



PDA Covid-19 Series Vol.1 No.3

**RETHINKING SOCIAL PROTECTION
& SAFETY NETS IN GHANA: WHAT THE**

COVID-19

PANDEMIC HAS TAUGHT US

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Rethinking Social Protection and Safety Nets in Ghana: **What the COVID-19 Pandemic has Taught Us**

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The coronavirus (COVID-19) pandemic has taken the entire world by surprise, particularly in this era of enhanced economic, scientific, and technological advances. While the outbreak started in [China's city of Wuhan in late 2019](#), little did we think that the deadly virus will ravage the entire world so rapidly, to the extent of threatening to ground the entire global economy. In the wake of the rapid spread of the virus, and the absence of a treatment or vaccine, what has become commonly recommended as most effective to halt the spread is "lockdown", asking people to stay home. From [Wuhan](#), the origin of the virus, to [Italy](#), [Spain](#), [UK](#), [US](#), [South Africa](#), [Rwanda](#), [Nigeria](#), among other countries where the virus is prevalent, most businesses have closed down while citizens are ordered to stay at home for weeks to curtail further spread of the virus. This has had a significant toll on social protection systems in developing countries, including Ghana, which is also gradually reeling under the burden of the disease.

In Ghana, the government announced a [two-week partial lockdown](#) in Accra and Kumasi and their contiguous districts on 27th March which was further extended for [another week](#) with the hope of containing the spread of the virus to other parts of the country that were unaffected at the time of the lockdown. Ghana's lockdown was lifted citing [enhanced testing capacity](#) and [untold economic hardship](#) on poor citizens. Other restrictive measures remain in place, including a ban on all social gatherings and the introduction of social distancing protocols nationwide. This piece argues that the current social protection and safety net systems in Ghana are inadequate to protect the needy and vulnerable in the face of a lockdown. More comprehensive and targeted social reforms are needed in the post-COVID-19 period to effectively protect the poor and vulnerable and to address similar emergency occurrences in the future.

Ghana's economy is [predominantly informal](#) where the majority of the population practically live from hand-to-mouth. For this reason alone, lockdown (stay at home) may not be as simple and effective as in the global north where support systems have been institutionalised and where vulnerable people will get some direct unconditional cash transfers from government to cover essential needs. In Ghana (and predominantly so in many Sub-Saharan African countries), lockdown maybe a 'luxury' that the majority

of the population cannot afford in the absence of elaborate support interventions from the government. [The majority of the population](#) that operates from the informal economy simply [does not have enough savings to cover daily expenses](#). Thus, they must always go out to work to fend for themselves and families. This is also one of the main reasons why the government of Ghana ended the lockdown after just three weeks, even as confirmed cases were on the rise.

To mitigate this challenge, the government of Ghana announced some [stimulus packages](#) to cushion the vulnerable during this crisis. Notable among these included [provisions of food to an estimated 400,000 vulnerable people](#) who were affected by the partial lockdown albeit some political drama around the distribution; [full waiver of water bills for all Ghanaian people](#); [full waiver of electricity bills for low-end consumers](#) and a [50% waiver for medium to high-end consumers of electricity](#), among other reliefs. These are very commendable in the face of dwindling capital.

However, the question remains whether these interventions were adequate to effectively support a lockdown in a predominantly 'hand-to-mouth' economy? And whether these measures responded to the immediate needs of the vulnerable in the era of lockdown and movement restrictions. People have also questioned the modality for distribution, casting doubt on whether the most affected population got access to these supplies.

In Ghana, the poor are confronted with a myriad of consequential challenges aside from the obvious lack of stable incomes. Lack of access to decent housing means that majority of the vulnerable population are [not connected to basic social services](#) such as water and in some cases electricity to directly benefit from the government's relief interventions. Even for those who are connected to the national electricity grid, they are usually on shared meters with several other people which takes them out of the lifeline (0-50kwh) consumption bracket. This means that they will lose the benefit of the subsidy for electricity even though their actual household consumption may be far below the lifeline consumption bracket. Thus, for a significant segment of the poor and vulnerable people, it is likely that they will [not benefit fully from the government's freebies](#) of water and electricity among other reliefs for

the three months while those in the [middle to upper class](#) will enjoy the full benefits. This situation is further compounded by a [lack of reliable data](#) on the exact location and service needs of the vulnerable in Ghana, particularly in urban spaces, for effective targeting and planning.

After this coronavirus crisis, the government must rethink differently to address some of the fundamental but interrelated challenges of poverty, vulnerability, and inequality that have long remained unresolved. The Ministry of Gender, Children and Social Protection must hasten the process of institutionalising social protection and safety net programs that genuinely benefit the most vulnerable population, rather than the wholesale approach currently being implemented. The following areas are worth reconsidering for social protection policy and programming.

Decent housing for the poor and vulnerable: Ghana has a serious housing challenge with a [housing deficit of more than 2 million](#). This, coupled with the high cost of renting has rendered majority of vulnerable and poor households in urban spaces living in makeshift accommodation without access to basic social services including water, electricity, and toilets. Indeed, thousands of people sleep on the streets of Accra, Kumasi, and other cities across the country. This has given rise to the proliferation of urban slums and shantytowns in cities. The coronavirus pandemic has exposed the severity of this problem as [hundreds still lived and begged on the streets](#) as the government was implementing its lockdown in Accra and Kumasi. The need to provide affordable housing which is truly affordable to the poor, the majority of whom operate in the informal sector, is much more urgent than ever. Indeed, efforts have been made to address this challenge in the past through numerous 'affordable' housing schemes. But there is little evidence that the very poor people, including a large group of low-income people in the informal economy, have benefited from these housing schemes. Again, the [prices](#) of these houses as quoted in the media are higher than what the average Ghanaian can pay for, making what is supposed to be an option for the poor only accessible to the middle class and elites. Without access to decent jobs and stable incomes, the government must rethink its affordable housing plans to provide decent housing to the thousands of people who operate in the informal economy but earn too little to be able to afford decent accommodation.

Decent jobs and stable incomes: Access to gainful jobs has been one of Ghana's fundamental challenges since independence. In addition to the high youth unemployment rate, the majority of the people who operate in the informal economy, as well as a good number of those in formal jobs, [earn so low that they rarely save part of their incomes for future use](#). For such people, a one day stay at home or a one month lay off will put their lives in jeopardy as they will not be able to afford even food, let alone other necessities. Beyond this crisis era, we need to resurrect discussions on creating decent and gainful jobs in the economy of Ghana for its people, more so for the teeming youth. Among other things, we need to prioritise the provision of skills training to the thousands (or even millions) of young people on our streets-both in school and out of school so they can be employable in more decent and gainful jobs. The much talk about revamping of [technical and vocational education](#) is more important for this challenge. There is also the need to continue serious discussions on how to grow the productive sectors of our local economy to create more downstream jobs for Ghanaian people, particularly young people. There should also be discussions and enforcement on earnings at the workplace so people can earn decent incomes from the jobs they do. This will reduce the vulnerability of people having to depend entirely on the government in a crisis like this. Here, regulation and enforcement are needed to achieve some successes.

Social profiling of the poor and vulnerable for effective targeting and programming: [Data is needed](#) for planning in normal times, more so in an emergency, for targeted planning and interventions. However, this is lacking in Ghana. Lack of adequate information on the dynamism of vulnerability means that consequential interventions are often generic and lack the potency to respond to the needs of the underprivileged who live in slums and on the streets and without access to basic social services. The recent lockdown in Accra and Kumasi heightened this challenge. Government needs to do more to have a good database of the poor and vulnerable in this country. To this end, the [Ghana National Household Registry](#) started in 2015 should be fast-tracked to provide vital information to the government for policy and planning in critical times. The government could also leverage the upcoming population and housing census to create a comprehensive database of vulnerable populations and households.

Reinvent and scale up the LEAP to benefit more poor and vulnerable people: Both conditional and unconditional cash grant schemes are needed considering the level of poverty and vulnerability across the country, and more so in a crisis era, where people have been confined to their homes. To this end, Ghana's flagship cash transfer program intended to benefit the bottom 20% of the poor in Ghana needs a retool to benefit more people in critical times as this. As at 2017, an estimated [250,000](#) people were benefiting from the Livelihood Empowerment Against Poverty (LEAP) with a [bi-monthly payment](#) ranging from Ghc64 to one beneficiary, Ghc72 for a beneficiary giving care to one child, Ghs96 for a beneficiary giving care to two children and Ghs106 for beneficiaries with three or more children. Obviously, many people in Ghana need such direct cash grants than the LEAP is currently supporting. Again, the amounts given are woefully inadequate for the beneficiaries and their household for a month, much less the two months. When all these challenges are addressed, the LEAP could become a powerful social intervention tool to support Ghana's poor and vulnerable people in general and this will lessen the burden of government having to do direct food distribution.

Above all this is the bigger issue of economic transformation to create shared prosperity for the Ghanaian people: Ghana has experienced relative political stability and sustained [economic growth](#) in the past 2 decades making it the second-largest economy in West Africa, one of the [fastest-growing in the world](#) in recent years. While Ghana's economic growth has been touted by global watchers as impressive, some key concerns have been raised and indeed remain unresolved. One of these concerns is that [inequality is becoming more pervasive](#), meaning that growth benefits are accruing more to the "haves" and less to the "have nots". The country's [inability to redistribute economic growth benefits](#) means that majority of its population continues to wallow in social and economic vulnerabilities. This situation has been gravely exposed in this era of the coronavirus pandemic and therefore requires rethinking and a new approach in the post-COVID-19 era. This requires redirecting revenues from commodities export to invest in other critical sectors such as agriculture and manufacturing. This holds the potential to create economy-wide jobs to benefit the citizenry.

To conclude, the sudden outbreak of the COVID-19 pandemic has exposed the structural deficiencies in the economy and support systems, demonstrating their inability to withstand shocks and provide adequate relief services to the needy population. While COVID-19 is a disruption to our lives, it also reminds us of the need to build and revamp existing social protection and safety net programs that are anchored on a self-reliant/sustaining economy.