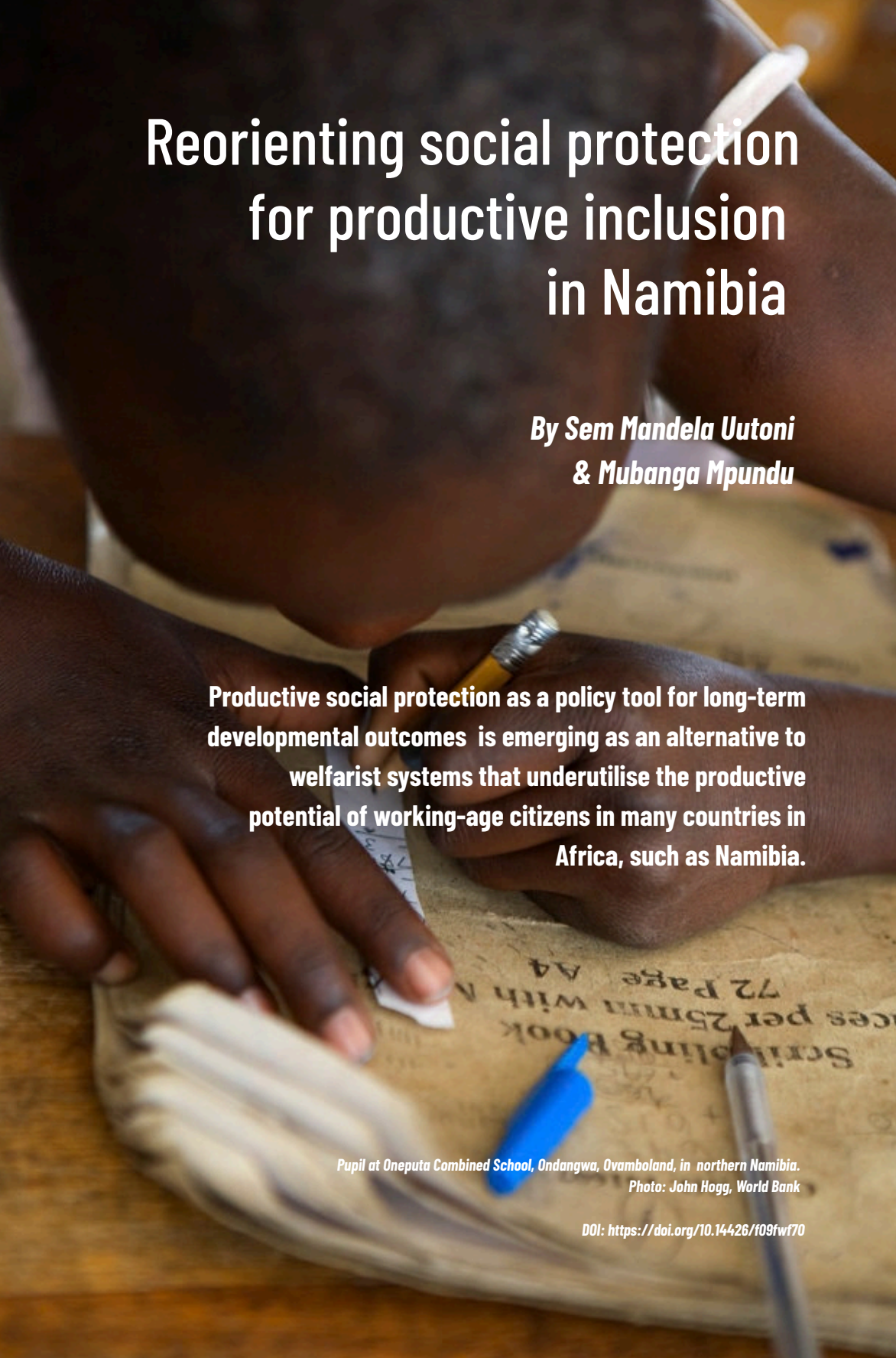




Reorienting social protection for productive inclusion in Namibia

*By Sem Mandela Uutoni
& Mubanga Mpundu*

Productive social protection as a policy tool for long-term developmental outcomes is emerging as an alternative to welfarist systems that underutilise the productive potential of working-age citizens in many countries in Africa, such as Namibia.

Pupil at Oneputa Combined School, Ondangwa, Ovamboland, in northern Namibia.

Photo: John Hogg, World Bank

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**Abstract**

Social protection has increasingly emerged as a critical policy instrument for addressing poverty, inequality, and vulnerability in developing economies. However, within many African contexts, including Namibia, social protection systems remain predominantly welfare-oriented and insufficiently integrated with labour market and productivity enhancement objectives. This study examines the relationship between social protection, labour market participation, and productive inclusion in Namibia. Adopting an exploratory qualitative research design, the study conducted semi-structured interviews with ten purposively selected policy experts and practitioners, complemented by secondary data analysis. The findings indicate that Namibia's social protection system underutilises the productive potential of its working-age population because the system lacks institutionalised labour market transition pathways and remains weakly integrated with productive sectors. Additionally, low transfer adequacy constrains beneficiaries' long-term capacity for productive participation, limiting the system's ability to act as a bridge to sustainable livelihoods. The study highlights that reorienting social protection toward a structured public-private integration model, enhancing transfer adequacy, and targeting active labour market pathways can better facilitate economic participation and productive inclusion within high-inequality settings.

Keywords: Social Protection, Labour Market Integration, Productive Inclusion, Economic Development



Introduction

Social protection is an important instrument for addressing poverty, vulnerability, and inequality in developing countries (Asian Development Bank [ADB], 2001; International Labour Organisation [ILO], 2022). Increasingly, scholars and international development institutions maintain that social protection should contribute to long-term developmental outcomes through human capital development, livelihood support, asset accumulation, and labour market integration, in addition to cushioning households against economic shocks (Jenson, 2009; Devereux & Sabates-Wheeler, 2015).

This holistic view has influenced the approach and design of social protection in many countries, including Namibia. This further contributed to the emergence of the concept of productive social protection, which emphasises the integration of social assistance with employment creation, skills development, productive inclusion, and income-generation strategies (Devereux & Sabates-Wheeler, 2015). From this perspective, the role of social protection extends beyond income redistribution to include economic participation, productive capacity and inclusive growth, and their potential effects.

This broad developmental framing is important in the Namibian context, where persistently high unemployment, especially among young people, widespread informality, and unequal access to economic opportunities continue to constrain labour market participation. These labour market conditions also have implications for social protection financing in economies such as Namibia, where social protection financing depends heavily on taxation and formal sector participation. Weak labour market performance creates dual pressures by increasing demand for social protection while constraining the potential for domestic revenue mobilisation (ILO, 2022).



The relationship between social protection and labour market outcomes nevertheless remains empirically contested. Social assistance may weaken labour market participation incentives where transfers alter the relative returns to employment, but predictable income support may also relax household resource constraints and enable investment in education, job search, enterprise development, and other productive activities (Barrientos & Hulme, 2008; Devereux & Sabates-Wheeler, 2015). Evidence increasingly indicates that these effects depend on programme design and the extent to which social protection is complemented by labour market interventions, with potential implications for productivity, employability, and local economic development (ILO, 2022; World Bank, 2019).

Evidence from African upper- and lower-middle-income economies remains relatively limited and in Namibia productive social protection is still an emerging concept. Existing interventions are predominantly protective in orientation with productive elements embedded in selected programmes. Against this background, the study addresses the following central research question: *How can Namibia's social protection framework be strategically reoriented to foster productive inclusion and sustainable labour market transitions?*

The study further distinguishes between two related gaps: firstly, the limited integration of social protection with the labour market and productive interventions, while the second is the limited empirical evidence on how such a transition might be structured within the Namibian context. By examining these questions through expert perspectives and existing evidence, the study contributes an empirically grounded framework for analysing the transition towards productive social protection in a high-inequality, tax-financed African economy.



Literature review

Within development economics, increasing attention has been devoted to the relationship between social protection and productive inclusion. Earlier welfare-oriented approaches often portray social assistance as fiscally burdensome and potentially distortionary to labour incentives. However, emerging evidence provides a more differentiated account of these effects. Contemporary studies demonstrate that appropriately designed social protection programmes can promote risk-taking behaviour, strengthen human capital accumulation, improve labour market participation, and facilitate entry into more productive livelihood activities (Alderman & Yemtsov, 2014; Bastagli et al., 2019). This has underpinned the concept of productive social protection whereby reductions in vulnerability are accompanied by improvements in households' productive capacity and economic participation.

The mechanisms have relevance in developing economies, where labour markets are dualistic and exclusionary, with large segments of the population concentrated in low-productivity informal activities. Under such conditions, the economic effects of social protection may overcome constraints on labour market participation, human capital investment or productive activity. This places social protection within the broader relationship between social policy and structural economic transformation identified by Mkandawire (2001).

Namibia provides an important context in which to examine these relationships. The country has developed one of the more comprehensive non-contributory social assistance systems in Africa, with social protection occupying a substantial position within public expenditure. Social assistance expenditure amounts to approximately 2.7% of Gross Domestic Product (GDP), with the universal old-age pension accounting for the largest share of this expenditure (Ministry of



Finance, 2018). The scale and composition of this expenditure raise questions concerning the outcomes generated by social protection.

Existing evidence demonstrates that Namibia's social protection system contributes substantially to poverty reduction and household welfare (World Bank, 2021). The World Bank (2021) estimates that every N\$1 spent on social assistance reduces the poverty gap by approximately N\$0.35, providing an indication of the poverty-reduction efficiency of existing expenditure. The same analysis identifies differences in the longer-term effects associated with expenditure across beneficiary groups, with interventions targeting children potentially generating returns through human capital accumulation that extend beyond immediate income support. These findings draw attention to the level of social protection expenditure, and also to its allocation, design, and capacity to generate outcomes beyond immediate consumption and poverty reduction.

This distinction is also important when social protection is considered in relation to Namibia's labour market. Existing data reflect broad agreement that cash transfers improve household welfare and consumption, but linkages between social protection and employment, skills development, entrepreneurship, and other productive inclusion pathways remain limited (ILO, 2022; OECD, 2019; World Bank, 2019). The National Planning Commission (2022) similarly highlights that social protection interventions often operate in institutional silos, limiting policy coherence and reducing their potential contribution to economic participation. These characteristics raise a broader economic question concerning whether the protective function of social protection can be complemented by mechanisms that strengthen productive participation.

Namibia's Social Protection Policy reflects increasing recognition of this relationship by emphasising stronger linkages between social protection, human capital development, livelihoods, and economic



participation (MGEPESW, 2021). This orientation is consistent with the broader literature on productive social protection and social investment, in which the economic effects of social expenditure depend on the transfers, as well as their interaction with household capabilities, labour market opportunities, and complementary interventions.

Despite this emerging orientation, the relationship between social protection and productive inclusion remains insufficiently examined in the Namibian context. Existing evidence establishes the importance of social protection for poverty reduction and household welfare, while policy and institutional evidence identifies limited integration with productive and labour market interventions. However, the avenues through which such integration could support productivity and labour market participation is less established. This study therefore addresses this gap by examining social protection alongside productive inclusion and labour market participation and situating the Namibian experience within broader economic debates concerning social protection and economic development.

Theoretical framework

This study integrates Graduation Theory, Social Risk Management (SRM) Theory and the Capability Approach to examine the relationship between social protection, productive inclusion, and labour market participation. These three perspectives address distinct but interconnected dimensions of this relationship. Graduation Theory explains how complementary interventions can support transitions towards more productive livelihoods, while SRM Theory explains how protection against risk can influence household economic decisions, and the Capability Approach considers how improvements in individual capabilities shape opportunities for productive participation. Their integration provides a framework for examining both the mechanisms



through which social protection may generate productive effects and the conditions under which these effects can occur.

Graduation Theory and productive inclusion

Graduation Theory provides a framework for understanding how social protection can be connected to productive inclusion. The theory emphasises combinations of transfers and complementary measures, including skills development, asset accumulation, financial inclusion, and livelihood support, as potential pathways towards more sustainable livelihoods (Hashemi & Umaira, 2011). The underlying understanding is that households facing multiple constraints may require both protection against immediate deprivation and access to resources to enable productive activity.

This perspective is relevant to Namibia, where unemployment and unequal access to productive opportunities constrain labour market participation and economic mobility. Within this study, Graduation Theory therefore provides the basis for examining whether, and through what avenues, social protection can be connected to skills, assets, livelihoods, and other pathways towards productive inclusion.

SRM Theory

SRM Theory, developed by Holzmann and Jørgensen (2000), provides the economic rationale for examining social protection as a tool for managing vulnerability and influencing household economic behaviour. A central contribution of SRM Theory is its recognition that poverty is not only a consequence of low income, but also of vulnerability and exposure to shocks. This theory indicates that where households have limited risk management options, economic decisions may favour lower-risk activities, at the expense of higher-return economic activities, even where these generate lower than expected returns.

Social protection can alter these constraints by stabilising consumption and reducing exposure to severe welfare losses. In principle,



greater income security may affect household decisions concerning education, job search, migration, entrepreneurship, and other productive activities. The significance of SRM Theory to this study lies in the risk-behaviour-productivity mechanism, which theorises that reducing vulnerability may expand the range of economic choices available to households and potentially facilitate participation in higher-return activities.

Capability Approach

The Capability Approach (Sen, 1999) broadens the analysis from household resources and risk to the substantive opportunities available to individuals. From this perspective, the significance of social protection depends on whether it expands individuals' capabilities to pursue valued economic and social activities. Social protection may contribute to these capabilities through improved access to health, education, nutrition, and other conditions that influence an individual's capacity to participate in economic activity.

For this study, the Capability Approach explains the distinction between having resources and being able to convert those resources into productive opportunities. This is important because income support alone may not generate productive participation where individuals continue to face constraints related to skills, health, access to markets, or employment opportunities. The approach therefore provides a basis for examining the conditions that mediate the relationship between social protection and labour market inclusion, while recognising outcomes beyond immediate changes in income or consumption.

Integration and application of the theoretical framework

Together, the three theories provide an analytical base through which social protection can be examined. Starting with protection against vulnerability, coupled with expansion of capabilities and economic choices, continuing with access to productive opportunities and lastly

productive inclusion and labour market participation. This integrated framework informed both the interpretation of the empirical evidence and the deductive components of the ATLAS.ti coding framework. Concepts relating to *liquidity constraints* and *risk aversion* were informed by SRM Theory; *skills development* and *asset building* by Graduation Theory; and *capability expansion* and *structural barriers* by the Capability Approach. The study used these theories as complementary lenses for examining the mechanisms and constraints through which social protection may influence productive participation in Namibia.



This child support unit in Namibia was funded by USAID, until Elon Musk and the Trump administration decided to halt USAID funding on 1 July 2025, severely impacting early childhood development and vulnerable youth programmes.

Photo: USAID

Empirical framework

The empirical literature provides evidence that social protection can generate outcomes beyond immediate consumption support when transfers are combined with productive inclusion measures, labour market interventions and complementary investments. The evidence



presented from Ethiopia and South Africa illustrate distinct approaches to linking social protection with productive and labour market participation.

Ethiopia's Productive Safety Net Programme (PSNP) demonstrates the potential interaction between predictable income support and productive livelihood interventions. PSNP evidence shows that transfers can protect household consumption and assets, while complementary livelihood interventions are needed to support income growth and asset accumulation. The Food Security Programme combined transfers and public works with credit, productive asset support and other livelihood interventions, illustrating how income protection can operate alongside measures designed to strengthen household productive capacity (Devereux et al., 2014).

In the Namibian context, the relevance of the PSNP lies in understanding how predictability, complementary support, and access to productive opportunities interact to shape household economic behaviour.

South Africa provides a different empirical pathway through the linkage between social protection, employment, and labour market participation. The Expanded Public Works Programme (EPWP) combines temporary income support with employment opportunities, work experience, and skills development. Evidence from the EPWP revealed that participation provided short-term income support while strengthening work experience and labour market attachment among vulnerable groups, including women and young people (McCord, 2012). The South African experience provides a useful basis for examining how temporary employment and labour market interventions can complement income protection where access to formal employment remains constrained.

The two cases illustrate different ways through which social protection can be connected to productive participation. However, their



transferability to Namibia is contingent on specific institutional conditions. In contrast to Ethiopia's heavily donor-supported, agrarian, rural-focused infrastructure, Namibia features a highly urbanising, dualistic economy with a tax-financed social protection system. Furthermore, unlike South Africa's highly institutionalised public works administrative system, Namibia faces severe capacity constraints in cross-ministerial implementation and coordination. Therefore, lessons from these regional case studies can be transferred to Namibia once adapted to the local context.

Research methodology and data sources

Research design and target population

This study adopted a qualitative research design and was exploratory and interpretive in nature, focusing on understanding how policymakers, programme implementers, researchers, and development practitioners perceive the role of social protection within broader development and labour market systems. The research design was further informed by the study's theoretical and empirical foundations, which collectively emphasise multidimensional and context-specific understandings of poverty, vulnerability, productivity, and human development.

The target population for this study consisted of experts and practitioners working in the fields of social protection, labour market policy, economic development, and public policy in Namibia. Given the specialised and policy-oriented nature of the study, the research interviewed ten participants, identified through purposive sampling. Sample adequacy was guided by the principle of thematic saturation, which refers to the stage at which additional interviews no longer generate substantially new concepts or insights relevant to the research objectives (Guest et al., 2006; Saunders et al., 2018).



The final sample included participants from government institutions, international organisations, civil society organisations, and academia, thereby ensuring diversity of institutional perspectives and enabling triangulation across policy, implementation, and research domains. Table 1 provides a functional breakdown of the anonymised participant profile.

Table 1: Anonymised participant profiles

Participant Code	Institutional sector	Count	Primary expertise
P-4, P-7, P-9, P-10	Government ministries	4	Social assistance, livelihoods, public policy & financing
P-1, P-2	International development organisations	2	Productive social protection, development economics, coordination & social policy
P-5	State-owned enterprises	1	Productivity, labour market, skills building & enterprise development
P-3, P-6, P-8	Independent researchers & industry experts	3	Labour-market, productivity, cost-effectiveness, private sector integration & financing

Source: Authors' own elaboration (2026).

Data collection methods

Primary data collection was executed through semi-structured, in-depth interviews conducted over a nine-month period between September 2025 and May 2026. Participant recruitment was initiated through formal electronic correspondence, followed by snowball sampling to access specific key informants within institutional networks. The average interview duration ranged between 50 and 70 minutes.

Institutional approval for the study was formally granted by the Humanities and Social Science Research Ethics Committee of the University of the Western Cape (Approval No. HS24/9/26). In compliance with strict double-blind and institutional review policies, all direct identifiers have been replaced with participant codes. Participation was strictly voluntary, backed by written informed consent.

The researchers approached this study as independent development scholars with prior academic training in regional



development and economics. To mitigate confirmation bias and minimise the risk of imposing authorial inferences over participant views, systematic reflexive journalling was maintained throughout data collection.

Data analysis

Data management and analysis were organised through ATLAS.ti and operationalised through Braun and Clarke's (2006) six-stage thematic analysis framework. Raw interview audio was transcribed verbatim, followed by initial open coding. These initial codes were inductively grouped, then matched against the deductive categories outlined in the theoretical framework to generate the final analytical themes.

To safeguard qualitative rigour, the study adopted strict criteria for qualitative trustworthiness, specifically focusing on *credibility*, *dependability*, and *confirmability*:

- Credibility was secured through participant member-checking of selected transcripts and intensive data triangulation against national policy documents (e.g. Namibia's Fifth National Development Plan).
- Dependability was maintained through a transparent audit trail documenting detailed coding logs and structural transitions from code to theme.
- Confirmability was preserved by ensuring that all presented interpretations are explicitly derived from and supported by direct, anonymised participant quotation.

*... poverty trap and liquidity constraint theories
... contend that chronic income insecurity
limits households' ability to accumulate assets
and engage in productivity-enhancing
investments.*



Results and discussion

This section presents findings from semi-structured interviews as well as complementary secondary data. The analysis examines areas of convergence and divergence across respondents and data, as well as identifying the avenues and institutional conditions through which social protection can influence productive and labour market participation.

Transfer adequacy, survivalist equilibria and productive capacity

The relationship between transfer adequacy and productivity emerged as a recurring theme throughout the accounts and literature. Respondents associated transfer adequacy with the range of economic choices available to beneficiary households. Relatively low transfers were described as contributing to a “survivalist equilibrium”, in which scarce household resources are concentrated on immediate consumption, leaving limited scope for expenditure on job search, transport, skills, health, education, or small-scale productive activity. In this interpretation, the relevant constraint is not simply low income, but the limited economic space available for planning, investment, and productive risk-taking.

As one respondent observed, beneficiaries often remain focused on short-term survival because existing transfers do not create sufficient economic space for planning, investment, or productive risk-taking. The participant explained:

The shackle of poverty is often something overlooked in the debate, that poverty has a debilitating effect, that it undermines people achieving their potential. And therefore, in the broader sense, it undermines productivity. (P-8)

These align with poverty trap and liquidity constraint theories, which contend that chronic income insecurity limits households’ ability to accumulate assets and engage in productivity-enhancing investments (Barrientos & Hulme, 2008). The analysis consequently positions transfer



adequacy as central to consumption smoothing and to the economic choices available to beneficiary households. Respondents also associated transfer inadequacy with constraints on labour mobility, entrepreneurial activity, and human-capital investment, reflecting that transfer value may influence the extent to which social assistance creates scope for productive economic choices.

Reflecting this distinction between poverty relief and productive participation, another participant observed:

The other challenge is that social protection is able to reduce poverty, but it does not eradicate poverty. It is some kind of a relief measure and those ones that are lucky are able to use that support to empower themselves and get out of the poverty trap but together with social protection you also need some more transformative interventions. (P-6)

This interpretation is consistent with international evidence demonstrating that predictable and adequate social transfers can support productive investment and labour market participation. Respondents frequently drew on Namibia's Basic Income Grant pilot in Otjivero-Omitara (2008-2009) to illustrate the potential channels through which predictable income support might influence school attendance, food security, small-scale enterprise activity, and survival-driven coping strategies. Additionally, several accounts also questioned narrow conceptions of social protection as merely redistributive expenditure. Instead, they consistently framed adequately designed social protection as a potential investment in human capital, productivity, resilience, and long-term economic participation. Across the accounts, five recurring mechanisms emerged, summarised in Table 2 below.

**Table 2: Potential mechanisms linking income protection to productive participation**

Channel	Household constraint addressed	Potential productive mechanism
Liquidity relief	Immediate resource scarcity	Creates scope for expenditure beyond subsistence, including job search and productive inputs
Risk management	Exposure to income shocks	May reduce reliance on highly defensive coping strategies and expand willingness to undertake productive activities
Human capital investment	Constraints on health, education, and skills	Strengthens capabilities relevant to labour market participation
Local demand effects	Weak household purchasing power	Supports local consumption with potential spillovers to local enterprise activity
Productive investment	Limited capital for small- to medium-scale activity	Creates scope for small- to medium-scale productive investments and self-employment

Source: Authors' own elaboration based on interview findings (2026)

Institutional fragmentation and the absence of labour market transition pathways

A dominant finding was a disconnect between income protection and the institutional mechanisms through which working-age beneficiaries access productive opportunities. Respondents broadly recognised the redistributive and protective role of Namibia's social protection system, but identified limited linkages with skills development, labour market services, enterprise support, and employment opportunities. The accounts converged around the absence of structured pathways through which income security might be converted into sustained economic participation as a central constraint.

One participant summarised this gap by asking:

Productivity in the sense that linking them to economic empowerment, right? Do you have a vocational training concept around the benefitting period? Do you have access to a credit component? During my time that I'm there and after are you providing inputs ... are there market opportunities? (P-1)

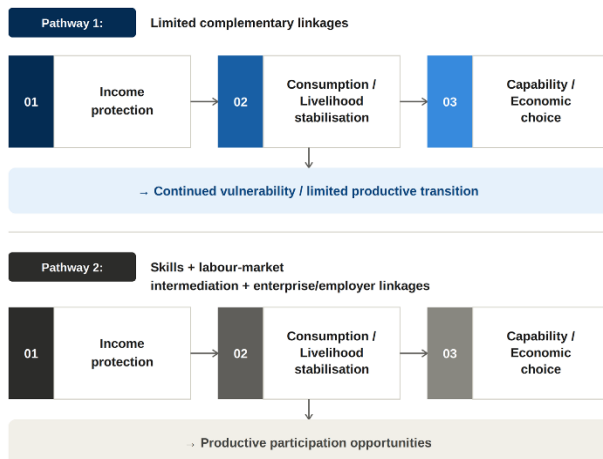
This account reflects a recurring view across several interviews where social assistance and labour market systems were perceived to operate largely in parallel, with limited institutional mechanisms



connecting working-age beneficiaries to sustained economic opportunities. This disconnect was associated with fragmentation between social assistance programmes, vocational training institutions, labour market services, and private-sector employers.

Figure 1 below illustrates how the relationship between income protection and productive participation may differ according to the presence of complementary institutional and labour market linkages.

Figure 1: Conditional pathways from income protection to productive participation



Source: Authors' own elaboration (2026)

These findings further reflect broader concerns raised in the productive social protection literature regarding the limitations of narrowly protective welfare systems in contexts of persistent unemployment and inequality (Devereux & Sabates-Wheeler, 2004). Respondents from development and labour-oriented institutions particularly emphasised that the absence of labour transition systems limits the extent to which social protection expenditure can support productive participation. This institutional fragmentation is especially significant within Namibia's broader economic context, characterised by high unemployment, labour market dualism, and limited labour absorption capacity. In such contexts, social protection systems that are



not integrated with labour market activation mechanisms may provide limited pathways from income support towards sustained economic participation.

Employment quality and the persistence of working poverty

The third finding qualifies the assumption that labour market entry does not necessarily constitute a successful transition from social protection. A distinction between employment and employment which can generate sustained improvements in household economic security was made in the accounts and the literature. Low wages and precarious employment were identified as examples through which labour market participation can coexist with poverty.

As one respondent stated:

We have so much unemployment but if we look at those employed, even the wages that they are getting is so low and that can really explain the poverty levels and the inequality. (P-6)

The distinction between labour market participation and the economic returns due to that participation is consequential because low remuneration impacts capacity to save, invest, support human-capital expenditure, or diversify household income. Employment may therefore reduce reliance on transfers without necessarily generating sufficient economic mobility to move households beyond vulnerability. This interpretation is consistent with evidence on working poverty, labour market segmentation, and job quality, which demonstrates that employment alone may be insufficient to reduce poverty where work remains insecure, low-productivity, or inadequately remunerated (Fields, 2012; ILO, 2012; 2023; Kanbur & Svejnar, 2010; OECD, 2019; Standing, 2011).

Furthermore, respondents' concerns regarding wage adequacy reflect broader debates concerning the relationship between labour productivity, wage growth, and inclusive development (Mkandawire,



2001; Rodrik, 2016). The interview data pointed to the contradiction between employment creation and persistent poverty, suggesting that labour absorption alone cannot resolve structural inequality unless accompanied by productivity-enhancing and wage-supporting economic policies and interventions. Productive inclusion is therefore assessed not only by entry into employment, but also by the quality and economic returns of that participation.

Labour and private sector productive inclusion

The theme of the final result is the limited integration between Namibia's social protection system and the private sector. Respondents identified weak collaboration between government social protection institutions and private sector employers as a major constraint to productive inclusion and labour absorption. Several accounts noted that Namibia's social protection landscape remains heavily state and donor-driven, with relatively limited involvement of employers and productive sectors in programme design and implementation. As a result, social protection interventions remain insufficiently connected to the country's broader productive economy and employment systems.

This observation introduces a demand-side dimension to productive social protection. Skills development, income support, and labour market activation may strengthen beneficiaries' capacity to participate economically, but their effectiveness ultimately depends partly on the availability of employment and productive opportunities.

Respondents' emphasis on employer engagement highlights the importance of considering labour demand alongside beneficiary-level interventions. Echoing this view, one participant indicated that productive social protection should ultimately facilitate access to decent work and sustainable livelihoods:



Talking about productivity ... you're talking about enhancing human capabilities, ensuring that there's better access to decent work opportunities, because ... the best asset that you can ever give a poor person, from where I'm standing, is a decent job opportunity, and for those ... more inclined to go their own way ... self-employment ... enterprise development ... What you want to achieve with that is to ensure that people have access to some regular income so that they can then become contributing members under the country's system. (P-5)

The interview data also pointed to wage subsidies, apprenticeships, internship programmes, workplace training partnerships, and targeted employment incentives as potential mechanisms for linking beneficiaries to labour market opportunities. In particular, temporary wage subsidy programmes were identified to reduce hiring risks for firms while enabling beneficiaries to acquire workplace experience and labour market skills.

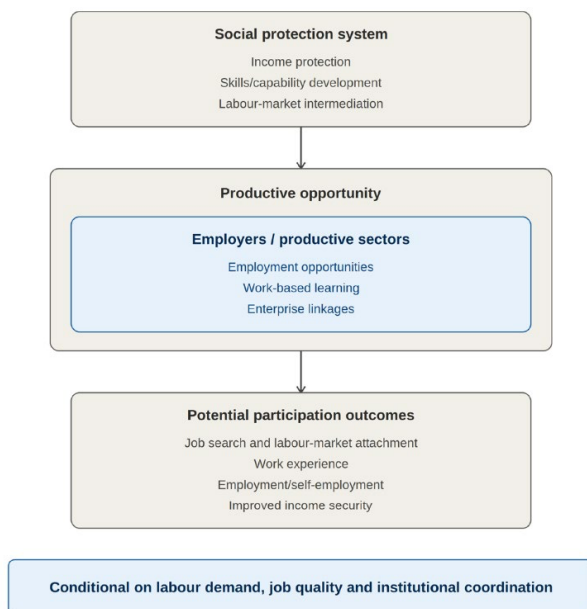
... evidence on working poverty, labour market segmentation, and job quality ... demonstrates that employment alone may be insufficient to reduce poverty.

International evidence on Active Labour Market Policies (ALMPs), support these perspectives, suggesting that employment incentives, vocational training, and subsidised work experience programmes can improve labour market outcomes when appropriately designed and linked to productive sectors (ILO, 2022; World Bank, 2019). From this perspective, the potential value of integration lies in strengthening the connection between social protection and sustained economic participation.

Figure 2 synthesises these relationships by illustrating the institutional pathways through which social protection may connect beneficiaries to productive opportunities and subsequent forms of economic participation.



Figure 2: Institutional pathways linking social protection to productive opportunities



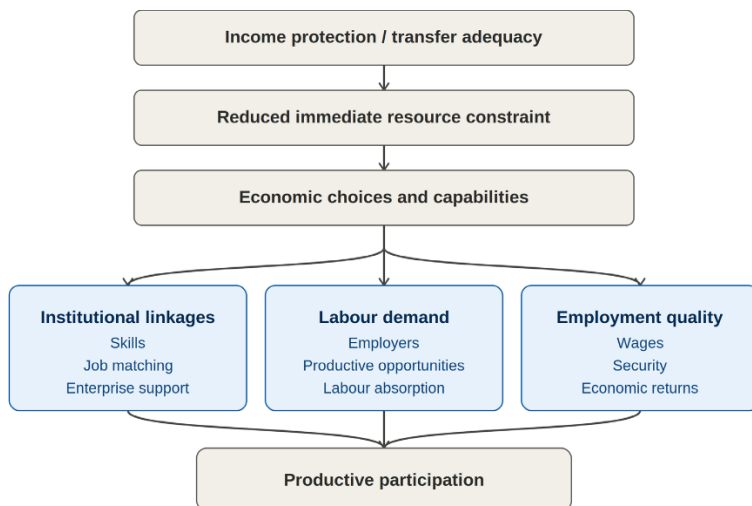
Source: Authors' own elaboration (2026) based on interview findings

Synthesis: conditions for productive social protection

Collectively, the findings indicate that productive inclusion is shaped by the interaction between household resources, institutional linkages and labour market conditions. Transfer adequacy influences the economic choices available to households and the scope for expenditure on job search, skills, and productive activity. These potential effects depend, however, on institutional pathways connecting beneficiaries to relevant opportunities. Labour market entry itself does not necessarily constitute a sustained transition where employment remains precarious or inadequately remunerated, while the availability of productive opportunities depends partly on labour demand and employer participation. These interdependencies are synthesised in Figure 3, which presents productive participation as conditional on the interaction between household resources, institutional linkages, and labour market conditions.



Figure 3: Conditional framework for productive social protection in Namibia



Source: Authors' own elaboration (2026) based on interview findings

The central finding is therefore that the productive effects of social protection are conditional. Income protection may relax immediate resource constraints and expand economic choices, but the conversion of those choices into productive participation depends on institutional linkages, labour demand and the quality of available employment. This interpretation also puts emphasis on productive social protection, which can be understood as a set of conditions through which income protection becomes connected to sustained economic participation.

Income security may create greater scope for investment in skills, job search, and productive activity, but these effects depend on complementary capabilities and opportunities.



Conclusion

This study examined how Namibia's social protection system could support productive inclusion and sustained labour market participation. The principal constraint identified is the limited mechanisms connecting income protection with skills, productive opportunities, and labour market participation. Respondents and existing evidence identified institutional fragmentation, transfer adequacy, employment quality, and limited engagement with employers as interrelated factors shaping these connections.

The findings further confirmed that productive inclusion extends beyond movement from social assistance into employment. Income security may create greater scope for investment in skills, job search, and productive activity, but these effects depend on complementary capabilities and opportunities. Similarly, labour market entry may provide limited economic mobility where employment remains precarious or inadequately remunerated. The study consequently reframes the distinction between protective and productive social protection. A consistent pattern from the data was that protection can provide a foundation for productive participation when appropriate complementary mechanisms are present.

Study limitations and future research

The findings provided by this study should be interpreted within the boundaries of its exploratory qualitative design. The specialised ten-person expert cohort provided detailed institutional and policy perspectives, but the findings are not statistically generalisable to the broader Namibian population. The study also captures productive social protection predominantly from a system-level perspective and therefore does not incorporate the lived experiences and economic decision-making of beneficiaries themselves.



A further limitation concerns the nature of the relationships identified. The study examines expert perceptions of the avenues through which social protection may influence productive and labour market participation. However, it does not estimate the causal effects of transfers, skills interventions, or labour market programmes on employment, earnings, or productivity. The proposed relationships should therefore be interpreted as empirically informed pathways for further investigation and not measured programme impacts.

Future research could test these relationships using household-level quantitative data and programme evaluations, including analysis of how transfer adequacy influences labour market behaviour, productive investment, and household livelihoods. Beneficiary-level qualitative research could further examine how recipients experience the constraints and opportunities identified by institutional actors, while localised evaluations of labour market activation initiatives could assess how these mechanisms vary across Namibian regions and labour market contexts.

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