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# Policy Brief

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## Multidimensional Poverty among Welfare Recipients:

*A Case Study of the Samurdhi Programme in Sri Lanka*

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### ADDRESSING FAILINGS OF SOCIAL WELFARE PROGRAMMES

Social welfare programmes, though often designed with laudable aims, usually suffer from a number of shortcomings in practice. It can be argued that most of these failings stem from an inadequate or insufficient understanding of the nature of poverty, which is often the result of a lack of relevant data to achieve accurate and multidimensional profiles of deprivation at the household level.

The **Samurdhi programme** is the main social welfare programme in Sri Lanka, reaching about 32% of the population. Over the years, it has faced numerous criticisms, mainly when in relation to targeting/reaching the intended beneficiaries, meeting the heterogeneous needs of targeted populations and, more generally, in moving people out of poverty.

**This PEP - supported study aimed to use the outcomes of multidimensional poverty analysis to contribute new and relevant perspectives, as well as an evidence base to help resolve such long standing policy issues.** It was carried out among a representative sample of households in Badulla District, Sri Lanka, based on the 'missing dimensions of poverty' survey modules developed by the Oxford Poverty and Human Development Initiative (OPHI).



### KEY FINDINGS

The multidimensional wellbeing analysis and comparison of beneficiary and non-beneficiary households of the Samurdhi programme reveal that:

- Samurdhi beneficiary households are relatively
  - more deprived in terms of employment quality: i.e. more likely to be engaged in the informal sector, in non permanent jobs, without monthly payment arrangements and/or written contracts (see table on the right);
  - more vulnerable to sudden shocks in income-generating activities;
  - twice more likely to report occurrences of unfair treatments, as well as feelings of shame and humiliation.

In fact, when assessing their satisfaction with various subjective wellbeing indicators - such as quality of life in general, food, housing, income, health, education, etc. - Samurdhi recipients are between 10 – 30% less satisfied than non-beneficiary households.

### POLICY RECOMMENDATIONS

Based on these results and findings, a number of recommendations can be drawn to help designers and implementers improve the effectiveness of the Samurdhi programme. For example (see right column):

### Indicators of employment quality among beneficiary and non-beneficiary households of the Samurdhi programme

	Non-beneficiary	Beneficiary
<b>Temporary/informal employment</b>	46%	81%
<b>No monthly salary payment</b>	42%	76%
<b>No written contract</b>	55%	79%
<b>No social security benefits</b>	57%	87%

- In terms of **programme-targeting**, the selection criteria for beneficiaries should be based on indicators that convey the multiple dimensions of wellbeing in which households may be considered as relatively "deprived" or poor;
- The selection process of programme recipients, currently based on methods of open identification/selection through village meetings, should be re-designed in order to **not aggravate existing feelings of shame and humiliation**;
- The programme should also be designed in order to **increase chances of beneficiaries to move out of poverty**, for example by providing new opportunities to supplement the main income-generating activity, and/or to access formal employment.