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SOCIAL SCIENCE RESEARCH

Social policy reform in Zambia under President Lungu, 2015-2017

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CSSR Working Paper No. 403

Legislating and Implementing Welfare Policy Reforms

April 2017



Research jointly supported by the ESRC and DFID



Published by the Centre for Social Science Research
University of Cape Town
2017

<http://www.cssr.uct.ac.za>

This Working Paper can be downloaded from:

<http://cssr.uct.ac.za/pub/wp/403/>

ISBN: 978-1-77011-390-9

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Acknowledgments:

I would like to express my gratitude to Prof. Jeremy Seekings for providing useful feedback on earlier drafts of this paper. I am grateful also to my informants for their invaluable contributions.

This paper is a product of the “Legislating and Implementing Welfare Policy Reforms” research project funded by the Economic and Social Research Council (ESRC) and Department for International Development (DfID) in the United Kingdom.

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Abstract

Zambia has long been understood as a form of clientelistic democracy. Nonetheless, a change of government in 2011, when Michael Sata of the Patriotic Front (PF) was elected president, resulted in programmatic expansion of social assistance. Sata was elected on a populist platform and led a coalition – that promoted a leftist pro-poor agenda – whose strategic interests meshed with those of donors who wished to expand programmes including social cash transfers. After the death in office of Sata in 2014, Edgar Lungu of the PF succeeded Sata, after mobilizing support through a multi-patron coalition under the umbrella of PF. Despite Lungu's more market-friendly elite coalition than his predecessor, social protection programmes continued to expand, but this was largely due to the influence of a coalition of bureaucrats and donors. Yet, a fiscal crisis limited the resources to fund the programmes. With limited time before the next elections in 2016, resources were instead redirected to expand clientelistic programmes that mostly targeted the ruling party's support base. After winning reelection in 2016, Lungu identified social cash transfers as the best means of providing a social safety net for the poorest as his government moved to implement austerity measures as part of negotiations with the International Monetary Fund (IMF) for a bailout. Lungu's reversion to more clientelistic politics than his predecessor demonstrates the influence of political competition on policy reforms and suggests that social protection has not yet emerged as a salient electoral issue in Zambia. It also shows how significant changes of government are in understanding how and why social protection reforms happen in Africa.

Introduction

In his authoritative work on the origins of welfare states, Gøsta Esping-Andersen averred that the history of political class coalitions was the most decisive factor for explaining welfare state variations. He understood welfare states (in the advanced capitalist countries) as clustering around three types of regimes that he labelled conservative, liberal and social democratic (Esping-Andersen, 1990). While this generally holds true with respect to understanding the development of welfare in advanced capitalist democracies in North

America and Western Europe, it is much less apparent how relevant this analysis is to explaining the origins of – and reforms to – welfare (or social protection) on the African continent. In a recent analysis on welfare state building in Anglophone Africa, Seekings (2014) observed that the predominant view of welfare policies in Africa – specifically social protection – is that it lagged behind other continents. On the contrary, Seekings (*ibid*: 16-21) argued that the trajectory of welfare state building in Africa was distinctive and could be explained by understanding (*inter alia*) the impact of democratization (or re-democratization) on transforming the political landscape and policy reforms, the role of international agencies (including the World Bank) and aid donors (including the United Kingdom Department for International Development, DfID) in pressuring governments to implement social assistance programmes, the ideas and beliefs of African political leaders on issues such as distribution of resources and social justice, and the extent to which elections and political competition align voters’ preferences and politicians’ ideological views on social issues.

The foregoing demonstrates the growing importance of political factors to understanding the development of social protection in Africa. This contrasts with conventional analyses that conclude that African politics is predominantly driven by clientelistic public spending (see for example Lindberg, 2003; Rakner & Van de Walle, 2009), with little incentive for political elites to expand programmatic social assistance because programmatisation removes the discretionary power for clientelistic politicians. Abdulai & Hickey (2014: 2) argued that it is “a common assumption that African politicians target disproportionate public resources towards areas with the most loyal political supporters, both as a reward for existing and previous political backing and as a down-payment for its continuation”. On the contrary, Young (2009) found with evidence from Afrobarometer surveys that clientelism (the distribution of resources at election time) does not necessarily inform voting behaviour in countries such as Kenya and Zambia, but rather, voters responded to programmatic reforms.

Recent studies have found that as African countries have become more democratized and as elections have become more competitive, changes of government have happened in some countries which have been accompanied by programmatic policy reforms. In Malawi, a change of government from Bakili Muluzi to Bingu wa Mutharika – particularly after the latter left the United Democratic Front (UDF) on whose ticket he was initially elected in 2004 to form his own party, the Democratic Progressive Party (DPP) in 2005 – resulted in the introduction of an initially programmatic farm input subsidy programme. In 2012, Joyce Banda of the People’s Party (PP) succeeded the deceased Mutharika and expanded other social protection programmes like Social Cash

Transfers (SCTs), although clientelistic social programmes also expanded (Hamer, 2016a). In Zimbabwe, a partial change of government in 2009 when the ruling Zimbabwe African National Union - Patriotic Front (ZANU-PF) formed a coalition with two factions of the opposition Movement for Democratic Change (MDC), resulted in increased support towards social assistance programmes, including the Harmonized Social Cash Transfer (HSCT) (Chinyoka & Seekings, 2016). Similarly, a change of government in Zambia when Michael Sata of the Patriotic Front (PF) was elected resulted in significant reforms to social policy making (Siachiwena, 2016).

In the Zambian case, social assistance rapidly expanded after the populist PF formed government in 2011. Because this expansion was from initially very low coverage, even by 2014, coverage was much lower than in other countries in the region with more comprehensive social protection systems (such as South Africa or Botswana). An important factor for explaining the policy reforms under the PF government was that President Sata led a political coalition – that included an influential ‘social democratic’ faction – that supported the implementation of pro-poor programmes (Siachiwena, 2016). After Sata’s death mid-way through his term of office, the ruling PF won re-election (in a presidential by-election) under the leadership of Edgar Lungu who led a more market-friendly coalition than his predecessor. Importantly, Lungu faced the prospect of seeking re-election in the regular presidential election only 18 months after being elected. Lungu continued with social protection reforms started under Sata, including the expansion of cash transfers which were set for a nationwide roll out by the end of 2017, and the drafting of a Social Protection Bill. However, the continued expansion of SCTs was accompanied by inconsistent funding which was blamed on a fiscal crisis despite the fact that clientelistic public spending expanded, including on youth workfare programmes and empowerment funds that targeted traditional PF strongholds.

This paper contributes to literature on the development of welfare policy reforms in Africa. The paper shows that competitive elections – and changes in government – in Africa, have important implications for welfare policy reforms. The ideas, beliefs and political interests of candidates, parties and ruling coalitions are important for understanding attitudes towards social assistance. Even though cash transfers expanded in Zambia under PF, the relatively small coverage of beneficiaries (less than 10% of the population) meant that social protection did not feature prominently during elections. This is in contrast with countries like South Africa where the huge number of beneficiaries of welfare grants (more than 30% of the population) has ensured that social assistance has featured prominently during elections and contributed to the electoral success of the ruling African National Congress (ANC) (Seekings, 2015). In Malawi, Joyce Banda contested and lost the 2014 presidential election on a social protection

platform. Although other factors help to explain her loss, it is likely that the limited coverage of programmes limited the extent to which her social protection brand increased her electoral support (Hamer, 2016a). Lungu's decision to expand clientelistic programmes at the expense of social assistance during an election year indicates the extent to which political competition influences policy reforms. It also demonstrates how and why a change of government (i.e. a new ruling coalition with a different set of ideas and beliefs) can influence the extent of social protection reforms.

This paper first provides a summary of social policy reforms under President Sata, between 2011 and 2014. It then discusses the rise of Edgar Lungu to the PF presidency in 2014 and his subsequent election as republican president in 2015. The paper then turns to a discussion of the economy, politics and policy reforms under President Lungu before considering how campaigns for the 2016 elections influenced social policy during the general election year. Thereafter, the paper discusses social policy reforms in the post 2016 election period. Finally, the paper considers the influence of political competition and changes of government on social policy making.

Social protection reforms in the Sata era

Zambia's 2011 general elections were competitively contested by the then governing Movement for Multiparty Democracy (MMD) and the opposition Patriotic Front (PF). The MMD's market-friendly policies contrasted sharply with those advanced by the PF, led by Michael Sata, which adopted an anti-establishment and interventionist agenda which mostly appealed to the urban underclass in the capital Lusaka and the economically strategic Copperbelt Province (Resnick, 2014). During the election campaigns, the PF made a commitment to scale up cash transfers and increase budgetary allocations to the social protection sector once elected (PF, 2011: 21-22; see also Siachiwena, 2016). Social protection was not a prominent election agenda for the PF which instead focused on job creation, addressing taxes, labour conditions in the mines and foreign owned companies, as well as improving infrastructure, which resonated with the party's urban support base (PF, 2011; Resnick, 2014; Pruce & Hickey, 2016).

The 2011 elections resulted in a change of government after Sata defeated incumbent Rupiah Banda of the MMD. In the early part of Sata's presidency, major policy reforms included increases in salaries for civil servants, the minimum wage and in the threshold for tax exemption, as well as the rollout of an ambitious road infrastructure project, which were all effected in 2012. These

reforms reflected some of the PF's major campaign promises.¹ Much later, in October 2013, then Finance Minister Alexander Chikwanda, announced a 700% nominal increase in SCT spending and an expansion of the scheme to an additional 31 districts (from an initial 19), during his presentation of the 2014 national budget. The PF government also completed and published a National Social Protection Policy in 2014 (Siachiwena, 2016).

Under Sata, the government intended for cash transfers to be rolled out nationwide (i.e. in all 105 districts) by 2016, reaching over 500,000 beneficiaries.² By the end of 2014, the scheme had extended to only 145,000 households in 50 districts. The expansion more than doubled the number of beneficiaries in one year but missed the interim target for the year (of tripling the number) by 45,000 households. This failure to meet the 2014 target was blamed on limited technical capacity on the part of the implementing department within the Ministry of Community Development and Social Welfare (MCDSW) to manage a massive expansion.³

An important implication of failing to meet the 2014 target was that expansion plans for 2015 were suspended. This decision was influenced by technocrats in the Ministry of Finance who decided to withhold additional funding until the MCDSW could demonstrate capacity to fully implement the expansion.⁴ In October 2014, during the presentation of the 2015 national budget, Chikwanda announced a nominal reduction in allocation to SCTs, from K199 million in 2014 to K181 million in 2015.⁵ The reduction was due to a decline in funding from donors, from K49 million in 2014 to K30 million in 2015, while government's contribution remained unchanged at K150 million for both years.⁶ The decline in donor funding was consistent with a funding agreement between the government and development partners signed in 2010, which stipulated that donor funding would decrease steadily over a period of 10 years, with a

¹ The PF's 2011 campaign slogan was "Vote Patriotic Front for lower taxes, more jobs and more money in your pockets".

² Ministerial statements by Minister of Community, Development and Social Welfare to Parliament, 2015 and 2016.

³ Interviews with Government Official, Ministry of Finance (15 December 2015) and Government Official, Ministry of Community Development and Social Welfare (4 February 2016).

⁴ Interviews with Government Official, Ministry of Finance (15 December 2015) and Government Official, Ministry of Community Development and Social Welfare (4 February 2016) and Nkandu Chilombo - Social Policy Officer, UNICEF-Zambia (17 December 2015)

⁵ The Zambian Kwacha was trading around USD1 to K10 during most of 2016.

⁶ *Ibid.*

corresponding increase in government allocations.⁷ Nevertheless, the PF remained committed to meeting the targets set out in 2013.

While the 2011 PF manifesto made a commitment to scaling up SCTs, the factors leading to the 2013 expansion pointed to a convergence of donor interests with those of the PF (Siachiwena, 2016). These interests converged because on the one hand, international donor agencies particularly the World Bank sought to reform the Farmer Input Support Programme (FISP) which was introduced by the MMD government in 2002 but was fraught with many challenges including escalating implementation costs, late delivery of inputs to farmers and wrong targeting of beneficiaries (Mason *et al.*, 2013; Resnick & Mason, 2016). FISP was an ambitious agriculture input subsidy programme targeted at smallholder farmers to improve national food security and reduce rural poverty. The weaknesses of the programme were recognised by successive governments in national reports after 2002 (see Resnick & Mason, 2016) and in a World Bank (2010) evaluation, prompting researchers and international donors to propose subsidy reforms. The MMD governments of Levy Mwanawasa and Rupiah Banda remained committed to implementing FISP notwithstanding its weaknesses.

On the other hand, a change of government in 2011 – to the PF – provided an incentive to push for faster subsidy reforms. The World Bank proposed the redirection of funds from both production (FISP) and consumption agricultural subsidies to cash transfers, which had lower implementation costs and targeted the poorest. These proposals were met positively by influential bureaucrats including the newly appointed Secretary to the Cabinet. It is also useful to note that the PF was opposed to FISP while in opposition, arguing that the programme was merely used for clientelistic purposes to shore up MMD's support, without actually targeting the most deserving smallholder farmers.⁸ In the Revised Sixth National Development Plan (R-SNDP) i.e. a revised version of the MMD's SNDP, the PF proposed to diversify the distribution of inputs which principally targeted maize production, to other crops such as sorghum and groundnuts (Ministry of Finance, 2014: 27). This confirms that the PF's initial proposals were not aimed at reducing FISP expenditure, but the ruling party identified an opportunity to implement one of its campaign promises and bolster its pro-poor credentials after donor proposals were made to redirect funding to cash transfers. These reforms were also made possible because some donor officials, like Charlotte Harland-Scott, who was Chief of Social Policy and

⁷ Interviews with Government Official, Ministry of Community Development and Social Welfare (31 March 2015) and Sheila Nkunika - Social Policy Officer-UNICEF Zambia (23 March 2015).

⁸ Interview with Emmanuel Chenda, former Minister of Agriculture; Commerce, trade and Industry; and Local Government and Housing (2011-2014), 17 November 2015.

Economic Analysis at Unicef Zambia until 2012, and the wife of Guy Scott (Sata's Vice President), were able to win the support of top bureaucrats and an influential faction within PF (Siachiwena, 2016). The influential faction comprised leaders who identified with a leftist or 'social democratic' agenda and included Sata, Scott, then party Secretary General and Justice Minister, Wynter Kabimba, and then PF National Treasurer and Agriculture Minister, Emmanuel Chenda. Others associated with this faction included ministers Robert Sichinga, Sylvia Masebo and Wylbur Simuusa.

The dominance of the leftist faction abruptly came to an end following the untimely death of President Sata in October 2014. The subsequent emergence of a new ruling coalition within PF, after the election of Edgar Lungu, had implications on the economy, politics and policy as this paper shows below.

The rise of Edgar Lungu and the 2015 presidential elections

Edgar Lungu had a meteoric rise to the presidency. Despite being a founder member of PF in 2001, he was a relatively unknown political entity until his election to Parliament in 2011, having spent much of his professional career as a practising lawyer. Nonetheless, he was a parliamentary candidate in Lusaka's Chawama constituency in the 1996 general elections in which he stood as an independent and finished runner up. He then joined the United Party for National Development (UPND) at its inception in 1998 but left shortly after to join the newly formed PF in 2001.⁹ Lungu again contested the Chawama seat as a PF candidate in 2001 but finished seventh out of 11 candidates, amassing only 2% of total votes cast.¹⁰ While the PF's popularity had become evident in urban areas by 2006, Lungu was not a parliamentary candidate in that year's general election. The party selected Reverend Violet Sampa-Bredt who contested and won the Chawama seat. While serving as MP, she defied a party directive to oppose MMD government sponsored legislation for the enactment of a new Constitution together with 13 other PF MPs – whom Sata referred to as 'rebel MPs'. Sampa-Bredt remained MP until 2011, but her status as a 'rebel' alienated her from the party.¹¹ Consequently, Lungu was again selected as the PF candidate for Chawama in 2011 and won the seat with 54% of the votes cast.

⁹ "Profile of Edgar Chagwa Lungu: Zambia's sixth president, in *Zambian Analyst*, January 29, 2015. Available at <http://paulshalala.blogspot.co.za/2015/01/profile-of-edgar-chagwa-lungu-zambias.html>

¹⁰ Election results available at www.elections.org/zm

¹¹ "PF rebel MPs are irrelevant-Sata" in *Maravi* blogpost, July 28, 2008. Available at <http://maravi.blogspot.co.za/2008/07/pf-rebel-mps-are-irrelevant-sata.html>

Sata appointed Lungu deputy minister in the Office of the Vice President – serving under Scott – in the first PF government. Lungu was promoted to Minister of Home Affairs in July 2012. In December 2013, he was moved to the influential defence ministry in the same capacity, replacing Geoffrey Mwamba, who resigned his position after personal differences with Sata.¹²

Throughout his presidency, Sata battled poor health and concerns he would not seek re-election in 2016 resulted in a fractious intra-party power struggle. Despite this, Lungu did not emerge as a potential successor to Sata but this all changed due to unexpected events in the second half of 2014. In August 2014, Kabimba, who was the frontrunner in the succession race, was shockingly dismissed from his party and Cabinet positions by Sata.¹³ While reasons for Kabimba's dismissal were not divulged, it is believed that his dismissal was orchestrated by a rival faction, which prevailed over Sata as his health rapidly declined.¹⁴ Lungu was subsequently appointed Minister of Justice and PF Secretary General – replacing the ousted Kabimba – positions he held alongside Minister of Defence. In October 2014, Sata travelled to London for medical treatment and appointed Lungu to act as President even though the Vice President, Scott, remained in the country.

When Sata suddenly died in London on 28 October 2014, while still seeking medical treatment, the factional battles within the ruling party escalated. The Zambian Constitution prescribed a presidential by-election to replace a deceased president and two rival PF factions sought to outmanoeuvre each other in the race to succeed Sata. The leftist/social democratic faction was up against a rival faction that was dominated by most members of the party's Central Committee (the highest decision making organ of the party) and PF parliamentarians from Luapula, Muchinga and Northern provinces in the rural northern region where the ruling party enjoyed strong support. Members of this faction were predominantly ethnic Bemba and co-ethnics of Sata. Notably, the faction included wealthy businessmen (such as Chikwanda and Sata's 2011 campaign manager and Central Committee member, Willie Nsanda) who contributed to funding Sata's 2011 election campaign and were reportedly "opposed to the radical and sometimes statist policies of President Sata",¹⁵ preferring instead

¹² "Spotlight on Zambia's President Edgar Lungu" in The Africa Report, 9 March 2015. Available at <http://www.theafricareport.com/Southern-Africa/spotlight-on-zambias-president-edgar-lungu.html>

¹³ "Spotlight on Zambia's President Edgar Lungu" in The Africa Report, 9 March 2015. Available at <http://www.theafricareport.com/Southern-Africa/spotlight-on-zambias-president-edgar-lungu.html>

¹⁴ Four political analysts interviewed for this study suggested that Sata reluctantly, or perhaps unknowingly, signed a letter dismissing Kabimba.

¹⁵ Africa Confidential, 29 August 2014, http://www.africa-confidential.com/article-preview/id/5756/Sata_sacks_Kabimba

more market-friendly policies. The leftist faction did not have an obvious flagbearer largely due to Kabimba's dismissal two months earlier, and the fact that Scott – who is of European descent – was constitutionally barred from contesting the presidency. Further, none of the other leftist faction members were from a dominant ethnic group and thus could not mobilise crucial regional support. The leftist faction eventually supported the youthful Deputy Commerce, Trade and Industry Minister, Miles Sampa, a nephew (and co-ethnic) of Sata and a popular MP in Lusaka's Matero constituency. Chikwanda was the de-facto head of the pro-Lungu faction and “promised to use his influence and connections with the business community to raise funds for Lungu's campaign.”¹⁶ Although this faction comprised mostly Northern region MPs, it made the strategic decision to support Lungu, who was from the Nyanja speaking group in the Eastern Province.¹⁷

Guy Scott succeeded Sata as party and republican President in acting capacities.¹⁸ Under his leadership, the PF scheduled a party convention to elect a new president who would be the party presidential candidate in a January 2015 presidential by election. This proposal was challenged by the rival faction (which also included then party Chairperson, Inonge Wina), which instead proposed delegating the responsibility of electing a successor to the Central Committee. Lungu was the preferred candidate amongst the majority of Central Committee members and also had the support of over 70 of the PF's 82 MPs who signed a petition endorsing his candidature.¹⁹ Under Scott's leadership, a convention was arranged with voting set for late November but Wina – in her capacity as PF Chairperson – hastily arranged to have the vote one day before the date scheduled by Scott. Lungu emerged winner unopposed but his election was not recognised by Scott.²⁰ Instead, another vote was held on 1 December

¹⁶ “Zambia: Fights before the funeral”. In *Africa Confidential*, 7 November 2014, Vol 55, No.22

¹⁷ It was strategic for the PF to support a non-ethnic Bemba candidate to succeed Sata because the opposition UPND was perceived as a “Tonga tribal party” by its opponents (including PF) after electing an ethnic Tonga (Hichilema) to succeed another ethnic Tonga (Anderson Mazoka, the deceased founder of UPND). Replacing Sata with an ethnic Bemba would have exposed the PF to similar “tribal” accusations. Given the salience of ethnicity and regionalism in Zambian politics, accusations of “tribalism” against a party or candidate can have negative electoral consequences.

¹⁸ Although Edgar Lungu was Acting President at the time of Sata's death, the Constitution stipulated that only the Vice President could assume the role of Acting President in the event of a president's death, until a new president was elected in a by election.

¹⁹ See for example: “Zambia: post-Sata, PF splits over Lungu's presidential bid” available at africanarguments.org/2014/11/17/zambia-post-sata-pf-splits-over-lungus-presidential-bid-by-arthur-simuchoba/

²⁰ See for example: “Edgar Lungu declared PF President at the General Conference, went through unopposed”, *Lusaka Times*, 30 November 2014, available at

2014 in which Sampa was elected party president defeating eight other candidates. The Lungu faction challenged Sampa's election in Zambia's high court, which ruled in favour of Lungu.²¹

With only two months to prepare for the 20 January 2015 elections, the PF appeared less organised than the main opposition due to the time spent on party squabbles. The leading opposition candidate, Hakainde Hichilema of the United Party for National Development (UPND), had an earlier start to his presidential campaign and made inroads into PF strongholds, in part due to his substantial financial resources which allowed him to traverse the country extensively by air in a relatively short space of time. On the other hand, Lungu lacked personal resources to campaign extensively while Scott did not permit the use of state resources to support his efforts. Although Scott did not recognise Lungu's election until the court ruling, he spent his time as Acting President launching government projects across the country during the campaign period which helped to consolidate the ruling party's support.²² In an interesting turn of events, Lungu forged an alliance with former President Rupiah Banda of the MMD.²³ Unlike Sata who had campaigned on a pro-poor platform in 2011, Banda favoured market-friendly policies, which made his support for the PF candidate curious, not least because his own party – MMD – fielded a presidential candidate. Banda provided substantial resources to the campaign, including “four helicopters chartered in South Africa and numerous vehicles, in return for special considerations”.²⁴ It was reported that Banda's support for Lungu would “involve major policy compromises” in order to accommodate the former's business interests.²⁵

Therefore, Lungu contested the 2015 election through a multi-patron coalition consisting individuals with strategic business interests who favoured policies that were more market-friendly than those advanced by Sata and his “leftist” coalition. Banda was also able to mobilize crucial support for Lungu in Eastern Province. While Lungu was a native of the east, he lacked grassroots ties to the

<https://www.lusakatimes.com/2014/11/30/edgar-lungu-declared-pf-president-general-conference-went-unopposed/>

²¹See for example: “Zambia court rules in Edgar Lungu and Miles Sampa fight”, BBC News, 4 December 2014 available at <http://www.bbc.com/news/world-africa-30327407>

²² “Zambia elections: the Lungu succession and rise of the UPND,” Nicole Beardsworth, 29 January 2015, available at <http://africanarguments.org/2015/01/29/zambia-elections-the-lungu-succession-and-rise-of-the-upnd-by-nicole-beardsworth/>

²³ Rupiah Banda was Zambia's President from 2008 to 2011. He lost the 2011 elections to Michael Sata, who was his bitter rival.

²⁴ “Edgar Lungu's surprise alliance with ex-President Banda – which may involve major policy compromises – should carry the day at the polls”. In *Africa Confidential*, 23 January 2015, Vol 56, No.2.

²⁵ *Ibid.*

region, particularly given that his short political career was limited to Lusaka, unlike Banda who commanded the support of local politicians in Eastern Province (which he won in the 2008 and 2011 presidential elections).

Lungu won the 2015 election with 807,925 votes against Hichilema's 780,168 votes. Lungu finished first in six provinces: Copperbelt, Eastern, Luapula, Lusaka, Muchinga and Northern. Hichilema won in the remaining four provinces in the west and south. The results show that Lungu obtained 49% of valid votes cast and won a plurality of votes in the five provinces that Sata had won in 2011 and in Eastern Province (won in 2011 by Banda, for the MMD). This suggests that winning Eastern Province contributed significantly to Lungu's election. It is also important to note that Hichilema increased his national support from 18% in 2011 to 47% in 2015. Hichilema evidently benefited from erstwhile MMD support in Central, North Western and Western provinces and increased his vote share in his stronghold and home region, Southern Province. The collapse of MMD's support was largely due to the disintegration of the party into three factions. The first led by Banda which included most MMD MPs from Eastern province supported Lungu. The second, led by Felix Mutati (an MMD MP and former cabinet minister) supported Hichilema. A third faction, which included fewer than five MMD MPs supported the party president, Nevers Mumba. While the UPND candidate also increased his support in PF strongholds, the increase in PF's presidential vote in Eastern Province from 18% in 2011 (when Sata ran) to 66% in 2015, proved to be the most significant gain in support for the PF.²⁶

The economy, politics and policy reform under Lungu

Edgar Lungu was sworn in as Zambia's sixth president on 25 January 2015 but his mandate extended only until August 2016 when the next general elections were due. His first government comprised many ministers who were in Sata's cabinet between 2011 and 2014. Wina, who had served as Gender Minister under Sata, was appointed Vice President. Chikwanda was retained at Finance as was Emerine Kabanshi who continued as Minister of Community Development and Social Welfare. Notably, prominent members of the leftist faction were dropped from cabinet, including Scott, Chenda, Sichinga and Simuusa. Lungu also appointed two MMD MPs to his cabinet as well as advisors who were known Banda loyalists. The change in government from Sata to Lungu resulted in a shift within PF from a more ideological "social

²⁶ Election results data for 2011 and 2015 are available at www.elections.org.zm

democratic” coalition to a coalition more disposed to market-friendly policies. Despite this, Lungu promised to continue with Sata era policies. In an interview shortly before his election as president, he stated that he had “no vision”²⁷ for governing the country but would merely continue implementing his predecessor’s policies. In fact, Lungu inherited the 2015 national budget that was presented in October 2014 under the Sata administration and did not propose or implement major reforms in the first few months of his presidency.

Yet, a rapid decline in the economy between 2015 and 2016 and political competition ahead of the 2016 general elections had important policy implications for the remainder of Lungu’s term of office. Zambia faced a debilitating economic crisis in 2015 characterized by perennial electricity shortages, job losses (particularly in the mining industry), a rapid depreciation of the Zambian kwacha against the US dollar, and an almost threefold increase in the rate of end year inflation – from 8% to 21% between December 2014 and December 2015 (Bank of Zambia, 2015: 1). The government attributed the economic crisis to a slowdown in the Eurozone and the Chinese economy that lowered the demand and price for copper (the mainstay of Zambia’s economy). This in turn affected foreign exchange earnings. The government also cited adverse weather patterns, which resulted in low rainfall, for challenges in generating sufficient electric power supply.²⁸ Critics of the government, notably opposition parliamentarians, instead attributed the crisis to excessive government borrowing to fund ambitious infrastructure programmes, and a failure to keep government expenditure within manageable limits, leading to fiscal deficits.²⁹

One consequence of these challenges was a shortfall in national revenues, which affected funding towards government programmes. For example, by May 2016, the government had not disbursed the Constituency Development Fund (CDF) for 2015 and the first quarter of 2016 despite allocating K210 million in the 2016 budget, citing numerous economic challenges including low revenues from falling copper prices and the huge drain on the Treasury from importing supplementary power.³⁰ Furthermore, in June 2016, the government announced

²⁷ See for instance, Beardsworth, Nicole “Zambia – The rise of President Edgar Lungu and the 2015 elections” available at <http://presidential-power.com/?p=2641>

²⁸ Ministerial Statement by Minister of Finance, Alexander Chikwanda, to the National Assembly of Zambia on 9 October 2015. Available at: <http://www.parliament.gov.zm/node/4692>

²⁹ See for example Parliamentary debates on the 2016 budget. Available at <http://www.parliament.gov.zm/node/4703>

³⁰ Ministerial Statement on the Disbursement of the 2016 Constituency Development Fund (CDF) by Hon. Stephen Kampyongo, MP, Minister of Local Government and Housing

delays in paying civil servants' salaries due to reduced cash in-flows as a result of "various economic factors".³¹

With regard to social protection, disbursements to beneficiaries of cash transfers were similarly affected. This included significant delays – of up to 7 months in some instances – in paying cash transfer beneficiaries during the year 2015. The delayed payments did not receive much media attention but were confirmed by various interviewees.³² The government allocated K180 million for cash transfers in the 2015 budget, of which K150 million would be tax funded and K30 million provided by donors. However, the government only disbursed about K110 million for the 2015 SCT budget.³³ This compelled donors to provide K40 million – in addition to the initial K30 million allocated – to meet the government shortfall by December 2015.³⁴ In addition to delayed payments, civil society organizations raised concerns regarding the decline, in real terms, of the cash transfer value. Beneficiaries were entitled to a monthly transfer of K70 (paid bi-monthly) but the real value of the transfer had fallen by almost one half by December 2015 (see Figure 1).

The first budget formulated by Lungu's administration was presented by Chikwanda in October 2015 for the 2016 fiscal year. Despite challenges in paying beneficiaries in 2015, the budgetary allocation to cash transfers increased to K302 million in 2016 (from K181 million in 2015). The budgetary increase was accompanied by an increase in beneficiary households to 242, 000 and an increase in implementing districts from 50 to 78. Nonetheless, challenges in paying beneficiaries persisted in 2016. The Ministry of Finance did not disburse funds to the MCDSW on time, particularly in the second half of the year, due to revenue shortfalls amidst a continued economic decline. Although the first two SCT payments were disbursed for 2016,³⁵ up to 109,000 beneficiary households

³¹ Press release on delayed payment of civil servants' salaries by Hon. Chishimba Kambwili, Minister of Information and Broadcasting Services and Chief Government Spokesman on 7 June 2016. Available at <https://www.lusakatimes.com/2016/06/07/pf-not-using-civil-servants-salaries-campaigns-kambwili/>

³² Interviews with Vince Chipatuka - Programme Officer, Friedrich Ebert Stiftung (5 August 2016), Government Official (4 February 2016) Nkandu Chilombo (19 August 2016) and Patrick Nshindano - Executive Director, Civil Society for Poverty Reduction (17 August 2016).

³³ This was confirmed by two donor officials and a senior government technocrat in separate interviews.

³⁴ Interviews with MCDSW official (4 February 2016), donor official (21 January 2016) and donor official (27 July 2016).

³⁵ SCT payments are disbursed bi-monthly. Therefore, the government makes a total of six payments to beneficiaries each year.

in four provinces (Eastern, Northern, North-Western, and Southern) had not received the third payments, for the months of May and June, by August 2016.³⁶ In terms of social policy, Lungu's administration drafted a National Social Protection Bill- 2016, which Lungu first announced during his address to the National Assembly in September 2015. Lungu constituted a cabinet committee chaired by the Minister of Justice to formulate the Bill, although the Ministry of Labour and Social Security had primary responsibility for its drafting.³⁷ The proposed Bill was guided by four main objectives. The first was to merge all pieces of legislation with a bearing on the current social security system. The second was to legislate the institutional mechanism for a Social Health Insurance Scheme and social assistance programmes including social cash transfers and the Public Welfare Assistance Scheme. Third, the Bill would establish three new entities including a "Fund" into which payments would be made during a person's employment years, an "Authority" which would administer the Fund, and a "Regulator" which would be responsible for supervising all social protection schemes. Lastly, the Bill would also establish a four pillar social security system. This would comprise a first pillar consisting the National Pension Scheme Authority (NAPSA) and the Social Health Insurance Scheme, a second pillar comprising other occupational pension schemes, a third pillar constituting voluntary plans, and a fourth comprising social assistance programmes.³⁸

According to timelines set in 2015, the Bill was set for tabling in Parliament during the February to May 2016 session, ahead of the dissolution of Parliament before the August 2016 elections. By the end of the February sitting, the drafting process was incomplete, owing to concerns by Cabinet Office for unspecified revisions. Cabinet Office – under the leadership of the Secretary to the Cabinet – had oversight for finalising the Bill before its presentation to Parliament. Even then, international donors – particularly the International Labour Organization (ILO) – played an important role in the drafting process (largely due to its close working relationship with the Ministry of Labour).

It is important to mention that the Bill was not aimed at making social protection justiciable but rather, to set up a legal structure to coordinate different interventions, including a proposed Social Health Insurance Scheme. Therefore, social cash transfers would remain poverty targeted as opposed to being rights-based. Nonetheless, the Lungu administration took the decision (which was also lobbied by donors) to accord SCTs 'statutory grant' status in 2015. This was

³⁶ Interview with donor official (10 August 2016).

³⁷ The Ministry of Justice has primary responsibility for drafting all Bills on behalf of the Government of the Republic of Zambia.

³⁸ Correspondence with Ngosa Chisupa, Social Security Consultant

intended to ring-fence SCT budget allocations, to ensure that resources allocated to the scheme are not redirected to other government programmes.

The 2016 elections and implications for social protection

Democratic competition in Africa has provided impetus for incumbents to “increase the level of redistribution to a wider portion of the electorate” through clientelistic public spending aimed at vote buying during election years (Rakner & Van de Walle, 2009; see also Lindberg, 2003). Lindberg argues that it is common practice in neopatrimonial African societies for political candidates to “attend to individuals’ school fees, electricity and water bills, funeral and wedding expenses, or distributing tools for agriculture or even handing out money to voters” (2003: 124). In more recent times, programmatic social assistance programmes have also been expanded for political purposes. Mkandawire (2016: 10) argues that electoral politics played an important role in the expansion of social assistance in Namibia while Hamer (2016a) demonstrated that both social assistance and clientelistic social programmes were expanded by Joyce Banda during Malawi’s 2014 elections.

In Zambia, Lungu inherited SCT expansion plans from his predecessor and yet the annual increases in both coverage and budgetary allocations did not correspond with actual disbursements of funds. Meanwhile, Lungu poured funds into youth workfare and support for small entrepreneurs. In August 2015, President Lungu launched both a National Youth Policy and an Action Plan for Youth Empowerment and Employment, aimed at creating more than 500,000 jobs for the youth by the end of 2016. At the time, Lungu noted – at an event organized by the Ministry of Youth and Sport – that implementing the plan “marks an end of an era of politics that promotes handouts and rhetoric that succeeds only on scoring short term political mileage at the expense of long term sustainable national and youth development goals”.³⁹ The documents included proposals to “create national apprenticeships and internship schemes for the unskilled youth, and the expansion of low interest credit facilities targeting new and growing youth-led enterprises”.⁴⁰ These proposals were reiterated when Lungu made his maiden presidential address to the National

³⁹ “President Lungu launches 2015 National youth policy and Action plan” in Lusaka Times, 12 August 2015. Available at <https://www.lusakatimes.com/2015/08/12/president-lungu-launches-2015-national-youth-policy-and-action-plan/>

⁴⁰ *Ibid.*

Assembly of Zambia in September 2015⁴¹ and were accompanied by increased budgetary allocations to all empowerment funds, from K124 million in 2015 to K373 million in 2016. The allocation to empowerment funds was more than that to cash transfers even though budgetary allocations to the latter were much higher in 2014 and 2015.⁴²

Lungu's foregoing remarks about ending an era of "handouts" appear to suggest that he was ill-disposed towards SCTs and social assistance in general. Yet, Lungu did not attempt to rein in senior bureaucrats and some of his ministers (including Kabanshi) and PF MPs who continued to support the expansion of SCTs. Interviewees noted that Lungu recognised cash transfers as part of PF's 2011 campaign promises (and the expansion was part of Sata's legacy) and therefore wished to identify with the ruling party's agenda.⁴³ The 2016 PF manifesto identified the rollout of cash transfers as one of the party's achievements stating that:

'the Patriotic Front has also gone a long way in reducing poverty amongst the most vulnerable households in Zambia by casting the Social Protection Safety Net wider from 42,000 beneficiary households in eight districts in 2011 to 242,000 households in seventy-eight districts in 2016. Through the Social Cash Transfer Programme, our vulnerable members of society have regained their dignity and hope for a better future' (PF, 2016).

The PF also ran election campaign billboards (which included images of Lungu and his running mate, Wina) stating that 1.2 million direct beneficiaries had received social cash transfers under the PF government.

It should be noted, also, that the Action Plan for Youth Empowerment and Employment traces its origins to a National Youth Day address made by Sata on 12 March 2012 in which he instructed the Ministry of Youth and Sport to design youth employment strategies in line with the PF Government's vision (Ministry of Youth and Sport, 2015:5). In fact, in the preface to PF's 2011 manifesto, Sata decried the "MMD government's inability to formulate and implement policies which would promote youth empowerment in business or guarantee educational opportunities" and promised that "the Patriotic Front in government shall seek to address and remedy the foregoing failures" (PF, 2011: 5). Cheeseman *et al.* (2014: 341) observed that Sata's (and the PF's) urban popularity was "based on

⁴¹ Speech for the Official Opening of the Fifth Session of the Eleventh National Assembly of Zambia by His Excellency Mr. Edgar Chagwa Lungu, President of the Republic of Zambia on Friday 18th September 2015.

⁴² Data from 2014, 2015 and 2016 National Budgets.

⁴³ Interview with Denis Wood, Independent Consultant (12 January 2017).

his ability to recognize the needs of poor urban dwellers, such as unemployed youth”. Afrobarometer data for 2014 showed that as many as 81% of Zambians believed job creation was primarily the responsibility of the state, with a similar percentage agreeing that the government should have the main responsibility for addressing nearly every aspect of the economy (*ibid*: 349-350). The preceding analysis suggests that Lungu did not view social assistance as a potential vote winner (especially given that cash transfers typically targeted rural populations including in provinces that were opposition strongholds) and thus preferred to build his political “brand” around issues – such as youth employment – that resonated with both a large section of Zambians and the PF’s urban support base, while still taking credit for expanding SCTs.

Due to lack of reliable employment data, it is difficult to ascertain how many jobs were actually created by the end of 2016. It is also not clear whether disbursements for empowerment funds matched budgetary allocations. Macroeconomic indicators for 2016 suggest a downward trend in economic activity, making a major expansion in job creation that year unlikely. It is clear that Lungu’s government sunk substantial funds into support for small entrepreneurs. In September 2015, Lungu launched the Presidential Empowerment Initiative Fund (PEIF) aimed at providing interest free loans to informal sector traders. The PEIF was launched in Copperbelt province and by March 2016, almost K2 billion had been disbursed to over 3,000 informal traders. The beneficiaries included *marketeers* and vendors in Copperbelt Province and Kasama district in Northern Province. Plans were also announced for the initiative to be expanded to the rest of Northern Province and Eastern, Luapula and Muchinga Provinces during 2016.⁴⁴ The fact that the PEIF was introduced less than 12 months before the August 2016 general elections and targeted provinces that Lungu finished first in during the 2015 presidential election – and targeted beneficiaries who constituted a large part of PF’s support base – made it likely that the initiative was introduced for clientelistic purposes. The PEIF was administered by State House⁴⁵ and the District Commissioner for Kitwe in Copperbelt Province was appointed patron. Notably, no government ministry had oversight of the initiative and funds for it were not provided for in the 2016 national budget but were instead sourced by State House from “well-wishers.”⁴⁶ It would appear that these policies were not

⁴⁴ “Presidential Empowerment Initiative Fund vehicle for up lifting living standards for marketeers- Chanda Kabwe” Lusaka Times, March 1 2016, available at <https://www.lusakatimes.com/2016/03/01/presidential-empowerment-initiative-fund-vehicle-for-up-lifting-living-standards-for-marketeers-chanda-kabwe/>

⁴⁵ State House is the official residence of the Zambian President and is also used to refer to the President’s Office.

⁴⁶ Interview with Government Official (30 July 2016).

programmatic alternatives to SCTs but were rather mechanisms for clientelistic politics.

Quite paradoxically, budgetary allocations to FISP more than doubled nominally (to just over K1 billion) in 2015 – after remaining at K500 million between 2012 and 2014. The initial increase in FISP allocations was made under the last Sata budget, but continued in 2016 under Lungu. This was despite the fact that increased cash transfer spending was motivated by a decision to redirect funds from FISP and other agriculture subsidies. Increased FISP spending was justified by government’s decision to diversify agriculture from maize to other crops.⁴⁷ Granted that, a study by the Indaba Agricultural Policy Research Institute (IAPRI)⁴⁸ established that the Zambian government released between 158% and 299% of approved FISP budgetary allocations between 2013 and 2015, and had released 78% of the FISP budget by October 2016 (just before the onset of the planting season) (Zulu, 2016: 9). The point worth emphasizing here is that delayed payments to SCTs on the basis of fiscal constraints belied the fact that clientelistic public spending actually increased. This is particularly notable given the context of competitive elections in 2016.

The 2016 elections were contested by nine presidential candidates although only Hichilema had a discernible chance of deposing Lungu. The UPND manifesto was silent on social protection with the exception of a commitment to “increase support for the disadvantaged” as part of efforts to reduce inequality (UPND, 2016: 8). Rather, the UPND’s focus was to “fix the economy” through “prudent economic management”, underpinned by the party’s 10 Point Plan which would “stabilise the economic crisis, unlock Zambia’s potential wealth by stimulating growth, creating jobs, and increasing the revenues available to invest in services” (*ibid*: 2). The UPND’s strategy was evidently in response to the state of the Zambian economy which the opposition party blamed on failed government leadership, while touting Hichilema’s credentials as an economist, farmer and successful businessman.

Neither of the two leading parties acknowledged social protection as a major vote winning issue, although the PF was more disposed to taking credit for its

⁴⁷ This point was emphasised in the Revised Sixth National Development Plan and again in the 2015 and 2016 budget speech addresses.

⁴⁸ IAPRI exists to carry out agricultural policy research and outreach, serving the agricultural sector in Zambia so as to contribute to sustainable pro-poor agricultural development. It has its roots in the Food Security Research Project (FSRP) which was established in 1999 as a collaborative effort between the Ministry of Agriculture and Livestock (MAL), the Agricultural Consultative Forum (ACF), and Michigan State University (MSU). FSRP began with initial financial support from the United States Agency for International Development (USAID) and, beginning in 2007, from the Swedish International Development Cooperation Agency (SIDA/Zambia).

achievements in expanding cash transfers. This also explains why Lungu's government could afford to provide erratic funding to cash transfers during an election year. In fact, a source in the Ministry of Finance noted that during the campaign period, instructions would be received "from high up"⁴⁹ for the Ministry to release funds whenever Lungu traversed the country to launch development projects – which was an important part of his election strategy. This would appear to confirm that Lungu's priorities *viz.* his strategy for winning re-election, had important implications for the pattern of financial disbursements, particularly given the country's fiscal constraints.

Lungu won re-election with 1,860,877 votes representing 50.4% of valid votes cast, meeting a new constitutional requirement for a president to be elected with more than half of total valid votes. Hichilema was second with 1,760,347 votes which represented 47.6% of valid votes cast. The voting patterns in 2016 resembled those in 2015, with Lungu and Hichilema winning pluralities in the same rural provinces. After the collapse of MMD's national support in 2015, Zambia effectively became a two-party political system characterised by regional voting patterns, with the PF drawing support in the north and east of the country among the ethnic Bemba and Nyanja, respectively, and the UPND drawing support in the south, west and north-west among the Tonga, Lozi and smaller ethnic groups. The two multi-ethnic and populous urban provinces (where the effects of economic decline were most evident) were therefore potential swing voting regions that appear to have determined the outcome of the vote. Afrobarometer data showed that 10.2% of Zambians identified management of the economy as the most important problem facing the country in 2014, an increase from only 2.2% in 2012. In the absence of reliable survey data in the aftermath of the 2016 elections, it can be surmised that Lungu's overtures to the youth and urban underclass in Lusaka and Copperbelt through workfare and empowerment funds, may have appealed more potently to voters than Hichilema's agenda to "fix" the economy, although other factors were undoubtedly involved. Even then, Hichilema did increase his support between 2015 and 2016 in urban areas from 24 to 35% in Copperbelt and 36 to 39% in Lusaka, while Lungu dropped from just under 73 to just under 64% in Copperbelt and from 61.6 to 60.2% in Lusaka.⁵⁰

Post 2016 elections and policy reforms

Lungu constituted a new cabinet after his re-election, which included Wina as Vice President. Notably, Chikwanda was retired and replaced by Felix Mutati,

⁴⁹ Interview with Ministry of Finance Official (30 January 2017)

⁵⁰ Election results available at www.elections.org/zm

who had switched allegiance from Hichilema in 2015 to Lungu in 2016.⁵¹ Kabanshi was again appointed Minister of Community Development and Social Welfare. The new government included at least eight (out of almost 40) cabinet and provincial ministers who were known Banda loyalists and/or co-ethnics of both Lungu and Banda, including Mutati and the influential Agriculture Minister, Dora Siliya.

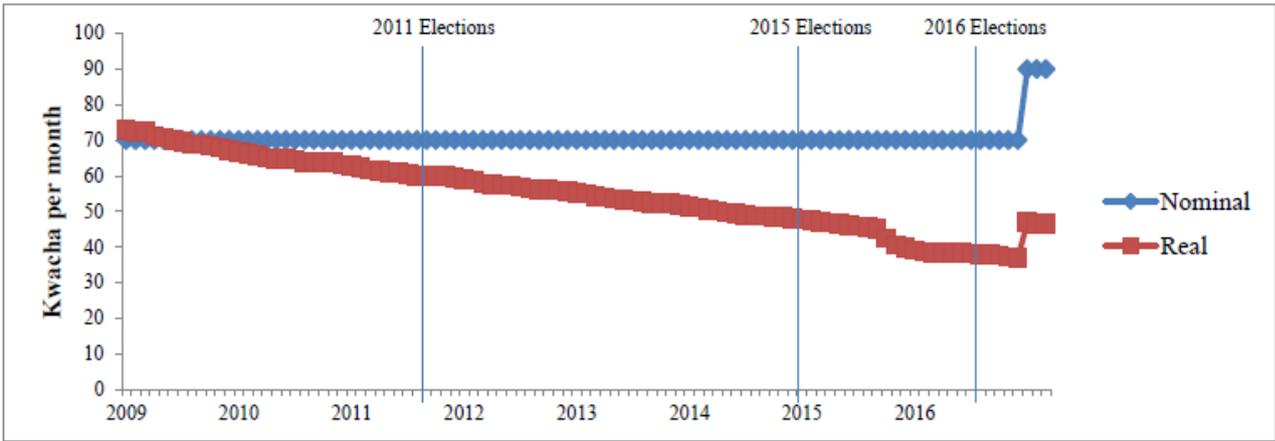
The state of the economy emerged as an urgent concern for the government after the elections, although a petition against Lungu's election by Hichilema also dominated the news cycle. Prior to the elections, media reports suggested a possible International Monetary Fund (IMF) bailout for Zambia as a response to the economic crisis. After his appointment as Finance minister, Mutati unveiled an economic recovery plan for Zambia to be supported by the IMF. In a statement introducing the plan in October 2016, Mutati noted that "the gravity of our economic situation necessitated an Economic Recovery Programme (ERP) that will guide us and ensure that we shift back to levels of growth our country needs to prosper" (Mutati, 2016: 1). He further noted that the ERP would provide a shift from "an expansionary fiscal stance to more sustainable public finances that will improve our ability to respond to external challenges and provide the much needed jobs and growth on the domestic front". Mutati noted that the ERP, also known as "Zambia Plus" would provide solutions determined by the Zambian government with assistance from external partners, including the IMF. The ERP includes five pillars, with the first including strengthening tax policy and improving revenue inflows, with a specific focus on "reallocating subsidies that have been growing and cost us over US\$1 billion in 2016 alone" in order to provide direct support to the "poorest households". The second pillar followed from the first, and aimed to "ensure the poor are better protected by increasing budgetary allocations to social protection including addressing the plight of pensioners" (*ibid*: 2-5).

The ERP was followed by the presentation of the 2017 budget, in November 2016. The budget provided for the number of SCT beneficiary households to rise from 242,000 to over 500,000, reaching all of Zambia's 105 districts, by the end of 2017. The total budget for SCTs increased from K302 million in 2016 to

⁵¹ Felix Mutati was first elected MP for Lunte constituency (in Northern Province) in 2001 as an MMD candidate and held various ministerial positions, most notably as Minister of Commerce, Trade and Industry from 2006 to 2011. In 2016, he was an unopposed presidential candidate at an MMD convention that had the support of Rupiah Banda and his loyalists – who sought to replace the party president, Nevers Mumba. Mumba maintained his claim to the party presidency and the legitimacy of the two party presidents is currently before the Zambian courts. Mutati did not recontest his parliamentary seat in 2016 but endorsed Lungu for president. He was subsequently nominated to parliament by Lungu, in order to allow him take up a ministerial position.

K552 million in 2017. Of this amount, the government would contribute K500 million, or 91%, with a contribution of K52 million from development partners, representing 9% of the SCT budget. Further, transfers to beneficiaries increased by 29% in nominal terms from K70 to K90 per month (Mutati, 2016). Technocrats in the Ministry of Finance determined that an increase of K20 was sufficient to mitigate the loss in value to beneficiaries, resulting from the effects of inflation. Figure 1 shows changes in nominal and real values for cash transfers based on June 2009 prices.

Figure 1: Value of Social Cash Transfers, 2009-2017, in nominal and real (2009) prices



Source: Calculated using CPI(X) data for Zambia available at <http://www.tradingeconomics.com/zambia/consumer-price-index-cpi>

Figure 1 shows that while the nominal value of the cash transfer remained constant until January 2017, the real value declined rapidly, especially after 2011 and more so between 2015 and 2016. By December 2016, the real value of a K70 transfer to a beneficiary was only K37. Although the transfer increased to K90 in January 2017, the real value (in 2009 prices) was only K47. The K20 increase was not sufficient to offset the effects of inflation.

Other social protection programmes including the Food Security Pack, the Public welfare Assistance Scheme, and the Women’s Development Programme received increased allocations for 2017, with planned expansions for each programme, although they all remain much smaller in coverage than social cash transfers, excepting the Home Grown School Feeding Programme which would target 1.25 million learners in 2017, up from 1 million in 2016 (Mutati, 2016: 10-11).

The tone of both the ERP and the 2017 budget suggest that Lungu’s government intended to focus on expanding programmatic social assistance to protect the

poorest households. Cabinet Office also continued making amendments to the Social Protection Bill which would likely be tabled in parliament before the end of 2017. This would also see the likely introduction of the Social Health Insurance Scheme during Lungu's second term of office.⁵² Notably, the PEIF no longer featured in media reports after the elections, while allocations to empowerment funds reduced to K219 million in 2017, from K373 million the preceding year. The 2017 FISP allocation almost tripled, to K2.9 billion, although this would be done by migrating from FISP to an E-Voucher system which Mutati stated would "help reduce excessive overheads and wastage associated with the current FISP arrangement and ensure prudent use of our resources in line with our Economic Recovery Programme" (2017: 4-5). The expansion of FISP (or the E-Voucher system) would also help to diversify agriculture from maize to cash crops such as cotton, cashew nuts, soya beans, cassava and rice (*ibid*: 4). The reforms in late 2016 and early 2017 point to a shift away from some of the clientelistic spending that prevailed in the period leading to the 2016 elections, but also to a continuation of agriculture subsidies inherited from the MMD, and continued expansion of Sata-era SCTs. It is possible that these reforms reflect a convergence of the new ruling PF coalition that seeks to continue with some of the Sata-era reforms, while also accommodating the MMD's preferred reforms (including farm subsidies and prudent economic management) possibly due to the influence of Banda loyalists in Lungu's government, and implementing reforms that are necessary for the government to receive an IMF bailout.

Conclusion: Effects of political competition and changes of governments on social policy making

Recent changes of government in Zambia and other parts of Southern Africa have been accompanied by significant reforms to social protection and related social policies. Increased political competition in Africa especially in the post-structural adjustment era has provided greater incentive for opposition parties to challenge incumbents by proposing more pro-poor reforms than the conservative and neoliberal policies that ruling parties adopted and advanced in the early 1990s. In cases where opposition parties won elections, social protection programmes were expanded as one means of consolidating their pro-poor credentials. This was certainly the case when the Patriotic Front won Zambia's 2011 elections and went on to significantly expand the coverage of social cash transfers, despite this not being a major campaign promise (Siachiwena, 2016).

⁵² Interview with Ngosa Chisupa, Social Security Consultant (23 January 2017)

In neighbouring Malawi, Joyce Banda promoted the expansion of various social protection programmes during her brief presidency (between 2012 and 2014) which allowed her to distinguish her party (the People's Party) from its main competitors, including the DPP which was in government between 2005 and 2012 (and later since 2014) and the Malawi Congress Party (MCP), which both advanced more conservative policies that focused on farm subsidies (Hamer, 2016a). A partial change of government in Zimbabwe, when a Government of National Unity was formed led to the expansion of social cash transfers, although this had more to do with improved relations between donors and the MDC which had control of the Treasury, and the ministry implementing social protection programmes, rather than due to a social democratic agenda on the part of MDC (Chinyoka & Seekings, 2016).

Zambia's 2016 elections were unique in that they presented a major test for a party that formed government after winning elections on a pro-poor platform, to seek re-election in the midst of the country's worst economic decline since the end of the 1990s. The PF undoubtedly made improvements to road and other forms of infrastructure that were popular with their urban support base, while also fulfilling important 2011 pledges for tax reforms. Resnick (2014) observed that parties reliant on populist strategies to win the urban poor vote face the dilemma of expanding their rural support. The expansion of cash transfers under Sata was to some extent aimed at expanding PF's support to rural areas (Siachiwena, 2016). However, Resnick (2014) argued that once urban voters become accustomed to a populist strategy, they would expect similar populist demands in subsequent elections. Hichilema offered programmatic alternatives to Zambia's economic decline (although he also made personalistic appeals to voters), but this strategy, as Resnick (*ibid*) noted, is not as effective with urban voters as a populist strategy that embraces the charisma of a leader with a "policy component" but not in an ideological or programmatic sense (Resnick, 2010: 3). The foregoing suggests a possible trade-off between appeasing urban voters and their rural counterparts who are usually appealed to through ascriptive identities such as ethnicity (Resnick, 2010, 2014; see also Cheeseman & Larmer, 2015).

With regard to social policy reform, this paper shows that political competition had implications on the expansion of cash transfers in Zambia. Government technocrats and donors played an important role (together with political leaders) in expanding coverage and budgetary allocations to cash transfers, yet disbursements from the Treasury did not match allocations. Inasmuch as this was a reflection of reduced cash in-flows resulting from an economic decline, the fact that clientelistic public spending expanded during an election year demonstrates that programmatic social assistance was not seen as a potential vote winner. This was possibly because social assistance only benefited a small

proportion of the population in rural areas (including many areas outside PF strongholds) unlike clientelistic programmes that targeted the ruling party's large urban support base.

Seekings (2012) showed that electoral competition contributed to the expansion of social assistance in Brazil, India and Korea. Hamer (2016b) found similar evidence in Botswana with the expansion of public works programmes by President Ian Khama during elections in 2014, which appealed to urban and rural voters alike. On the contrary, this paper shows that while electoral competition has fuelled social policy reforms in Africa and other parts of the developing world, the expansion – and financing – of social protection programmes in Zambia was actually limited by political competition in 2016, despite political considerations having contributed to the initial expansion. This was perhaps also due to a change of ruling coalition within PF (from a more social democratic to market-friendly coalition) that may have been less disposed to social protection. Interestingly, cash transfers were placed highly in Lungu's post 2016 policy agenda, showing that while social assistance has a prominent role in the PF's overall policy agenda, it may not be sufficient for electoral purposes. Recent studies on social policy reforms in Africa have shown that there has been a greater incentive for social protection to expand under governments with social democratic pretensions (see Seekings, 2015; Chinyoka & Seekings, 2016; Hamer, 2016a; Hamer 2016b; Hamer & Seekings, forthcoming; Siachiwena, 2016). This paper goes further and suggests that much closer attention needs to be paid to how changes in ruling coalitions and political competition shape policy reforms. The paper also contends that this should not be done at the expense of understanding the important contribution of available public finances, and the crucial roles played by technocrats and donors.

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