

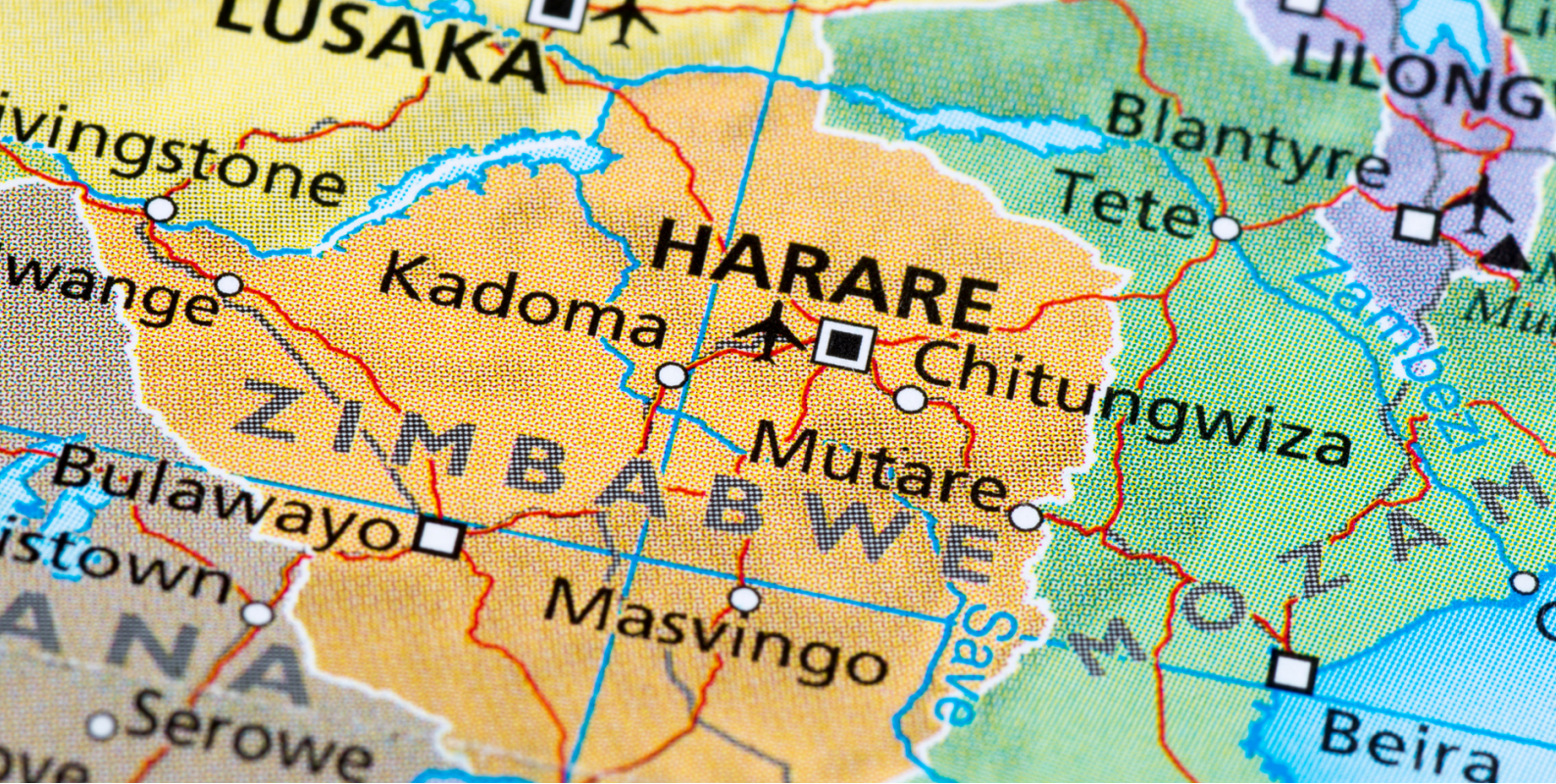


**SOCIAL SPENDING AND HUMAN  
SECURITY IN ZIMBABWE**

**POLICY DIGEST JUNE 2023**







# CONTENTS

1. INTRODUCTION	2
2. UNPACKING SOCIAL SPENDING	2
3. ZIMBABWE SOCIAL SPENDING MODEL AND ALLOCATIONS	3
4. UNDERSTANDING HUMAN SECURITY	3
5. THE CORRELATION BETWEEN SOCIAL SPENDING AND HUMAN SECURITY	4
6. NATIONAL BUDGET ALLOCATIONS FOR SOCIAL SPENDING	4
7. THE STATE OF SOCIAL SPENDING AND HUMAN SECURITY IN ZIMBABWE	6
8. CONCLUSION	9
9. RECOMMENDATIONS	9



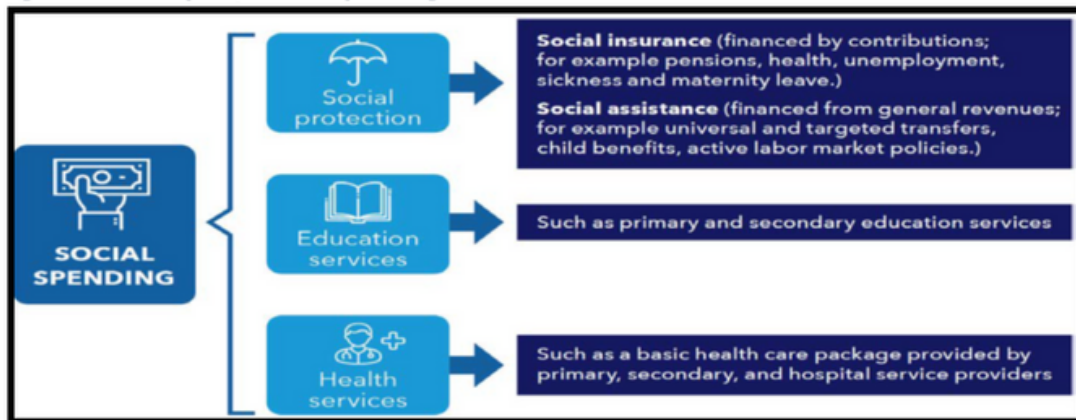
# 1. Introduction

Social spending is at the core of human security in emerging economies as citizens cannot do much without government subsidies. Social spending enables the government to timely intervene and address issues affecting the citizen. Poor social spending undermines the well-being and welfare of citizens which consequentially weakens national human security. This policy digest acknowledges Zimbabwe`s effort in establishing social protection systems and setting aside resources for the same. Nevertheless, it goes further in examining the effectiveness of these social protection systems in enhancing national human security by reducing citizen vulnerability, destitution and exclusion in government projects. Utilising all dimensions of human security such as personal, health, economic, food, community, environmental and political the policy digest evaluates the performance of social protection systems with the intention of providing policy alternatives that can be adopted in strengthening national human security.

## 2. Unpacking Social Spending

Social spending or social expenditure encompasses tax breaks with social purposes, direct in-kind provision of goods and services and cash benefits.<sup>1</sup> The benefits may be aimed at the elderly, unemployed, sick, young persons, low-income households and the disabled. The theory of social spending seeks to bridge the gap between the elite and the poor/vulnerable (redistribution of wealth)<sup>2</sup> with the intention of empowering marginalized and vulnerable communities.<sup>3</sup> The concept of social spending is illustrated in Figure 1.

Figure 1: Concept of Social Spending



Source: IMF (2019)

Social spending comprises pension, education and health spending, social benefits to households, public spending on labour markets, public unemployment spending, and public spending on incapacity and family benefits. Prudent fiscal policies that foster transparency and accountability increase the efficiency of social spending and concurrently edify social and economic injustices.”<sup>4</sup>

1. OECD (2021), Social spending (indicator). doi: 10.1787/7497563b-en (Accessed on 10 June 2021)

2. <http://www.ourworldindata.org/government-spending>

3. Armingeon, Klaus, Christian Isler, Laura Knöpfel, David Weisstanner and Sarah Engler. (2016). Comparative Political Data Set 1960-2014. Bern: Institute of Political Science, University of Berne.

4. Gupta, S. and M. Verhoeven, 2001, “The Efficiency of Government Expenditure: Experiences from Africa”, *Journal of Policy Modelling*, Vol. 23, pp. 433-67





### 3. Zimbabwe Social Spending Model And Allocations

According to D'Souza (2019) there are three main models which define social policy. The three models are summarised below:

- **Residual Welfare Model**– under this model, the focus is on cushioning the public from shocks brought about by market or family changes. These changes cause a surge in demand for social services thus the government and other financing partners must adjust accordingly. Policy makers who follow this model focus on bringing aid to the underprivileged families and/or to intervene in the market system to assist those in low-income brackets. The model is discriminatory as it channels benefits to the poor only.
- **Industrial Achievement Model**– the model is derived from economic theories that link incentives, efforts and rewards by social welfare institutions. It reinforces the notion that social desires must be fulfilled based on “merit, work performance and productivity”, (D'Souza, 2019).
- **Institutional Redistributive Model**– the institutional distributive model differs from the other two models in that it embeds social provision in the system. Its aim is to foster equality through redistribution of resources over time. This model emphasises equalization of opportunities and promotion of social justice.

Zimbabwe seems to have adopted the residual welfare model that seeks to uplift the disadvantaged and give them equal opportunities. The OECD (2009) notes that the targeting of the most vulnerable and the poor is strongly linked to positive impact on poverty and inequality. The BEAM program, Harmonized Social Cash Transfer Program, Drought Mitigation Programme, Health Assistance Programme, Child Protection Services, the support of the elderly and people living with disabilities and other social projects intentionally target the underprivileged. With this model, allocations are directed to society sectors that are deemed needy. Despite the adopting a targeted social spending model, the desired objective of serving the most vulnerable remains a dream due to limited resources as resources have remained far below either the international minimum threshold or below the total financing needs. Consequently, the Residual Welfare Model has failed to adequately meet the welfare needs of the vulnerable in full as social spending failed to meet even the most basic needs. Given the funding gaps inherent in the Zimbabwean Social Spending Model, it is intriguing to explore how the meagre resources are distributed by manner of channels and patterns and analyse to what extent is the distribution enhancing human security.

### 4. Understanding Human Security

The notion of human security was initially proposed in the Human Development Report in 1994 by the United Nations Development Department (UNDP). The Commission on Human Security (CHC) defines human security as “...*creating political, social, environmental, economic, military, and cultural systems that together provide people with the building blocks of survival, livelihood, and dignity*”.<sup>5</sup>



For the United Nations, human security denotes “safety from such chronic threats as hunger, disease and repression” or “protection from sudden hurtful disruptions in the patterns of daily life”.<sup>6</sup> The United Nations Development Department (UNDP) further expanded the concept of security by initiating an incremental paradigmatic shift that moved away from state-centric approach and to an individual-centric approach. An approach that focuses on seven important components of human security such as: Personal security, health security, food security, economic security, community security, environmental security, and political security.<sup>7</sup> To this end, human security focuses on the well-being and welfare of citizens from the food, economic, environmental, community, health, personal and political lenses. Utilising the human security concept, this policy digest examines if the earmarked social spending resources are sufficient to enhance human security in Zimbabwe.

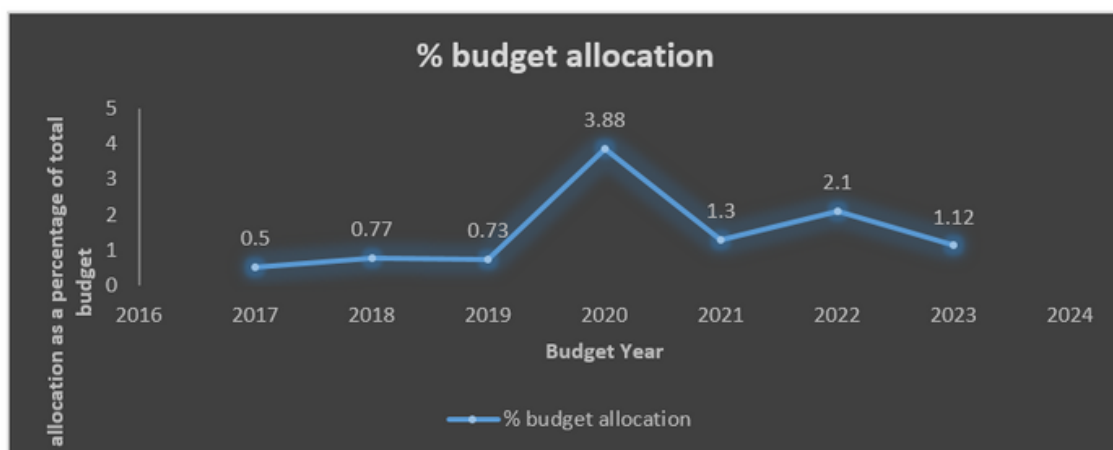
### 5. The Correlation Between Social Spending and Human Security

There is a positive and negative correlation between social spending and human security. The nature of the relationship is determined by the government’s attitude towards social spending. Effective and optimum social spending enhances human security while weak and poor social spending undermines human security by intensifying citizen vulnerability. Weak social spending undermines human security from all its dimensions which are food, health, economic, community, environmental, political and personal security. The relationship between human security and social spending shall be comprehensively covered in Section 7 of the Policy Digest.

### 6. National Budget Allocations For Social Spending

Zimbabwe’s social spending has always been wanting; failing to capture the reality on the ground. Year in and year out, the allocations have proven to be insufficient to redress the social and economic challenges affecting the citizens. Since 2017, the government has failed to allocate at least 4.5% of the total budget to social spending. Meeting prescribed international benchmarks for social spending has also proven to be problematic. This is depicted by fig 2, 3 and 4 below.

**Fig 2: Trend Analysis of National Budget Social Spending Allocation 2017-2023**



Source: Compiled by ZIMCODD from the 2017-2023 National Budget

6. United Nations (1994) “Human Development Report 1994”. New York: United Nations Development Programme.

7. Mutizwa B, (2023) Climate Change and Human Security in Zimbabwe. Journal of Humanities and Social Sciences (JHASS).

**Fig 3: Trend Analysis of Budget Allocations VS International Benchmarks**

Sector	%threshold & International commitment	% Total budget 2021	% Total budget 2022	% Total budget 2023
<b>Education</b>	20% Dakar Declaration (2000)	16.5%	13.4%	14.02%
<b>Healthcare</b>	15% Abuja Declaration (2001)	13%	14.9%	10.5%
<b>Water &amp; sanitation</b>	1.5% Ethekewini Declaration (2008)	0	0.20%	3.17%
<b>Transport &amp; Infrastructure</b>	9.6 AU Declaration (2009)	7.1%	6.5%	3.2%
<b>Social Protection</b>	4.5% Social Policy for Africa (2008)	2.3%	2.1%	1.12%
<b>Agriculture</b>	10% Maputo Declaration (2003)	11%	13.3%	8.05%

**Source:** Compiled by ZIMCODD from national budgets (2021 to 2023)

In areas where the government manages to meet prescribed international benchmarks, resource disbursements have also proven to be problematic with responsible sectors registering under expenditure.

In total, the government allocated approximately ZWL 50.4 billion in 2023 which is US\$ 76.9 million using the November 2022 ruling exchange rate of US\$1: ZWL 654.93 for social protection programs. Fig 4 below is an extract from the 2023 National Budget.

**Fig 4: 2023 National Budget Social Protection Program Funds Allocation (In ZWL Billion).**

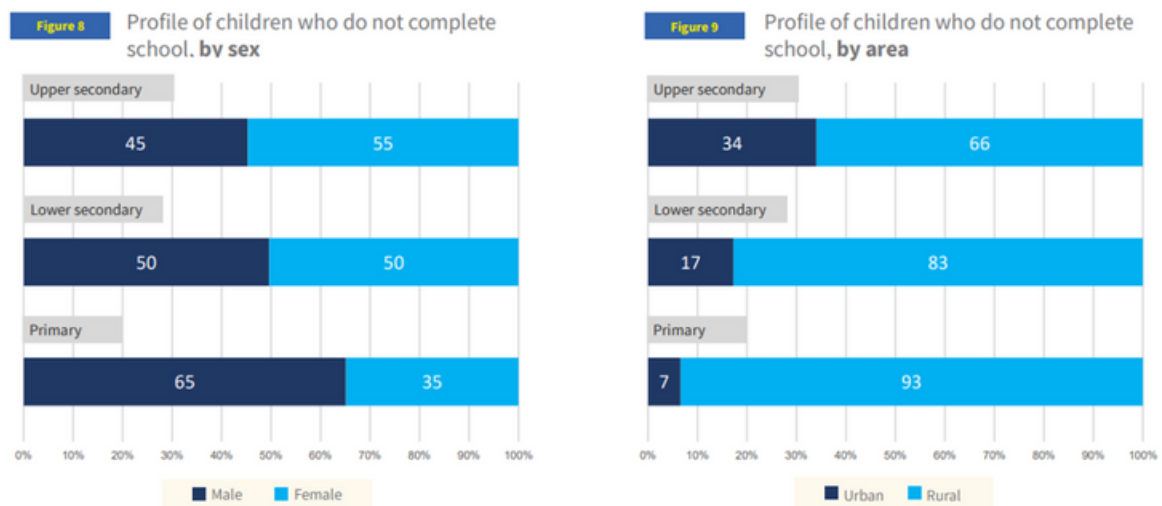
Programme	Amount
Basic Education Assistance Module	23,000
Children in difficult circumstances	1,230
Children in the street	430
Drought Mitigation	12,100
Harmonised Cash transfers	9,280
Health assistance	1,100
Support to elderly persons	400
Pauper burial	500
Support to disabled persons	1,464
Sustainable Livelihoods	635
Management Information System	105
Covid Response	200
<b>Total</b>	<b>50,444</b>

*Source: MoFED*



## 7. The State Of Social Spending And Human Security In Zimbabwe Basic Education Assistance Module (BEAM)

The 2023 national budget allocated ZWL 23 billion (US\$35 million) for BEAM; an allocation that is too meagre to cater for all the needs those who need school fees assistance. School fees in Zimbabwe have become relatively expensive as salaries of most civil servants are below the poverty datum line. Boarding schools are averaging a minimum USD300 or equivalent in local currency whilst secondary day schools charge about USD50 per term in urban centres. Examination fees have also gone beyond the reach of the majority as Ordinary Level examinations are priced at USD15 per subject. This is evidenced by the fact that 30 000 pupils failed to register for Zimbabwe Schools Examination Council (ZIMSEC) for the year 2021.<sup>8</sup> This points to weak social protection policies with respect to education as the BEAM was not sufficient to cater for all students in need. A 2022 education fact sheet by UNICEF shows that there was an increase in school dropout as approximately 50% of children are not in school.<sup>9</sup> To give a glimpse of the plight and agony of children and in the education sector the extract below presents disaggregated data of school dropouts according to gender and educational level.



Source: The 2021 MICS-EAGLE Zimbabwe Education Fact Sheets<sup>10</sup>

The situation is further aggravated by the fact that 68% of pre-primary aged children (3-5 years) and 47% adolescents (13-18 years) are not in school and approximately 4.5 million children experienced loss of learning due to COVID by early 2021.<sup>11</sup>

### Child Support

Child support encompasses children in difficult circumstances and children on the streets. In the 2023 national budget children support received approximately ZWL 1.6 billion (US\$ 2.5 million). However, the funds allocated for child support are not sufficient to redress all the challenges being encountered by children.



8. [https://zimcodd.org/wp-content/uploads/2021/12/ZIMCODD-Weekly-Review-07.12.2021\\_.pdf](https://zimcodd.org/wp-content/uploads/2021/12/ZIMCODD-Weekly-Review-07.12.2021_.pdf)

9. <https://clubofmozambique.com/news/unicef-nearly-50-of-zimbabwean-youth-not-in-school-215734/#:~:text=UNICEF%20says%20Zimbabwe%20is%20spending%2013%25%20of%20its,at%20a%20conference%20years%20ago%20in%20Dakar%2C%20Senegal>

10. <https://www.bing.com/search?q=UNICEF+Zimbabwe+Education+spending+&form=ANNT1&refid=472d3e1ac65d484bbf9f445ff149b006>

11. UNICEF 2021 Zimbabwe Annual Report

Approximately 3.5 million children are chronically hungry,<sup>12</sup> about 60% of rural girls and women encounter period poverty thus they lack access to menstrual supplies and education<sup>13</sup> and lastly it is believed that girls who experience poverty miss 20% of their school life.<sup>14</sup> A rapid assessment of child vending carried out in Harare in 2022 shows that, approximately 20 children join the streets every day as beggars and vendors.<sup>15</sup> A clear testament to the dysfunctionality of child protection systems in Zimbabwe. For UNICEF, “4.8 million Zimbabwean children live in poverty and 1.6 million children live in extreme poverty”.<sup>16</sup> The most prevalent issues for impoverished children in Zimbabwe include malnutrition, education, sanitation and access to potable water. The Food and Agriculture Organisation (FAO) reported that less than 10% of Zimbabwean children between 6-24 months of age consume a minimally acceptable diet.<sup>17</sup> To this end, a reflection on the challenges being encountered by children in Zimbabwe shows that, from a human security perspective it is clear that food, economic, community and health security is wanting.

## Drought Mitigation

Drought mitigation is an effective cluster of social protection that is responsible for fostering food security. It is the nerve-centre of national food sovereignty. In the 2023 national budget, drought mitigation was allocated ZWL 12.1 billion (US\$ 18.4) towards drought mitigation interventions. A review of the current status of food security and drought in the country shows that the allocated resources will not do justice. According to the [Zimbabwe Vulnerability Assessment Committee \(ZimVAC\) 2022 Rural Livelihoods Assessment Report](#) about 3.8 million of rural households which translates to approximately 38% are food insecure a number that is greatly disputable if one is to considered that more than half of the entire country is in extreme poverty.<sup>18</sup> For the [World Food Programme Zimbabwe](#), 42% of the country`s population lives in extreme poverty and 1.5 million urban population is food insecure for the year 2023. Approximately 4.8 million children are suffering from Severe Acute Malnutrition. For more information read our [2022 April Policy Digest](#). At the same time, resilient drought intervention such as smart agriculture technology and dam construction will require more than the allocated US\$ 12 million. In February 2023, the World Bank reported that, Zimbabwe recorded the highest food rate globally, standing at 285%, followed by Venezuela at 158%.<sup>19</sup> This speaks to food insecurity and inaccessibility to majority of the population which makes Zimbabwe`s food security questionable.

## Harmonised Cash Transfers

Approximately ZWL 9.2 billion (US\$ 14.1 million) was allocated towards Harmonised Cash Transfers (HCTs). HCTs are used to help the most vulnerable households with money to purchase food. They are critical in enhancing human security as they seek to promote food, economic and health security by ensuring the welfare and well-being of citizens.



12. <https://www.voazimbabwe.com/a/zimbabwe-poverty-hunger-widespread-12apr10-90647654/1466737.html>

13. <https://www.techwomen.org/girls-education/vheneka-khanyisa-eliminating-the-shame-of-period-poverty>

14. <https://www.techwomen.org/girls-education/vheneka-khanyisa-eliminating-the-shame-of-period-poverty>

15. <https://zimcodd.org/wp-content/uploads/2022/05/ZIMCodd-April-Policy-Digest.pdf>

16. <https://borgenproject.org/child-poverty-in-zimbabwe/#:~:text=The%20State%20of%20Child%20Poverty%20in%20Zimbabwe%20Zimbabwe,as%20children%20account%20for%2048%25%20of%20the%20population>

17. <https://borgenproject.org/child-poverty-in-zimbabwe/#:~:text=The%20State%20of%20Child%20Poverty%20in%20Zimbabwe%20Zimbabwe,as%20children%20account%20for%2048%25%20of%20the%20population>

18. 7.9 million Zimbabweans are in extreme poverty.

19. <https://www.thezimbabweemail.com/economic-analysis/world-bank-reveals-zimbabwean-food-inflation-rate/>



In Zimbabwe the minister of Finance indicated that, the government uses sophisticated algorithms to identify the most vulnerable households. A scenario that has raised allegations over beneficiary selection allegations. The [Zimbabwe Vulnerability Assessment Committee \(ZimVAC\) 2022 Rural Livelihoods Assessment Report](#) shows that, the governments HCT only reached 1.4% of those in need of the assistance while Nongovernmental Organisation reached 3%. A reflection of a weak HCT program as it does not capture the reality on the ground.

### **Health Assistance**

The government set aside ZWL 1.1 billion (US\$ 1.6 million) for health assistance for the year 2023. While the government efforts are commendable in initially putting those in need of health assistance on the funding structure. It should be noted that, the demand for health assistance across the country is higher than the resources allocated. A scenario which means that majority of those in need of health assistance will not be catered for. According to the [2022 UNICEF Humanitarian And Situational Needs](#), approximately 4.3 million people are in need of health assistance. This figure includes the most vulnerable clusters of the society which encompasses women, youth and Persons With Disability (PWD). It is evident from the resources allocated that majority of those in need of health assistance will not be able to get the assistance. In addition, the state of public health facilities remains a cause of concern and a factor that facilitates health inequality. This is because majority of health facilities are in a doldrum and ramshackle state.

### **Support to Elderly Persons**

The national budget allocated ZWL 400 million (US\$ 610 thousand) towards elderly support. A figure which is questionable with respect to its ability to promote and safeguard the well-being of elderly persons. Zimbabwe has approximately 71 old people's homes which are incapacitated to undertake their mandate although their availability in the first place is indicative of the country's thoughtfulness in the safety and wellbeing of elderly persons. To this end, it is vital for the government to improve its elderly person's fund to match the demand for support on the ground.<sup>20</sup>

### **Persons With Disability**

This forms the most isolated cluster of the society; approximately, ZWL 1.4 billion (US\$ 2.2 million) was set aside for the disability fund in 2023. Although setting the disability fund is a positive stride, allegations of mismanagement of the funds are continuing.<sup>21</sup> In 2022, the government was accused of raiding the disability fund. The money reserved for PWDs was rechannelled towards other needs which it was not meant for. A clear violation of the principles of public finance management as prescribed in the Public Finance Management Act (Chapter 22:19). The deliberate looting of the PWD undermines the optimum efficiency of the disability community and well-being.



## Sustainable Livelihoods

This cluster has not been fully invested by the government, yet it is critical in fostering national human security. Sustainable livelihood cluster is calibrated to empower individuals to have a better and sustainable life. It provides a funding for citizens' self-sufficient projects and activities. For the year 2023, the government set aside ZWL 635 million (US\$ 969 thousand) - a figure which is not even sufficient to promote sustainable livelihoods activities even in one sector, for example smallholder farmers. Effective sustainable livelihoods activities and projects in smallholder farming will help the country move towards food sovereignty, improved economic growth coupled with the health and well being of citizens. This all speaks to various dimensions of human security such as food security, economic security and health security.

## 8. Conclusion

Notwithstanding indicative efforts by the government in setting up social protection systems in Zimbabwe a lot still needs to be done to ensure that social protection enhances human security. Zimbabwe is a signatory of a number of conventions that speak to social protection as reflected in the policy digest; a positive stride which is reinforced by the government's yearly resource allocations to social protection. Admirable as it is, the resources allocated for the year 2023 are not sufficient to capture the reality of the challenges being encountered by the vulnerable and marginalised clusters of the society. The effects of weak social protection are detrimental and of grave concern to human security. This can be exemplified by weak child support which undermined children personal, food, health, economic and community security. Poor drought mitigation funding impact negatively on national food security which is further aggravated by inadequate HCT culminating in increased SAM and food vulnerability. National health security is also in jeopardy due to meagre health assistance allocation which is further worsened by dilapidating public health institution leaving many to rely on private health system. Sustainable livelihoods, just like the disability fund and support for the elderly are also wanting, further undermining optimum human security. In a bid to strengthen social protection and enhance human security the Policy digest proposes the following recommendations hereunder which; if followed religiously; might help in redressing the current challenges undermining human security.

## 9. Recommendations

This policy digest suggests policy action meant to administer equity in the financing and distribution of resources earmarked for social spending in Zimbabwe. The recommendations are construed to address the efficiency of budget allocation in alleviating poverty, entrenching tax justice in financing social spending, ensure the availability of adequate resources for social spending, a logical allocation stratagem as well as an inclusive administrative strategy.



## Poverty Alleviation

To exterminate extreme poverty, government must:

- Increase the coverage of social protection interventions and give preference to the most vulnerable groups such children, the elderly, poor and the disabled.
- Enhance equity and establish resilient communities as supported by well-targeted and shock-responsive social protection programmes. This calls for the enactment of legislative provisions and policies to protect the poor.
- Prioritize allocating more fiscal resources towards social spending instead of relying on donor funds.<sup>22</sup> Accordingly, it is imperative for government to ramp up domestic resource mobilization to cover up the gap created by declining donor funds,
- Transition to conditional cash transfers (CCTs) to enhance impact on variables such as school enrolment. Evidence from Malawi and Burkina Faso acknowledge the superiority of CCTs over unconditional transfers.

## Tax justice

The desirable financing instruments of social spending must observe progressive distribution of resources to the vulnerable, the poor, the elderly, the sick, rural populace and minorities. Government must adopt direct taxes on personal and corporate income as well as taxes on property as these taxes are redistributive and gender equalizing compared to self-provisioning, user fees, pre-paid schemes and indirect taxes (UNRISD, 2018). Indirect taxes (Value Added Tax and Sales Tax) are imposed on consumer goods and services that are a necessity to the poor thereby infringing tax justice. These taxes also take a lot from women more than men as women spend more on goods and services despite being lowly paid – breaching the equality condition in the financing of social spending. Accordingly, entrenching tax justice requires that the rich contribute more to social spending whilst safeguarding the little earned by the low-income earners.

## Resource availability

Zimbabwe has been spending less than 2% of GDP (internationally observed minimum on social spending). In that respect, government must consider a funding mix that stretches financing for social spending given the various financing options availed hereunder.<sup>23</sup>

- Taxation of natural resources,
- Restructuring and management of public debt,
- Re-allocation on public expenditure,
- Eliminating illicit financial flows,
- Using fiscal and central bank foreign exchange reserves,
- Increasing tax revenue through equitable and efficient tax system,
- Lobbying for aid and international transfers (the reformation of Public Finance Management is critical in attracting development partners. Transparency ought to be prioritized if lobbying for aid is to be successful),
- Increasing social security coverage, and
- Adopting accommodative macro-economic framework.



22. Donor funding is on the decline thus government must bridge the funding gap.

23. An explanation of the same was provided in the prior section.



## Allocation

The government must at least observe the minimum international social spending benchmark of 2% of the GDP as a starting point. Whereas the allocation process is done by the elite, it is vital to note the changing socio-economic landscape given the impact of COVID-19 on the economy, the emerging 'working poor' class and the excruciating and worsening extreme poverty. Effectively, more resources ought to be allocated to social spending as more people are needy.

## Administration and utilization

- The capital budget for the Ministry of Public Service, Labor and Social Welfare (MoPSLSW) is meagre and cannot meet infrastructure gaps and the rehabilitation needs of its institutions. This cripples the operations of the MoPSLSW in administering social spending. Government must increase its allocation to the ministry to ascertain the efficiency of the ministry,
- The Department of Social Welfare must be capacitated to sharpen execution and limit the possibility of diverting resources meant for the vulnerable to meet operational obligations,
- The Department of Social Welfare must publicize the manner beneficiaries of programmes meant for the vulnerable are selected to eliminate opacity and corruption allegations in the distribution/administration of social funds,
- Submission of periodic reports detailing how resources are utilized is critical in rooting transparency.

