a common feature is that social transfers are a key component. The social transfers referred to here are ‘predictable’, i.e. they are paid regularly as a pre-emptive initiative to allow recipients to prepare for and protect themselves in an effective way against unforeseeable catastrophes. Cash transfers are the focus of this study not only because this is the current form of social protection but also because of its links to poverty reduction. The political economy approach combined with the neopatrimonialism that is so prevalent helps explain the drive to implement cash transfers in Uganda. Neopatrimonialism is held together by the personal distribution of material resources and perks, distributed and consumed as though they were private property of the ruler/staff (Kelsall, 2011).

3 Social Protection Policies and Programmes in Uganda

3.1 Introduction

Social protection in Uganda, like in most sub-Saharan Africa, is firmly rooted in the country's local institutions and traditions. The popular view is that pre-colonial Africans lived in mutual support networks of extended family and clan groups (Lwanga-Ntale, 2008; Ouma, 1995). However, due to colonialism, neocolonialism, globalisation, and migration or displacement due to political instabilities after independence, many of these informal supportive systems have been disrupted. The informal networks have, however, not diminished entirely. Community-based mechanisms still support people in credit and saving schemes and in burials of loved ones.

The constitution of Uganda advocates protection and promotion of fundamental rights of the poor and other vulnerable groups as well as institutions of traditional or cultural leaders. In a bid to champion the cause of the vulnerable and the marginalised, the government created MGLSD to coordinate all programmes related to addressing poverty, risk and vulnerability and to work with other related ministries (Lwanga-Ntale, 2008). Its mandate is derived from the 1995 Constitution of the Republic of Uganda, chapters 4 and 16, to "empower communities to harness their potential through skills development, labour productivity and cultural growth". Yet there is a realisation that economic improvement has not been matched by human progress and development. This is why MGLSD – the result of the merging of two former ministries of Labour and Social Welfare and of Community Development in 1998 – is the lead agency in the social development sector and is charged with the development and implementation of the Social Development Investment Plan.

3.2 The Public Service Pension Scheme and the National Social Security Fund

The Public Service Pension Scheme (PSPS), run by the Ministry of Public Service, covers central government public officers, some local government staff, teachers, the army, the police and prisons officers. However, due to decentralisation, all the personnel recruited by district service commissions are a responsibility of those districts. Out of these, the PSPS covers only 2.8 per cent while the National Social Security Fund (NSSF) covers only 2.3 per cent; covering only 5.1 per cent of the entire working population. About 95 per cent of Uganda's population is not covered by the formal social security schemes. This is so even when one takes into account private arrangements outside the NSSF scheme (Barya, 2009).

The Social Security Act was established in 1967 and enforced in 1968. The Social Security Act 21 of 1967 and the Social Security (Amendment) Decree 33 of 1972 were repealed with the establishment of the NSSF Act of 1985 (Kasente et al., 2002). Membership is compulsory for all employees in any firm or workplace that has five or more employees. Equally, any employer with five or more employees must register as a contributing employer. The NSSF scheme has several conceptual and practical problems. The NSSF is a provident fund and not a pension scheme and as such the lump sum payment may run out quickly and the beneficiary slides into destitution. This tends to defeat the purpose since social protection arrangements are intended to ensure income security in old age. Second, the benefits available are limited. Well-known risks and social needs like sickness, unemployment and problems such as HIV and AIDS were not anticipated during its created and were thus not catered for. Third, the scheme deals with employees working for employers with five or more workers. This leaves out many firms and workplaces with less than five employees that are the majority in the country (Barya, 2009).

PSPS and NSSF notwithstanding, even the few fortunate enough to be part of the formal social security schemes are not guaranteed income security as claims are marred by delays and actual payments are often inadequate to protect beneficiaries and their families (Ulriksen and Katusiimeh, 2014).

3.3 Poverty Reduction Initiative and Programmes

Apart from the formal social security schemes, the present National Resistance Movement (NRM) government has implemented poverty reduction policies in two forms: the Poverty

Eradication Action Plan (PEAP), which was adapted in the late 2000s into the National Development Plan (NDP). These have led Uganda to make great strides in both the fight against poverty and in empowering ordinary people (DRT, 2013). However, even with PEAP and now the NDP, the poor, particularly the rural people, the self-employed and informal sector workers are not covered by sustainable social protection. Workers in the informal sector still have no unemployment benefits, no health insurance and no prospects of drawing a pension or any benefits in the event of injury or disability (Ulriksen and Katusiimeh, 2014). National inequality in consumption per capita increased from 0.37 to 0.43 per cent between 1992/93 and 2009/10. Uganda has strong regional inequalities as well as disparity between rural and urban areas (DRT, 2013), yet its population of around 30.6 million is growing rapidly at 3.3 per cent per year, which will eventually exacerbate the poverty condition.

Various programmes and projects by government, donors, NGOs and community initiatives have come up to address these challenges. These programmes include the Northern Social Action Fund (NUSAF) that targets poor communities, vulnerable and disadvantaged social groups. NUSAF is implemented and coordinated by the Office of the Prime Minister and financed mainly by the World Bank and the Government of Uganda. However, interference by politicians has led to lack of transparency in delivering support to the needy. Further, the absence of a contract between the ruling regime and citizens in northern Uganda arguably informs the tendency to deal with the high levels of chronic poverty in that region through piecemeal social funds that are further diluted by the politics of patronage (Hickey, 2007).

The Universal Primary Education (UPE) programme provides free primary education to all primary school-going children. Uganda’s commitment to implement UPE was first announced as an election manifesto in 1996. Immediately after the elections, President Museveni made good his promise by announcing the abolition of fees for four primary school-going children in each Ugandan family. This suggests that elections may be a powerful force in prompting governments to deliver social services (Stasavage, 2005). This scheme is financed by the Government of Uganda and development partners and implemented by the Ministry of Education. However, some children cannot access the free basic education due to inability to meet non-tuition costs, further compounding their vulnerability. Concerns are also growing over the quality of education that is given in UPE schools compared with private schools (UWEZO Uganda, 2012).

These together with other programmes financed by government, private sector initiatives and development assistance target the active poor leaving the poorest of the poor unreached. However, there is also no coordination of these programmes.

3.4 Legal and Policy Framework

The legal and policy bases for social protection in Uganda are grounded in international and national instruments. At the international level, Uganda is a signatory to the 1948 Universal Declaration of Human Rights that guarantees individuals rights to social security, in addition to ratifying the international Covenant on Economic, Social and Cultural Rights of 1966. The Covenant obliges governments to ensure access to social security for all individuals. Uganda is also a signatory to the Convention on the Rights of the Child.

At the regional level, Uganda endorsed both the Livingstone Call to Action (AU, 2006) which set out commitments to social protection and calls on African countries to develop costed social transfer programmes, and the African Union Social Protection Framework that impresses upon governments to recognise their State obligation to provide social protection and enshrine it in national legislation. Uganda has obligations to implement them.

The 1995 Constitution of the Republic of Uganda provides the basis for social protection interventions. Specifically, the National Objectives and the Directive Principles of State Policy relating to social protection are:

- Objective VII: the State shall make reasonable provision for the welfare and maintenance of the aged

- Objective XI (ii): The State shall give the highest priority to the enactment of legislation establishing measures that protect and enhance the right of the people to equal opportunities in development
- Objective XIV (b): All Ugandans shall enjoy rights and opportunities and access to education, health services, clean and safe water, work, decent shelter, adequate clothing, food security, and pension and retirement benefits.

Additionally, Chapter 4 of the Bill of Rights emphasises affirmative action for marginalised groups (Article 32), protection of rights of minorities (Article 36) and right to education (Article 30).

Furthermore, at the national level, social protection is seen as the State's duty of sharing the burden of supporting the vulnerable in society (Niringiye, 2013). This objective is outlined in Uganda's National Development Plan 2010–2015 that:

> …emphasises the need for harmonisation of provision of social protection measures through formulation of a comprehensive social protection policy; diversification of social security measures to cover more people especially those in the informal sector; liberalisation of the provision of the national social security services; implementation of a social cash transfer programme; and supporting comprehensive community response for vulnerable persons" (Niringiye, 2013: 222).

There is the apparent shift of focus from redistribution (poverty reduction based on the donor-driven PEAP programme) to growth, economic transformation and wealth creation (Cammack and Twinamatsiko, 2013). In this NDP, social sectors are considered important parts of the strategy but the main priority areas are energy, infrastructure and productive sectors. The change in priorities is evident in Table 1. Social development (social assistance and welfare programmes that provide limited cash or in-kind transfers and/or care for vulnerable groups) has a small percentage of government expenditure. The most dramatic change is in the energy and minerals sector where the budget increased from 4.6 per cent of total government expenditure in 2011/12 to just over 14 per cent in 2012/13 (Ulriksen and Katusiimeh, 2014). This means that support for social spending/protection might not be a priority.

Table 1: Consolidated expenditures for selected sectors, excluding donor projects, in percentage of total government budget, 2008–2013

	2008/09	2009/10	2010/11	2011/12	2012/13
Education	17.1	15.3	14.1	16.0	15.9
Health	8.5	7.0	7.3	8.1	7.1
Social development	0.5	0.5	0.3	0.5	0.3
Agriculture	3.9	4.0	3.6	3.6	3.4
Roads & Works	13.7	13.2	9.5	11.4	12.6
Public administration	14.4	15.8	15.7	14.3	11.7
Parliament	2.7	2.0	2.0	3.5	2.5
Security	12.9	16.9	20.9	13.7	7.7
Energy & Minerals	2.8	2.4	4.7	4.6	14.1

Source: Ulriksen and Katusiimeh. 2014

Note: Average exchange rate 2005/06–2012/03: United States Dollars (USD) 1 to 2300 Uganda Shillings (UGX)

Uganda does not yet have a domestic SP policy yet, but has a draft policy that gives important indications of what the country wants to do. As a way forward, the draft policy aims to be a consolidated social protection policy that will break the intergenerational poverty, facilitate effective coordination and regulation of social insurance schemes, and harmonise and guide all social protection initiatives.

4 Political Economy Analysis of Social Protection

4.1 Efforts Towards Streamlining Social Protection

Building on existing social security schemes and poverty reduction initiatives, the World Bank and DfID have been promoting social protection in Uganda since 2002. They devised a strategy of influencing the government's social protection policy via the establishment of a Social Protection Task Force (SPTF) within MGLSD (Hickey et al., 2009), which included representation from the donor community, civil society and key government departments including health, education and finance. SPTF's key role was to promote social protection as a crosscutting issue within the review process for the third PEAP. Social protection got several mentions in the revised PEAP that gained Cabinet approval in November 2004 and World Bank approval in July 2005. Since the start of 2006, DfID has been at the forefront of cash transfers, which is the focus of this study.

4.2 An Overview of SAGE: Uganda's Direct Income Support for the Elderly and Vulnerable Families

From 2006, Uganda worked to develop a coordinated approach to social protection (DRT, 2013; Niringiye, 2013). In 2010, the Expanding Social Protection (ESP) Programme was launched as a five-year programme to complement existing basic services and poverty reduction programmes. ESP seeks to reduce chronic poverty, address inequality and promote inclusion of recipients in development. It is funded by contributions from the Government of Uganda, DfID and Irish Aid worth GBP 50 million with the United Nations Children's Fund providing technical advice. At the time of data collection the government contribution was UGX 2 billion in cash and 6 billion in kind[3] (average exchange rate for year 2014: USD 1 = UGX 2600).

The ESP programme has two main components:

- Policy support to strengthen leadership and commitment to SP across government, developing a national SP framework and generating evidence on the impact of SP in general.
- SAGE, which is a pilot cash transfer programme aimed at providing benefits of social assistance in 14 districts out of a total of 112 districts: Apac, Amudat, Kabaramaido, Katakwi, Kiboga, Kole, Kyankwanzi, Kyegegwa, Kyenjojo, Moroto, Nakapiripirit, Napak. Nebbi and Zombo. A fifteenth district (Yumbe) was added after a presidential directive (Figure 1).

According to Niringiye (2013), in addition to their poverty rates, the districts were chosen based on the following six indicators:

- Proportion of children in the district population
- Proportion of older persons in the district population
- Number of orphans and vulnerable children as a proportion of the total child population
- Incidence of risky births
- Proportion of households living more than five kilometres from health facilities
- School attendance rates among children age 6–12 years.

In turn, SAGE has two components:

- The SCG, a non-contributory pension or old age grant to older persons. This is a disbursement of a small but regular monthly cash transfer directly to the enrolled older person (over 65) in the pilot districts (or 60 years in Karamoja region). Beyond the common theoretical and operational framework with the Vulnerable Families Grant, the current study focuses on the SCG.
- Vulnerable Family Grants are disbursements to households with limited labour capacity. If there is an adult woman in the household she receives the cash. The households typically have high dependency ratios containing older people, people living with disabilities, orphans, vulnerable children or large numbers of children (DRT, 2013: 37).

[3] Interview with the Commissioner in charge of the SAGE programme, Ministry of Gender, Labour and Social Development.

Both programmes aim to reach 600,000 people in 95,000 households in the pilot districts during the pilot phase. The beneficiaries receive approximately USD10 a month, which will be revised annually due to inflation. After the pilot phase, the whole country is expected to be covered (DRT, 2013 quoting MLGSD; Niringiye, 2013)

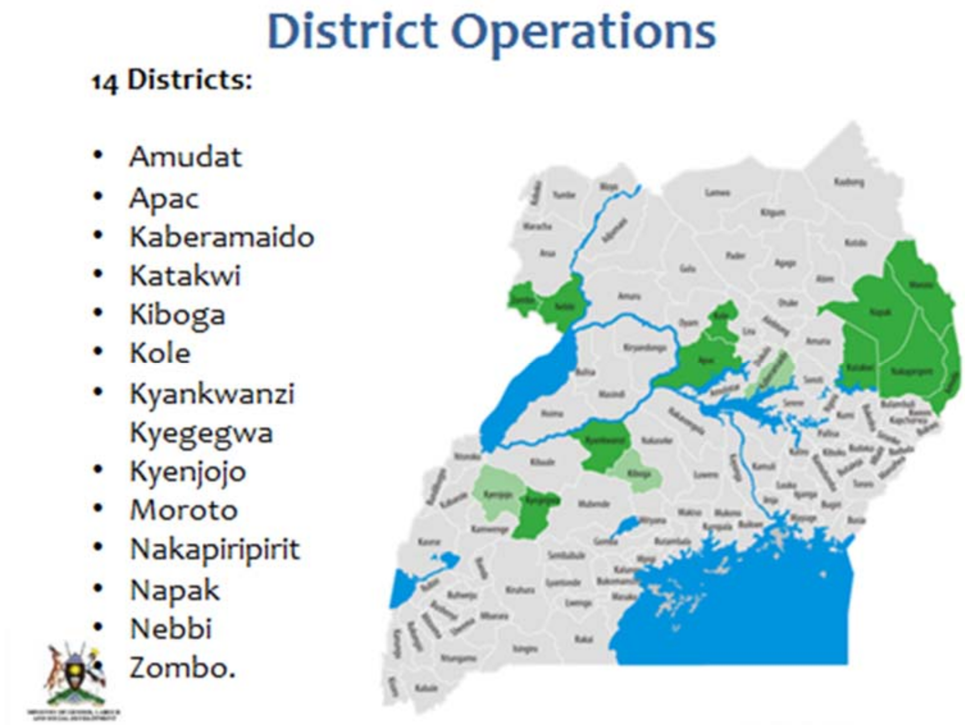

Figure 1: Districts implementing the SAGE cash transfer programme

4.3 Cash Payment Modality and Grievance Management Mechanism

According to the ESP, in 2012 monthly cash transfer beneficiaries received UGX 24,000 each, and UGX 25,000 in 2013. Each year the monthly transfers are increased by UGX 1000 to cater for inflation. The UGX 25,000 represents more than 20 per cent of the monthly household consumption of the poorest 10 per cent of the national population. This amount is also considered to be sensitive to fiscal affordability issues at the national level. The designers consider the amount acceptable because it does not trade the socio-economic conditions of the poorest 10 per cent (the target group) for the next poorest 10 per cent, therefore socio-economic categories are not threatened. From the community perspective, this amount is not acceptable because small as the amount may appear, in a context of extreme poverty the recipients become better off than the rest of the community members. This evokes jealousy from non-recipients as some responses from the field show:

> Some of them are very jealous... that we are receiving and they are not. Some are wishing to be seventy (so as to qualify for grant). ...that it should be stopped because they are not getting. Some think that we are now very proud... When they see you going with your kilo of sugar, a bar of soap they can begin talking about it.
>
> (A focus group discussion in Aduku Town council)

MTN, a mobile telecommunication company, is the payment service provider mainly because of its reliable and wide network coverage.

A simple programme management and decision-making forums at sub-county and district levels have been created to address complaints and also receive public feedback. The sub-county community development officers and parish chiefs manage an appeals and complaints process. The SAGE programme is promoting community-level advocacy structures to make grievance mechanisms accessible to the most vulnerable. Civil society organisations and law enforcement officers are also part of the support system.

4.4 Institutional Arrangements

MGLSD is the lead institution charged with the management of the SAGE pilot working through the Directorate of Social Protection. Supporting the directorate is the Social Protection Secretariat, which is responsible for policy and management. The secretariat has staff from both MGLSD and technical staff from the agent that manages the ESP pilot programme. ESP is a government programme implemented in the MGLSD. The ESP was approved by the cabinet in June 2010 and is located within the Directorate of Social Protection. The ESP Secretariat runs the day-to-day management of the programme and is headed and staffed with MGLSD staff and consultants who provide technical assistance. While the ESP secretariat manages the funds for beneficiary grants, the MGLSD is responsible and accountable for operational funds.[4] This management structure presents a parallel structure of both the Directorate of Social Protection and ESP Secretariat within the ministry. This parallel structure is a result of the influencing role and working methods of DfID, the main funder.

In Uganda, DfID influenced the social protection policy in two stages. First, from 2002–2005 it promoted ownership within the government of Uganda by financing the designing of Social Protection Task Force located in MGLSD. SPTF secured a policy focus on social protection in the third PEAP. The second stage from 2006 aimed at establishing a cash transfer programme to be scaled up as the basis for a national social transfer programme. A third stage (2010 to date) is the implementation of the pilot programme and forging a way forward for national rollout.

Hickey et al. (2009) credit DfID for helping to achieve a harmonious approach to social protection among key donors in Uganda, in addition to promoting a small but growing constituency for social protection within civil society. Closely related to this is the involvement of the private sector through Maxwell Stamp, PLC, a London-based economics consultancy that has experience working with governments, international organisations and NGOs. It specialises in a range of services including poverty reduction and social protection.[5] Maxwell Stamp been contracted to develop the payments system for the SAGE programme and to deliver against an annual work plan drawn by the steering committee. This is a second level of bypassing government structures in addition to the ESP for implementing the SAGE programme. The critical issues are the involvement of international organisations by DfID without taking into account capacity-building for the mother ministry that might have to take over this programme. Besides, contracting such a consultancy for five years is definitely expensive—is this a way of sending British money back home in the name of technical support? Couldn't Ugandans be trained to do what Maxwell is doing in the short to medium term? Or will the government of Uganda be forced to retain Maxwell forever if it decides to take over and rollout the programme? The exclusive involvement of Maxwell in the programme design without the purported eventual owners makes this the lowest point of this programme. It removes a big part of sustainability. From this research it is not clear how government vetoed or not the involvement of external consultants. What is known is that in 2012 when the SAGE programmes were designed and piloted, there was a huge corruption scandal in the Office of the Prime Minister where funds for the reconstruction of war-torn northern Uganda were stolen. Following this misappropriation, some donors suspended aid and broke ranks with government even though eventually on reinstating aid, in a number of cases disbursement switched from general budget support to project and sector support (Booth et al., 2014). It is likely that this scenario forced DfID to put Maxwell in charge of the payment system. Whatever the explanation, the involvement of Maxwell has ensured uninterrupted access to the monthly

[4] www.socialprotection.go.ug/whoweare.php

[5] http://www.maxwellstamp.com

cash transfer for the beneficiaries, but at the same time has compromised the building of a strong system that would be a factor of sustainability for social protection in Uganda. The influence of government on how to run a cash transfer system was also lost with this model.

MTN is the payment service provider. Its roles and responsibilities include ensuring payment of SAGE entitlements to SAGE beneficiaries, establishing accessible payments infrastructure at local level, providing reasonably accessible enrolment services to beneficiaries, distributing SIM cards and training beneficiaries on their use, resolving payment-related grievances and reporting to Maxwell Stamp PLC, among others (Expanding Social Protection, 2012).

The role of coordination lies with a national multisector and multilevel institutional framework. This framework includes the ESP steering committee, the national social protection sub-committee, the forum of permanent secretaries and Cabinet. To ensure the SAGE programme is accountable, the chairpersons of parliamentary sessional and standing committees of MGLSD and Finance and Planning are part of the forum. However, given the central role that DfID has in financing and implementing the SAGE programme, it appears that this coordinating platform does not have real power on how the programme and therefore social assistance should run, nor of its future in Uganda.

SAGE is not implemented through the decentralised government structures. Instead districts and lower local governments are partners in implementing the ESP programme, which has the overall responsibility for programme delivery and resources. Oversight and coordination at the district level are the responsibility of the district SAGE committee chaired by the chief administrative officer. Other members are the district community development officer, community development officer in-charge of SAGE and three members of the SAGE technical team in addition to a representative of the Social Protection Secretariat from the national office. Still at the district level, a senior community development officer supports the day-to-day management of the programme otherwise run by the SAGE technical team consisting of a technical officer, the district monitoring and evaluation officer and the district management and information systems officer. This team reports to the SAGE operations manager at the national level. To ensure grassroots penetration, the community development officers or their assistants in the sub-counties are also involved in the day-to-day programme activities. At the parish and community level implementation, parish chiefs, parish development committee members and village council chairpersons are involved. These lower local government actors report to the district SAGE support unit. These are several power centres at the district and lower level local governments. If the SAGE programme alienated them for any reason, there would be clashes of interest, thus hindering the implementation of cash transfers. However, this cadre of leadership in Uganda is more or less used to implementing top–down directed programmes such as the National Agricultural Advisory Services of the agricultural sector and UPE of the education sector.

4.5 Role of Different Actors in Shaping Policy Decisions in Social Protection: Political Will, Technical Feasibility and Sustainability

Political will, feasibility and sustainability of universal social protection underpin questions of whether politicians are willing to commit resources, create systems and if social protection commitments are affordable in the long run. This research shows that though deliberate efforts to concretise social protection in Uganda are in their infancy, political will to provide benefits to the vulnerable sections of Ugandan society is limited. Political will here refers to decisions made for or against social protection for political gain as opposed to the ability to actually finance social protection.

Government and the Presidency: Systems Development and Funding

Part of the political will in terms of resources committed consists in the steps taken to create a system to deliver the social protection programme. For instance, a draft policy is in place, stakeholder consultations have been extensively conducted and the pilot project is being implemented via existing government structures, notwithstanding the limited engagement of these structures. In the words of the ESP monitoring and evaluation manager:

> There is a draft policy and stakeholder consultations have taken place but the inter-ministerial committee is yet to be operationalised. A lack of policy should not be understood as nothing is happening. Sometimes countries that have policies do not even do well. For instance, Tanzania has had a policy and yet nothing is happening in terms of programmes. For us in Uganda, it was thought that we start the programme as the policy is being developed.

It is interesting that there seems to be a rush to begin implementation without a policy given that the government does not have its own money to implement the programme. The government ~~only~~ provides office space for the SAGE programme at both national and district levels and pays the salaries of senior staff at the ministry and in the districts. According to the ESP website, the in-kind contribution that the government makes is a total of UGX 6 billion over the five-year project period. As a percentage of the 40 million GBP DfID funding, this is extremely low given the primary responsibility of governments to deliver services including social protection to its citizens. It points to low prioritisation of social protection as a political choice.

This "start the programme as the policy is being developed" could be a DfID strategy to achieve the two social protection goals they had from 2002: establishing an SP policy and a cash transfer programme – even as a pilot. The question then is what is the real interest of DfID in the social protection agenda in Uganda? This study may not offer a definitive answer to this question, but it is imperative to reflect on the question as Hickey et al. (2009) in a DfID-commissioned study noted, that Uganda's Ministry of Finance was resistant to both the agenda and the attempt to pilot the DfID-funded cash transfer scheme. In 2007 the ministry declined to accept DfID funding. The ministry left the responsibility to accept the funding to Cabinet. What this study does not know is what happened behind the scenes between DfID and Cabinet to bring social protection from an idea initially rejected by the Ministry of Finance to a pilot scheme. What is clear is that DfID and perhaps the donor community still have a lot of influence on what, how and when services are delivered by African governments in general and Uganda in particular. These were two different positions taken by two powerful arms of government – the technical/professional Ministry of Finance and the highly political Cabinet. These two positions are further discussed later in this document.

It can be inferred that the consequence of this reluctance from the powerful Ministry of Finance is the limited extent to which the government of Uganda has committed itself to the pilot scheme. Cammack and Twinamatsiko (2013), quoting the SAGE Memorandum of Understanding, show that government counterpart funding commitments are GBP 20,030 for 2011, GBP 143,000 for 2012, GBP 540,800 for 2013, and GBP 1,388,700 for 2014. However, by March 2013 there was no funding yet from the government. As of March 2014, the ESP website[6] showed that in the financial year 2013/14 the government contributed approximately GBP 476,000 for grants in addition to the UGX 6 billion in-kind contribution over the five-year period. This is less than a third of the expected government counterpart funding for 2014 alone.

The ripple effect of the Ministry of Finance's reluctance that forced the government to make limited commitments to the SAGE programme is felt in the field. This was clearly articulated by the SAGE team in Apac:

> …Of late there has been financial support … the government of Uganda is offering human resource. We work within the local government structure. And if we are to pay the community development officer at county level, the parish chiefs at parish level and then also the LCs at the village level, it would be a lot of money to pay. So the government is giving that human resource to bridge that gap. In terms of space, we are housed under the district team leader. We don't rent; we only pay for utilities. And then within the district, we have a community development officer... who is responsible for the day-to-day implementation of the project. So it is a government programme, looking at all the arrangements that have been made. The government put some money in the programme, 2 billion shillings, as a first commitment to show that they are for the programme. It has gone a long way to support the programme and also bringing on board the 15th district. So it is really a joint kind of intervention.
>
> (SAGE technical Officer, Apac, in a group Interview).

[6]http://www.socialprotection.go.ug/whoweare.php

Although the technical officer showed the contribution of the government, what comes through is that the contribution is still minimal and that it is only in the third year of implementing the SAGE programme that the government finally made an initial cash funding of its commitments, perhaps because of the 15th district.

The 15th district is a government undertaking to fund the programme in Yumbe District independent of DfID and Irish AID funds. Although it is not clear if this is the government's attempt to begin a national rollout of the SAGE programme, ESP's monitoring and evaluation manager and an opposition member of parliament from northern Uganda confirm a presidential involvement or targeting of the district:

> Implementation in Yumbe district was a presidential directive and it is being funded by the government of Uganda.
>
> (M&E manager, ESP)
>
> That must have been after political pressure. People of Yumbe must have demanded... Acting on political directives like that might not help the project because you know the motive for starting that programme would then be to please for political reasons.
>
> (Interview, opposition MP from northern Uganda)

This presidential directive to implement SAGE in a district funded by the government aptly explains what the M&E manager expressed: "Social protection is a political decision not a question of whether government affords."

In a country where the presidency has a lot of political and executive powers, a presidential directive to implement the programme in a district which is not even part of the formal pilot districts augurs well for the piloted cash transfers in terms of political will in the short to medium term, but may be detrimental to sustainability and creating social protection institutions that work independent of the person of the president in the long run. This dependence on the presidency heavily politicises social protection instead of making it a right. Once rights issues are politicised, demanding for them falls in the realm of politics, which is a weaker position for a mostly poor population that can be manipulated without necessarily being socially protected. But in the wider scheme of governance, service delivery and uptake of political power and regime sustenance in Museveni's Uganda, building institutions is an antithesis of the current political strategy. As Golooba-Mutebi and Hickey (2013:16) note, "at the centre of power is the President himself, who has ensured that all decision-making powers ultimately rest with him in what has become an increasingly presidentialised form of semi-authoritarian democracy." In a focus group discussion with the opposition Forum for Democratic Change's (FDC) youth activists, they appear to resist this dominant presidential power at the centre of service delivery in cash transfers for senior citizens:

> "The Senior Citizens Grant is very good – but not well presented. Cash transfers are presided over by Resident District Commissioners and Ministers so the impression is that it is a Museveni thing."

The young people point out that everything that has been politicised in Uganda such as a 1990s credit scheme called 'entandikwa' has not worked. According to them, the cash transfer scheme to senior citizens is affordable but it will not be sustainable because of the corruption in the Museveni government, which is being used to sustain the regime. If the SCG is to be sustainable, it has to be dissociated from the president. These are strong views from a representation of a younger generation that appears to resist the shackles of political patronage which has worked so well for Museveni with the older generation that has been victim of Uganda's violent political past. In the past elections, Uganda's violent political history was used to scare and patronise the older generation into submission and non-questioning of the president's often overt demand for an open cheque for absolute political power. With the younger generation that did not experience Uganda's violent political history now forming more than 50 percent of the population, mainly unemployed and beginning to resist patronage, we wait to see how far patronage as a strategy for service delivery and regime survival will go. But as of now the political mileage gained by the Museveni government as the 2016 elections approach cannot be denied.

Politicians, Political Parties and Ministries: Lobbying and Sorting the Political Environment

A significant constituency in the uptake and sustainability of the SCG is politicians in parliament and at the district level who either lobby for the SAGE programme to be rolled out countrywide or politically sympathise with it. As a parallel to the extensive political power of the president, politicians and political parties as alternative sources of power to influence resource allocation for SP in general is imperative for sustainability. In regard to the cash transfers for the senior citizens, an interview with the Commissioner in charge of social protection at the ESP revealed that: “There was very strong lobbying from parliament. There is now a parliamentary forum for social protection, chaired by the MP for Kyegegwa, Hon. Flavia..."

A similar sentiment about the role not only of parliament but also of the key line ministries in supporting the SAGE programme was expressed in an interview with a SAGE technical officer:

> … but also there is the political support from parliament. That is a very big push. In parliament we have a committee on social protection, and now there is a design of a social protection policy by the government. There are consultative meetings across the country. There are other line ministries that are involved in the national consultations. We have Ministries of Finance, Local Government, and Health. There is a way they all interface to show that they support the social protection agenda.

That parliament and ministries take interest and action in the emerging scheme for cash transfers begins to make for institutional ownership. However, politicians rarely, if ever, ignore a chance for political capital. In a country where poverty levels are deep and biting, and where politicians are looked at as people who can help alleviate personal poverty, this cash transfer scheme presents a perfect opportunity for politicians to claim that they fought hard to bring the money to the beneficiaries. In an interview, a district local councillor actually claimed that he told beneficiaries that with the cash transfers he was fulfilling his election manifesto of poverty alleviation. One old woman had named a goat bought from the money received after him in appreciation of making her benefit from the scheme! These are the sentiments of ‘one woman’. What are the sentiments of the others?

Although the donor intentions address vulnerability due to poverty and other shocks, the political elite is using the scheme as a contested ground for political uses. This is why the support of politicians for the scheme does not only stop at the national level but proliferates to the districts where the cash transfer programme is implemented and, most importantly, where the votes are. Donors thus unintentionally place political advantage at the hands of MPs and local politicians. The commissioner in charge of social protection says: “District leaders have seen that this is a good programme – they support it because beneficiaries are no longer begging for money from politicians. It is a relief for district leadership.”

> I think for political will, we don’t have a problem. …even they (District Councillors) have been moving around with us …they have been helping us to sensitise the people... about the benefits of this programme. When those MPs came … we went with them … because they wanted to see how far this programme is concerned…
>
> (Community Development Officer in charge of SAGE, Apac District).

Support and acceptance of the programme at the district level are important because district politicians and technocrats wield a lot of power in the implementation of most development and service delivery projects. In fact some development projects such as the National Agricultural Advisory Services programme that by-passed the district authorities to be implemented by specially hired project staff are considered to have failed.

The SAGE programme appears to have created political consensus for social protection of the vulnerable among the major political parties as well, evident in their 2011 party election manifestos. For instance, the ruling party’s manifesto under section 1.5 on empowering special interest groups (d) the elderly (ii) states: “The NRM government will roll out the cash transfer programme for older persons.”

Under their theme of change society subsection 3.0 (protect vulnerable groups), the FDC/IPC promise:

> "IPC government will protect and support vulnerable groups. We will put in place an emergency relief system. We will pay 50,000 UGX per month to persons over 65 years. We will restore dignity to the vulnerable by ensuring that they live a quality life."

While the FDC/IPC had specifics, the NRM did not dwell much on details. Although the FDC did not win the election, its manifesto can be said to have influenced the targeting of beneficiaries at the age of 65. Also the precision with which it wrote its manifesto might have made it difficult for the winning NRM to ignore implementing cash transfers for older persons. Perhaps this is why the FDC youth activists insist that the NRM through the SCG is only implementing an FDC programme. Whether it is an FDC or NRM programme, the result of the two political parties contesting for political power is that the *wananchi* benefit.

In spite of the relatively positive response from sections of government, there is reluctance on the part of the Ministry of Finance, Planning and Economic Development, according to an interview with the Commissioner: "There are sceptics: mainly Ministry of Finance is sceptical because of the amount of funding involved. But the politicians like it."

This might explain the generally low budget allocated to social services compared to other sectors. For instance, Cammack and Twinamatsiko (2013) point out that the MGLSD budget (the parent ministry for social protection) heavily relied on external funding/financing in 2011/12 and 2012/13. A review of government social protection spending reveals three key issues: (1) spending is mainly on social insurance where public pensions receive more funds than the social care services and social transfers put together; (2) donor spending is biased towards food aid expenditure; and (3) excluding food aid expenditure, donor spending is mainly on social transfers. The implication is that, overall, the political significance of social transfers is negligible. What is not clear is if this less-than-enthusiastic attitude towards social transfers is due to the fact that the percentage of people who need it is small (older people, orphans, children and disabled people) in relation to the total population or whether this constituency is judged by politicians as having low political opportunity cost or indeed does not have the political voice to demand for the social transfer services.

In an interview with the commissioner for research in the Ministry of Finance, this resistance to finance the SAGE programme was clear in the official explanation of the Ministry of Finance that current priorities are in infrastructural development, agriculture, roads, energy and skills development. This focus on growth and societal transformation has been heard often in the national media. For instance, when in the recent past teachers demanded salary increments, the government did not budge defending its position that it was busy building roads and other infrastructure for economic growth. But what drives this focus on growth? The Commissioner responds in another question: "What is the bigger problem; the unemployed youth who are more than 50 per cent of the population or the elderly?"

The questions that the ministry is focusing on are thus related to employment creation– how many people are taken on in industrialisation and agro-processing industries? SAGE, therefore, is not among the top priorities.

On asking why Cabinet accepted the SAGE project if this is the official position on development and if we are anticipating an end to the SCG only at the pilot stage, it was clear that there was tension between Cabinet as political and Ministry of Finance as technical and professional. The interview with the commissioner explained that the political will and government's interest in the SCG may stay on because of the people's strong voice for the grants in addition to donor interest. Therefore for politicians this is a project that should be immediately funded, citing the 2 billion UGX the government transferred to ESP. "The only way I see this programme expanding is from a political point" otherwise the (current) minister is not a politician but a professional (technocrat) who is not bothered by political consequences of budgeting and financing. Underscoring this tension between government as political and government as professional is the statement that: "We (Ministry of Finance) are not happy but the politicians are the bosses. We should not have accepted. The politicians did this from a selfish perspective."

From the political opposition this feeling of running the cash transfer as political mileage was expressed by a senior founder member of the FDC:

> It is more or less a donor-based project now. And that is why I am talking about sustainability... because we were heading to elections [2010–2011] the president was quick to say I will do this, my government will implement this. So this donor-driven programmes may not eventually fit into the society.

He also explained other external and internal political environments that may not see the government take full responsibility for the cash transfer programme at the end of the pilot period in March 2015:

> **MP:** I don't see the possibility [of government taking over funding for SAGE] because when I look at the government budget and the government priorities and the challenges that continue to emerge, I see that priorities will keep on shifting. First of all the two years we are talking about (to the end of the pilot scheme period) are the years of election. I can see a lot of money being diverted for electoral process. And I also see these challenges in the region like South Sudan. It is going to drain our resources because of the military expenses.
>
> **Interviewer:** But S. Sudan said they are funding their war.
>
> **MP:** No, they are not. That is a challenge that is likely to continue, so military expenditure and of course the other sectors will continue to attract a lot of resources.
>
> **Interviewer:** And which are those sectors?
>
> **MP:** Especially the oil sector. In government's own view, they want to fund it because they are sure of investment recovery. So I see a lot of challenges. You have also seen the problem [of corruption] we have been having apart from that of the public service. Salaries have not been paid and on top of that there have been government pledges of implementing salaries of public servants including teachers. [Salaries are] a requirement. First of all they, are being underpaid and government has made a pledge several times. So the issue of salary has become very basic and can paralyse government if government does not address it. So you could expect that in the next two years government is going to increase salaries and allowances with the view that when public servants get motivated they will deliver the required service.

So in essence, Uganda's current internal and external political environment is rather volatile to predict steady political commitment to the social protection agenda. All things remaining constant, prioritisation will be according to the heat of the moment.

A former minister of finance and now a senior presidential advisor on economic planning, in a presentation during the East and Central African regional conference on financing social protection in October 2013, suggested that there should be no room for such scepticism because:

> These [vulnerable] people cannot be sustained by sympathy and goodwill. Uganda needs a redistribution of resources and involvement of beneficiaries rather than we who talk about them. We need to convince and persuade government because there is a constituency of people who will benefit from old age pension, medical insurance and disability payments. This is something that cuts across the country and I believe with the oil money coming, we can get a Norwegian type funding where we get cash transfer that is enough to support people with illness, old age, destitution, unemployment, poverty. (Mwesigye, 2013)

Some voices in Uganda's contemporary civil society agree that the SCG is needed but raise concerns particularly on grand corruption in Uganda. For instance, Bishop Zac Niringiye underscores the importance of cash transfers due to Uganda's humanitarian crisis characterised by AIDS orphans, grandparenting, and a depth of poverty that makes people appreciate a UGX 25,000 with such gratitude.[7] Imam Kasozi emphasises that cash transfers are necessary because of changes in cultural attitudes where children abandon their parents to their own devices.[8] But for cash transfers to be affordable, government needs to rid itself of corruption. Another civil society activist, Andrew Karamagi, in an interview[9] suggested that for cash transfers to take root political parties should strengthen themselves and become independent institutions devoid of the personalities behind them. but not personified in individuals e.g., Besigye for FDC, Museveni for NRM, etc. These views from the civil society underline the need for institutionalisation of national issues where corruption, poverty and

[7] Interview 6 March 2014
[8] Interview 6 March 2014
[9] Interview 6 March 2014

cultural decadence, among others, can be addressed by institutions but not individuals, patronage or populism.

The SAGE Experience in Uganda: Impact of the Senior Citizens Grant

According to the minister of MGLSD:

> We have learnt that these modest but regular and predictable transfers of cash have the potential to transform the lives of millions of our vulnerable people with major impacts on human development. In fact we estimate that national rollout of the Senior Citizens Grant will deliver a basic level of income security…
>
> (*The New Vision*, 17 January 2014).

SCG, considered even at this pilot stage to be largely successful, has a personal family economy impact, a personal self-worth impact, a development-related impact, and a social relations impact as seen from the following quotations from some beneficiaries and SAGE staff:

> This money has improved our life. Somebody who was a bit poor without clothing has bought clothes for himself or shoes and perhaps also digging because we are weak. You can give somebody money and he can help you to cultivate your land.
>
> It is also assisting us pay school fees.
>
> ...buying some food which cannot be produced [for a balanced diet].
>
> Even it helps buying drugs from clinics because once you go to the government hospital, you don't get drugs so this money helps a lot to buy drugs from clinics.
>
> ...and we are proud. Because we look like we are working class. To feel that you get money on monthly basis is also a very motivating thing...
>
> It can build you a small hut.
>
> This money can also help us to top up our children's school fees.
>
> (Quotations from focus group discussions with senior citizens. Other personal success stories can be found in the SAGE district quarterly reports.)

Not only is the SAGE programme benefitting individual beneficiaries and their immediate families, but it has also been credited with building the capacity of the district in terms of overall systems and human resource in providing social services:

> It is one thing we are proud to talk about that SAGE has built capacity of the local government staff to take on the implementation of the cash transfers, which is a new way of looking at development. So with time if we are to roll out to the neighbouring Lango districts, we will be of resource. I always refer to what the chief administrative officer said that... we don't need any more money to hire people to go and train.
>
> (In an Interview with SAGE team)

The programme appears to also be raising the accountability profile of local politicians: "They comfortably come in. Some of them say that their manifesto had been fulfilled." (Interview with SAGE team)

SAGE is also invigorating the local economy as the money trickles through to the community through trade and its availability in the local economy:

> At a pay point, you find pigs and goats slaughtered around... After the payments are over all these things are not there. So this money is trickling around the community. Trade is being improved.
>
> Per month, if you pay all the beneficiaries you find that the total amount that goes to the district is 450 million (shillings). So if you start partitioning that money to the different sub-counties and to the whole district, you find that it is a lot of money... the district will get the revenue from the traders.
>
> (Interview with SAGE team, Apac)

Is the National Rollout of the Cash Transfer Programme Feasible?

MGLSD and the Ministry of Finance, Planning and Economic Development commissioned a study to develop comprehensive options for medium- and long-term sources of financing and financing mechanisms for the SCG programme. The results of the study indicate that if government chooses, social pensions can be rolled out in Uganda to every senior citizen (65+)

without reprioritising existing spending. Using the Standard Revenue Growth Projection, the rollout would take a maximum of 7 per cent of the revenue increase from one year to the next. After full rollout in 2018/19, it would consume just over 2 per cent of government expenditure, or 3.76 per cent of recurrent expenditures (Cammack and Twinamatsiko, 2013).

Uganda's sources of projected revenue for social protection are the currently increasing economic growth of about 7 per cent, the expected oil revenues starting in 2015/2016, and increasing levels of tax revenues in relation to GDP. Uganda's current debt position is sustainable because debt stands at 23 per cent of the GDP, which gives room for borrowing as a fiscal space for funding social protection.

After the pilot project ends in 2015, Cammack and Twinamatsiko (2013) show the costs of a short- and long-term rollout of the SCG. They compared this with available and projected revenue for the same years and suggested that expanding SP for senior citizens is affordable. Table 2 shows that after 2020/21, costs of rollout whether short term (four years) or long term (six years) are the same.

Table 2: Net costs of rolling out (UGX billion)

Year	Cost of short rollout (incl. 10% over-head) (1)	Cost of long rollout (incl. 10% overhead) (2)	Projected grant income (3)	Net cost of short rollout – (3)	Net cost of long rollout – (3)
2015/16	147.8	117.2	63.8	84.0	53.4
2016/17	267.8	206.2	63.8	204.0	142.4
2017/18	407.9	300.5	63.8	344.1	236.7
2018/19	551.7	409.1	63.8	487.7	345.3
2019/20	599.6	525.3	63.8	535.8	461.5
2020/21	651.6	651.6	51.0	600.6	600.6
2021/22	708.1	708.1	38.3	669.8	669.8
2022/23	769.6	769.5	25.5	744.1	744.1
2023/24	836.3	836.3	12.8	823.5	823.5

Source: Cammack and Twinamatsiko (2013)

Table 3: Comparison of financial implications of SCG rollout with different revenue growth projections

	Standard growth revenue projection	High revenue growth projection	Low revenue growth projection
% GDP in 2020/21	0.4	0.4	0.44
% of recurrent expenditure	3.67	3.10	4.27
% of total government expenditure	2.04	1.72	2.37
Maximum % of revenue increase taken during rollout period	Short: 6.88 Long: 5.45	Short: 5.94 Long: 4.04	Short: 10.24 Long: 7.44

Source: Cammack and Twinamatsiko (2013)

Taking the standard growth revenue, the financial implications for the short-term rollout of the SCG will cost 0.4 per cent of the GDP, 2.04 per cent of total government expenditure, a maximum of 6.88 per cent of revenue increase needed to rollout in the short term and 5.45 per cent in the long term. Also note the implications for high revenue growth and low revenue growth that we have not commented on because these scenarios are unlikely unless unpredictable shocks occur.

Emerging Challenges in the Implementation of the Senior Citizens Grant

Most of the emerging challenges in the implementation of the SAGE programme can be related to the birth pangs of the programmes. First, apart from the SP policy that is being drafted and the interests of politicians, it is not yet clear where the payments for the cash transfers would come from after the donor-funded pilot programme comes to an end.

Second, some potential beneficiaries complained they had not been selected. Though some potential beneficiaries might have been left out due to programmatic gaps, many, especially in Apac, were left out due to their distrust of government and government programmes:

> Some people are very bitter; those who are left out. Whenever we are on radio they call you and ask you, 'but am I not a Ugandan, you are saying this is for Ugandans but you have left me out, you have picked on someone who is not vulnerable. I am here. I am 65 years but I am not targeted.' If you go back to the history of registration you realise that they are the ones who messed it up. The community had their own perspective of the whole thing...
>
> (Interview with SAGE team)

State–Citizen Social Contract

This section presents the views of the beneficiaries of SCG on whether the social assistance they receive has changed their perception about the State. Note that the understanding of the state and government are quite flexible here. The tables show responses of beneficiaries from Apac and Kyenjojo to key variables regarding the sState-citizen contract.

a) Extent to which the social assistance programme has helped improve the economic and social conditions of people**.**

Table 4: Extent to which the social assistance programme has helped to improve the conditions of people

	Responses (%) – Social Assistance Programme		
District	A lot	A little bit	Somewhat
Apac	32.2	59.1	8.7
Kyenjojo	93.8	6.3	0

Most respondents report improvements in their economic and social conditions. All beneficiaries in Kyenjojo without exception report improvement. Only 8.7 percent mainly from Apac report a “somewhat” improvement. This admission of improvement of economic and social conditions was also expressed in focus group discussions in Apac:

> SAGE programme has brought a lot of changes to the elders of Apac Town Council. I have seen a lot of changes especially when I move in the field. There are people who have put their money to good use. There are people who have bought land. Others have bought goats. Others have built houses.
>
> (Parish Development Committee member in Apac)

Also:

> I have my grandchildren but I had no one to support me. But I am paying the school fees of one of them now and he has passed well to primary five. It is this money that has helped my grandchild to study. I would like to thank the people who are running this programme. And the big man who has given us money, may he be blessed.
>
> (Senior citizen in Apac)

The same sentiments were expressed in Kyenjojo in an interview with a parish chief:

> Beneficiaries are happy. Most of them are using the money progressively. When the money is paid out you see people buying iron sheets, saucepans, etc. Others have formed saving and credit schemes. It has helped ease their transport facilitations as they get a *boda* to go somewhere. Some hire maids or someone to dig their farms. The money is predictable and they can do something like paying fees for grandchildren.

b) Beneficiaries and their perceptions on the role of the state

The findings in Table 5 show that in Kyenjojo district an overwhelming 97.1 per cent of the beneficiaries’ perceptions about how the State treats its poor and vulnerable citizens has changed “a lot”. Similarly, there is a negligible 0.9 per cent whose perception of this has not changed in Apac District. The results also show that there is only a gradual spread of degrees of perceptions about how the State treats its poor and vulnerable in Apac. The north of the country has generally been opposition territory that viewed the current government with suspicion or even outright hostility over the war years. So any positive perceptions of the State will be gradual. In spite of this possible explanation, overall perceptions are positive.

Table 5: Extent to which receiving social assistance from the state has changed my perception about how the state treats its poor and vulnerable citizens

	Responses (%) – Receiving Social Assistance			
District	A lot	A little bit	Somewhat	Not at all
Apac	37.1	50.9	11.2	0.9
Kyenjojo	97.1	1.9	1.0	0

c) Loyalty to the state

Table 6: As a beneficiary of State support, I feel more responsible and loyal to the State now than before

	Responses (%)		
District	A lot	A little bit	Somewhat
Apac	58.7	35.7	6.1
Kyenjojo	97.2	1.9	.9

Like Table 5, Table 6 shows overwhelming loyalty at 97.2 per cent among the beneficiaries in Kyenjojo District as a result of the income support they receive. Again, a pattern of gradual loyalty to the State is observed with an overall show of loyalty in Apac. This loyalty was expressed by senior community development officer in charge of SAGE in Apac on being asked what the response of beneficiaries towards government:

> They are positive, I am telling you… whenever you invite them for meetings they come… because they know at least some message is going to be passed to them… some good message. They come not only for this money… even there is a project called District Labour Support programme under the local government; when we invite them they come. I am not biasing their mind, but it is a fact that this government really worked for it… and when they are voting they should vote wisely.

Almost all the respondents benefiting from the elderly grant owe it to President Museveni. In several focus discussions in Kyenjojo District, this was a common response:

> President Museveni is our father and mother. Long live Museveni. Who else would do this? I wish he stays as a President for many more years. Even my children cannot do what Museveni has done. We will continue voting for him.

This fits well with the patronage politics that is so prevalent in African politics especially played out as candidates approach electoral campaigns. It shows the ignorance of the people on who is responsible for financing the programme and the misrepresentation of facts by implementers of the cash transfer schemes.

d) Publicising the benefits of the State

Table 7: I will tell my children/households to be loyal to the State because when you're poor the State will come to your aid

District	Responses (%) – Loyal to State		
	Absolutely	May be	Nothing changes
Apac	94.8	4.3	0.9
Kyenjojo	95.2	4.8	0

Beneficiaries in both districts at approximately 95 per cent respond that they will tell their children to be loyal to the State. This is evidence that if the state takes care of the poor and vulnerable, there could be intergenerational social harmony between the state and its citizens. This could also be the beginning of making the society conscious of their right to social protection especially if they display loyalty to the tate through their citizen obligations of paying tax.

The findings are in line with other independent surveys conducted on the SAGE programme. For example Bukuluki and Watson (2012) indicate that beneficiaries in the two study districts perceived SCG to be a “dependable source for life and livelihood” and considered it a sign of the government’s commitment to meeting their needs. The findings are also in line with Karishma et al. (2013) that report positive findings at more personal and household levels.

5 Conclusions

This study aimed at generating insights into the political economy conditions under which major actors, institutions and ideas interact to shape social policy and specifically, social protection policy processes, choices and implementation. Furthermore, the study analysed the perceptions among key actors involved in social protection that determine the likelihood of the policy getting traction in Uganda.

For long, social protection has been dominated by fragmented approaches with different objectives and institutional homes, using limited capacity for small pilots rather than national programmes. However, there is a recent effort by the MGLSD to harmonise efforts towards social protection with the drafting of the social protection policy.

Donors are key in the implementation and financing of social protection in Uganda. The implementation of SP schemes and especially the cash transfers given to the elderly are changing the perception of influential groups, especially the political elite previously sceptical of cash handouts.

The nature of the political and patronage systems that has played out since independence has fitted very well with the cash transfer system whose recipients think it is money that comes directly from the president – the chief patron. But the danger of an SP system that heavily relies on patronage is that those individuals or regions that are unwilling clients to the patronage system may be excluded from accessing resources for poverty alleviation and managing their risks. On the other hand, the support and excitement gained among the local population through the implementation of cash transfers means it is politically disastrous for the government to withdraw its support of the cash transfer currently existing.

However, a key section of the elite especially in the Ministry of Finance is still sceptical about the resource envelope to finance the national rollout of the cash transfer programme. The priority of government according to the NDP favours the infrastructural and energy sectors and it is highly unlikely that in the foreseeable future resources may be found to rollout the universal social protection schemes countrywide. The strong competing demands on government spending allocations mean that social protection programmes inevitably receive lower priority than spending on programmes for economic growth. This can be seen as an obstacle to the uptake of the SP policy agenda. These resources will be exacerbated with the donors withdrawing due to corruption scandals in almost all government sectors. With the recent passing of the anti-gay bill, the government may have to look for alternative means of covering the gap left behind by donor withdrawal from direct budget support.

The discovery of oil is expected to enhance economic growth further and generate government revenues, but it is not clear where the oil money will be spent. The few voices coming out from civil society that part of the money be used for social protection in cash grants might be farfetched given that NDP favours infrastructure and energy development.

Implementation of the cash transfer programmes has made people realise the role states can play in ensuring the right to social protection. However, poor and vulnerable people often lack a voice, and policy priorities and implementation processes do not necessarily always represent their interests. There is need to empower the population to have urgency to demand for social protection and redistribution as a right rather than be passive recipients as clients of a patrimonial system.

For social protection to gain traction, strong political leadership is required at the highest political level (including the national parliament, the presidency and the cabinet). In the whole scheme of patrimonial politics practiced since independence, political leaders may be politically committed towards social protection because of building clients who “worship” and help in consolidating them in power. This is in contradiction to the stated objective of implementing social protection for helping the poor and the vulnerable. Instead, positive politicisation of social protection by making it an integral part of the national development agenda would demonstrate the kind of political leadership required.

Lastly, the institutional home for mobilisation, design and implementation of social protection is without doubt the MGLSD. However, the ministry is generally considered marginal and outside the circle of powerful ministries. The profile and the capacity of MGLSD for planning and implementing social protection in Uganda still needs to be raised given the heavy reliance on donor support in the current cash transfers. The ministry lacks political clout to establish SP as a national policy priority. In the present circumstances, this will require the highest political authority, the presidency, to cause a change in attitude towards the ministry and to require that it receives increased financial and technical support.

Overall, it can be concluded that for a successful uptake of social protection in Uganda, the major power centres whether individuals, institutions or ideas are not yet fully at the centre of the social protection agenda. Their involvement in the cash transfer programme is so far minimal and circumstantial. This is evident in the fact that the idea of SP in Uganda is an external idea mainly driven by donors; and powerful individuals are driven more by personal gain in politics than a real consideration for the poor. However, this state of affairs might change if a political decision is made for wealth redistribution other than the current pro-growth policies.

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