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Informal social protection: Social relations and cash transfers

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The principal authors of this research report are Rebecca Calder and Tom Tanhchareun.

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For further information, contact:
Department of Foreign Affairs and Trade
R.G. Casey Building
John McEwen Crescent
Barton ACT 0221 Australia
+61 2 6261 1111
www.dfat.gov.au

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Rebecca Calder and Tom Tanhchareun

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Abbreviations

AusAID	Australian Agency for International Development (now the Department of Foreign Affairs and Trade)
DFAT	Department of Foreign Affairs and Trade
DFID	Department for International Development
ESCAP	Economic and Social Commission for Asia and the Pacific
FSP	Formal social protection
IFPRI	International Food Policy Research Institute
ISP	Informal social protection
ODI	Overseas Development Institute
OSSREA	Organization for Social Science Research in Eastern and Southern Africa
SFSP	Semi-formal social protection
VFG	Vulnerable Family Grant

Executive summary

Informal social protection (ISP) is structured by social relations. Care and support is provided to family, community and group members through social structures and social networks.

While an essential part of all societies, ISP does not always support or protect. It tends to exclude certain groups of people or include them on unequal terms. It is inadequate in dealing with covariate shocks. And it is often those with the least resources who are least able to rely on others for ISP in times of need.

In the face of change, ISP is increasingly unable to protect the poor and vulnerable. Pressures include: widespread poverty and growing inequality; covariate shocks; increasing integration into cash economies and demographic transitions; and shifting values and norms.

Formal social protection (FSP) has a unique and increasingly important role to play alongside ISP. FSP can address shortcomings in ISP because it can distribute resources according to needs, rights, and citizenship, without requiring reciprocation. FSP can also plug the holes in ISP and bolster ISP systems when they are under stress.

Contrary to popular opinion, FSP does not generally crowd out local systems of support. Where it does, this is not necessarily negative, as it may make ISP relations based on patronage and structural inequality less essential for the survival of the poor. Indeed, FSP can enable poor individuals to build their social capital and increase access to ISP networks.

Not all FSP has a positive effect on ISP. FSP's impact depends on its design and on social context. It can reinforce ISP if the distribution of resources through a FSP program is seen to be fair according to local norms and values—as with many categorical schemes. By contrast, many poverty targeted programs have undermined ISP by creating stigma and social tensions.

This study defines social protection as the set of public and private cash and in-kind transfers deemed necessary in a polity or society to smooth consumption and protect individuals from destitution. It identifies three broad categories of ISP:

1. *Sharing and helping between family, close kin and immediate neighbours (often one and the same).* This includes, for example, collecting water for a neighbour, borrowing small amounts of money or food, paying school fees or medical costs for a relative's child, paying for house repairs for a relative after a storm, and acts of caring in response to major events and crises.
2. *Informal cooperation and mutual assistance aimed at production and livelihood practices.* In South Asia and Africa, for example, this commonly includes practices of labour exchange, work parties, share cropping and even oxen sharing. Mamo notes that these practices among the *Arsii* in Ethiopia are generally negotiable, balanced and built on pooling endowments 'into a complete operational unit' (2013, p. 23). Rotating money pooling and/or rotating savings and credit associations fall into this category, as do more asymmetrical reciprocal arrangements, such as patron—client relations.
3. *Largely kinship-based, traditional solidarity events or rituals to support major life transitions and crises.* This includes funerals, weddings and baptisms. It also includes community-based associations formed for risk pooling around major life-course events, such as burial or funeral associations.

The literature makes two main distinctions between ISP and FSP, which require challenging. These are:

1. FSP is guided by economic and social principles and ISP by religious and cultural principles, as well as community and family values. This distinction ignores that ISP is embedded in social relations, which are, in turn, guided by social, cultural and religious principles, as well as community values and norms. ISP is guided by economic principles of exchange and redistribution that need to be understood in the context of the informal economy. Further,

it is also ahistoric and apolitical to suggest that FSP is not guided by social, religious and cultural principles, as well as community and family values.

2. Unlike ISP systems, FSP has institutional arrangements, rules, regulations and accountability mechanisms. Although ISP is not guided by formal legal regulations, it is indisputably characterised by complex, well-developed and sometimes highly formalised institutional arrangements.

ISP and FSP diverge in the type of institutional arrangements characterising each. FSP is characterised by citizen—state relations, while ISP is based on individual and collective arrangements that fall outside these systems. Institutional arrangements characterising ISP are personal and private. Whereas ISP is based on mutuality, FSP is only mutual to the extent it is based on the social contract between states and citizens. One caveat is that in many countries, local social dynamics powerfully shape the delivery of ostensibly state-provided benefits—formal and informal are both competing and reinforcing systems.

Identifying and understanding ISP systems and examining the complementary linkages between formal and informal systems is essential to design effective and sustainable social protection programs based on local capacity and social values. Understanding ISP is critical for four main reasons:

1. Because ISP does not protect everyone, nor everyone equally, understanding how social relations work to exclude some, include others on adverse terms, and protect others is critical to designing and implementing FSP policies and programs that address asymmetrical and unequal relations that keep some people poor and excluded.
2. The main aim of FSP is to address poverty and vulnerability. This cannot be achieved effectively without understanding the nature of social relations, social networks and social structures in different contexts. When is ISP able to support those with few resources and when is it unable to provide a safety net? Answering these questions is critical if FSP systems are to reinforce, not undermine, the functioning of local systems of support and fill gaps in informal safety nets.
3. FSP policy intentions are filtered through local dynamics during implementation. Understanding the values and norms underpinning ISP systems is critical in designing and implementing FSP systems that are locally acceptable and will not negatively affect social relations. This includes understanding the concepts of mutuality and generosity that underpin reciprocal resource sharing, as well as the values of communality and accountability that underpin redistributive resource sharing. Communities have distinct notions of justice, which include identifying those who deserve support. This affects how FSP benefits will be received and perceived and, ultimately, how effective they are in addressing poverty and vulnerability.
4. ISP systems are under stress and increasingly unable to protect the most vulnerable and those requiring support. Four trends contribute to this:
 - > **Widespread poverty and growing inequality.** People's ability to maintain networks is constrained by available resources. This limits the effectiveness of reciprocity as a risk-pooling mechanism and can shift more egalitarian systems of ISP to systems characterised by patronage and asymmetry.
 - > **An increasing number of covariate shocks.** When shocks affect all or most members of a relatively homogenous network, ISP is unlikely to be effective because community members are less able to help one another. Where networks are homogeneous, all community members find themselves affected by the same event and are therefore less able to help each other. This also means that the better off are more likely to withstand a covariate shock than the poor, as they have more resources at their disposal and incur a smaller erosion of their assets' status proportionately than the poor.
 - > **Monetisation, urbanisation and migration.** The rise of cash-based markets, rural —urban migration and urbanisation comprise significant drivers of change in ISP networks and structures. This includes a widening gap between those operating in the cash economy and those depending on traditional subsistence activities, most starkly characterised by urban migrants and their rural kin. Linked to transitions to a

cash-based economy are demographic transitions. These transitions can pressure informal inter-generational care arrangements, for example where a smaller number of children will have to provide old-age support to a growing population of older people.

- > **Shifting values and norms.** The incursion of other social philosophies is eroding traditional value systems. The values of obligation, reciprocity and redistribution that characterise flourishing systems of ISP can become patronage, cronyism and corruption when translated from village society to a modern economy. The rise of indebtedness and consumption borrowing is testimony to increasing vulnerability and shifting value systems. The two are indelibly linked.

These pressures make it even more important for FSP to be designed so it supports strengths and addresses weaknesses in informal systems of support.

If done well, FSP can support rather than undermine the positive aspects of ISP systems. There are two steps in making FSP more sensitive to local systems of protection and support. The first is to conduct robust social analysis to understand the nature of local ISP systems. The second is to design and implement FSP systems based on this understanding. This enables policy makers and practitioners to anticipate which policy choices and design features will likely disrupt supportive social relations and which will likely reinforce them. It also enables policy makers and practitioners to anticipate the policies and programs that will most likely address the weaknesses in ISP systems, both those that are inherent and those that have been brought on by external stressors.

A number of design features can have an impact on social relations, including benefit value, length and regularity of provision, conditionality and targeting. The impact of conditions and targeting are the most debated and best documented.¹ This study focuses on targeting.

Social networks already support those seen as deserving based on local notions of fairness and justice. Because of this, categorically targeted programs, such as old age pensions, child grants and disability allowances, are often acceptable at local level. By contrast, poverty targeting is more likely to damage social networks because it can create jealousy or stigma towards recipients and because it often relies on methods unintelligible to recipients, who may perceive it as random and unfair. Indeed, international evidence suggests poverty targeting can cause conflicts in communities when some people are chosen and others are not.² Central to the problem is that many poor people eligible for programs are excluded on the basis of poverty targeting. Social conflict has been observed with proxy means testing and community-based targeting.³

Good social relations are a key asset of the poor. Serious reflection is needed on whether the benefits of poverty targeting outweigh the costs if damage is being done to social capital. Where FSP undermines social capital, ISP can be crowded out. In general, however, evidence suggests that new resources are additive and may prevent informal systems from breaking down. They can also help improve reciprocity in families and communities (Hofmann et al. 2008; Calder and Nakafeero 2012). In other words, it appears that poverty targeting—not transfers themselves—can undermine ISP.

1 There is significant debate on whether conditions are empowering for women—enabling them to challenge traditional gendered roles and responsibilities and increase their bargaining power within the household—or disempowering for women—reinforcing inequalities. For example: Molyneux (2006); Luttrell and Moser (2004); Martinelli and Parker (2003); Adato and Mindek (2000); Schuring (2010).

2 Cf. Adato (2000); Adato et al. (2000); Adato and Roopnaraine (2004); Hannigan (2010).

3 Cf. Adato (2000); Adato et al. (2000); Adato and Roopnaraine (2004) (2010).

Where societies are more equal and more egalitarian, and where poverty targeting is imposed, it is common to hear members exclaim: 'We are all poor here!' (Ellis 2012). This has been heard in African, Mexican, Indonesian and Nicaraguan communities.⁴ In Malawi, for example, a community argued: 'We are one group of people therefore targeting some and leaving out others is not right.' (Mgomezulu 2008, p. 73). As a result of communal and egalitarian social norms, it is not uncommon for cash and in-kind transfers to simply be redistributed through social networks. This is attributed to the desire to maintain smooth intra-community relations (McCord 2013), which depend on normative behaviour.

Contrary to what much of the literature refers to as the breakdown of ISP, evidence suggests that this form of social protection has never been adequate in providing sufficiently for all members of society. It has, however, been a critically important form of support for many. As ISP systems come under increasing stress, and FSP systems are introduced to new contexts, it is critical to better understand and learn from ISP systems, and design FSP systems so they build on local systems' strengths and address their weaknesses.

⁴ Kidd (1999); Adato (2000); Adato et al. (2000); Mgomezulu (2008:73f); Huber et al. (2009:49); Ellis (2008); Hannigan (2011).

Introduction

Social protection programs in developing countries are delivered against the backdrop of a complex and vibrant social fabric. Despite universal recognition that social context mediates the impact of policies and programs, local social institutions are often ignored and much misunderstood in the field of social protection. Yet in some instances, informal social institutions serve a similar function to that of formal social protection (FSP). This is referred to broadly as informal social protection (ISP). Recent decades have seen increasing social change in developing countries and ISP has been stretched by new challenges, most recently the 2008–09 global food, fuel and financial crisis (Slater and Holmes 2012).

ISP is an evocative—and provocative—subject. Discourse is laden with stereotypes, misconceptions, received wisdom and ideologies. Although careful analysis of the existing and changing nature of the social fabric is critical, analysis is often coloured by scholars' own predilections. One driver of bias is, as Devereux and Getu note in the case of African countries, a '... romanticised view of reciprocity and solidarity among African communities dating back to the pre-colonial past.' (2013, p. 285). Such accounts contrast a golden past with a grim present in which communities are abandoning their traditions for the convenience of individualism and in which a retreat to the nuclear family is in full swing.

These views find resonance with policy discourse on social capital, which has asserted that poor people, while lacking material assets, can generally call on close relations with family, neighbours, and friends as a form of social security.⁵ The World Bank suggests that social capital generated by families is:

... used among the poor to insure themselves against shocks such as bad health, inclement weather, or government cutbacks and to pool their resources, such as food, credit, or childcare. In addition to enabling poor people to start up small enterprises and increase their income, informal relationships often mean the difference between day-to-day survival and despair. (World Bank 2003)

However, a number of detailed studies dispute this normative view of the social family and illustrate the patchy, uneven, negotiated, and often constraining nature of close social relationships. Cleaver (2005, p. 895), for example, writes that:

... the poorest experience clusters of interlocking disadvantage that make it highly unlikely that they can draw on social capital to ameliorate their poverty, or that increased association and participation at community level is necessarily beneficial to them.

Moreover, social relationships, collective action and local institutions may structurally reproduce the exclusion of the poorest.

Another piece of received wisdom is that the introduction of FSP mechanically crowds out ISP. In this view, FSP hastens or causes the demise of ISP. This work makes no reference to the rich anthropological and development research which shows that FSP in the form of cash is critical to generative social relations, crowding in support. As Mamo (2013) puts it, 'giving is saving'. The idea of crowding out also stems from scepticism of the state's ability—indeed responsibility—to provide social protection for its citizens and the view that communities know best. The idea is yet to be dislodged from policy discourse (for example, Deb et al. 2008; Aggrey 2013; Brown et al. 2013), despite abundant evidence to the contrary.

Another strand of discussion on social protection is characterised by suspicion of what is seen as an overly formalised, Western approach and recognition that ISP can make a valuable contribution alongside that of FSP. These accounts emphasise the patchy and

⁵ For example, Woolcock 2000, pp. 2–3.

inadequate nature of FSP systems in developing countries and the difficulty that they have in identifying and reaching the poor. Mamo (2013, p. 9) notes the renewed interest in traditional social protection institutions in Africa to use these institutions and values to promote social solidarity and social cohesion in an attempt to fight against diverse sources of vulnerability and uncertainty. Indeed, of late a number of academics and practitioners have called on policy makers to build on ISP in designing social protection policy (for example, Devereux and Getu 2012; Muiruri 2013; Slater and Homes 2012).

This study sets out to properly understand ISP arrangements, acknowledge the cultural basis of traditional social protection systems, and better understand the potential for complementarity between formal and informal systems. Identifying and understanding ISP systems and highlighting the potential linkages between formal and informal systems will facilitate the design of effective, sustainable social protection programs based on local capacity and social values.

To that end, this study has two objectives. First, it undertakes a preliminary assessment of how effective informal mechanisms are in providing social protection to the poor and vulnerable. Second, it draws together evidence on how ISP interacts with FSP to move beyond simplistic notions of FSP crowding out ISP, or weakly evidenced calls for FSP to build on ISP. As such, this analysis is based on a broader account of how FSP interacts with social dynamics.

It was not possible to review all literature across the disciplines and geographies relevant for a global study of ISP and its relationship with FSP. The study therefore elects to focus on a number of areas.

For the discussion of social relations the focus is primarily on South Asia, South East Asia and the Pacific, drawing heavily on examples from Bangladesh, Fiji and Indonesia. Rich literature exists on social relations in these countries, and the authors are familiar with them. This selection also corresponds with the geographical focus of Australia's aid program. The analysis of the interaction of ISP and FSP is drawn primarily on literature from Africa because evidence from elsewhere is relatively scant.

The study focuses on more informal ISP systems, particularly those embedded in notions of family and community care and support. It touches less on the semi-formal end of the spectrum, often referred to as community-based social protection, as there is a distinct gap in the literature focusing on the importance of social relations in understanding ISP systems and their interaction with FSP. The other reason is that more informal practices are more susceptible to shifts due to FSP and other influences. As a result, however, the study only touches briefly on the vast subject of semi-formal social protection related to faith-based organisations.

Finally, in discussing FSP, the focus is on state-based rather than market-based systems, looking at social assistance rather than social insurance. The reason for this is two-fold. First, there is very little research on the interaction between market-based systems of protection and social relations, whereas some literature examines the interaction between social assistance and ISP. Second, the nature of employment in most developing countries makes a discussion of social assistance more relevant than a discussion of social insurance.

The paper begins in Chapter 1 with a discussion of ISP, social relations, agency, and a range of other relevant concepts from social science, outlining the authors' analytical approach to ISP. Chapter 2 explores the ways in which those relations are structured and identifies a 'fluid' typology for ISP. An approach for assessing the effectiveness of ISP, which builds on local conceptualisations of ISP as emerging from social relations, is proposed in Chapter 3, to provide a deeper understanding of what can be expected from ISP. Building on this, Chapter 4 looks at ISP in a changing world, explores how and why social relations are changing and what this means for ISP effectiveness. Chapter 5 examines ISP in relation to semi-formal social protection and FSP. The comparison of informal, semi-formal and formal social protection lays the foundations for the discussion in Chapter 6 of how FSP influences ISP, and how FSP effectiveness is mediated by social relations.

1. Informal social protection, social relations and agency

... man's economy, as a rule, is submerged in his social relationships.
(Polanyi 2001, p. 48)

This chapter situates ISP in relation to relevant concepts from social science. It establishes the central role of social relations in shaping ISP and explores the key concepts used to analyse these. It also demonstrates the iterative relationship between agency and norms within social relations. Far from the rosy picture that some literature depicts, social relations can be simultaneously supportive and burdensome. Even social relations that provide ISP can be deeply unequal and characterised by adverse incorporation.

Reciprocity and sharing

Anthropologists distinguish between generalised and balanced reciprocity, similar to the common distinction between sharing and reciprocity. Generalised reciprocity refers to social relations and expectations built on the norms of mutuality and altruism, with the implicit assumption of future return. Balanced reciprocity refers to direct exchange. This may range from a perfect or precise balance, 'simultaneous exchange of the same type of goods to the same amount' to loosely balanced exchange which 'stipulates returns of commensurate worth or utility within a finite and narrow period' (Sahlins 1968, pp. 147–8). In reality, this continuum ranges from the purely altruistic based on love, to highly calculated and balanced exchanges.

Another common distinction is between voluntary sharing and demand sharing. Voluntary sharing is defined as sharing undertaken on the giver's initiative, whereas demand sharing is characterised by the receiver's initiative. Kidd (1999) notes that while voluntary sharing usually constitutes love and sociable relations, demand sharing can provoke discomfort and exacerbate divisions between people. While some practices of sharing and giving may tend towards the demand or voluntary ends of the spectrum, in many instances it is difficult, if not impossible, for actor or researcher to distinguish between the two types, or the deep subconscious feelings and sense of obligation motivating them.

Along with voluntary and demand sharing, some authors add a third category—rules-based sharing (Kishigami 2004). This occurs when all parties participate in the fulfilment of well-established, mutually understood explicit norms and practices, as part of a broader system of exchange and support. This includes various elements of asking (demand) and spontaneous sharing (voluntary). Examples include the baptisms described by Vuarin (1993) in Mali and funerals in Fiji where ceremonial gifts of *yaqona* (or *kava*, a root made into a narcotic drink), *tabua* (whale teeth), mats and *masi* (finely woven bark from the mulberry tree) are given (Calder 2013). Even in less ritualised practices, it is difficult to untangle voluntary and demand elements. In Fiji, for example, people explained how a trip to a market or to a plantation often prompted friends to drop by for a social call, where comments on goods purchased or harvested would stimulate sharing behaviour.

Agency and social capital

Social capital refers to processes between people that establish networks, norms and social trust, as well as facilitate coordination and cooperation for mutual benefit, that are informed by long-standing values of solidarity and mutuality (Adato and Hoddinott 2008). ISP and social capital are different conceptual lenses for looking at what is produced through social relations. They are also mutually reinforcing aspects of social relations: having social capital enables a person to access ISP, and ISP generates social capital.

A social capital lens focuses on the importance of agency in analysing ISP. While all sharing is to some extent conditioned by institutions (such as the norms of reciprocity examined earlier), it is also subject to individual agency. This is what Vuarin (1993) and Cleaver (2005) allude to when they write of the need to balance social determinism with individual will and agency. A wide range of evidence suggests that people recognise the need to actively maintain their social networks by giving, as this is an expression of the shared values of selflessness and neighbourliness. It also keeps social networks alive. Research suggests, however, that private transfers of income and in-kind services within family and community cannot be explained by simple models of altruism (for example, Cox 1987; Altonji et al. 1997 in Deb et al. 2008). People are also aware that continuously violating pro-social norms will eventually irrevocably damage social and economic relations, although this does not mean people always self-consciously invest in social networks.

Similarly, social capital literature has established that social capital grows through use and deteriorates with disuse (Coleman 1988; Ostrom 1990 in Huda et al. 2008). However, as Cleaver (2005) argues, if one constantly draws on social capital without reciprocating, then social capital is stretched thin, eventually beyond breaking point. Social capital can thus be compared to a well: while it will stagnate if not used, if it is overused—that is, if excessive unreciprocated demands are made of relations, friends and neighbours—it will dry up.

However, people's agency is constrained by status, age, and gender, as well as by available resources, which determine ability to maintain networks. This limits the effectiveness of reciprocity as a risk-pooling mechanism. Harris (2006), Platteau (1991) and Scott (1976) all refer to systems of reciprocal assistance that can be called down in times of need, with Harris referring to reciprocity as 'a small society's bank' (p. 285). However, those with insufficient resources to maintain networks are unlikely to benefit. This applies equally at family and household levels. Indeed, poverty is described across a number of cultures as 'having no one'. In Uganda, for example, recipients of the Senior Citizens' Grant spoke about how their grandchildren now come to visit and help them in the house because they can afford to buy sugar for tea (Calder and Nakafeero 2012).

Discussions of social capital also bring to the fore the unequal nature of social relations, in distinguishing between horizontal social capital (the relations between those in similar socio-economic situations) and vertical social capital (relations between those of different socio-economic standing). For example, Gardner and Ahmed argue that:

... in rural Bangladesh, informal social protection is carried out through patron client relations, in which better-off patrons provide "help" for their poorer clients, but in doing so are in a structural position of power over them.' (2009, p. 125)

Even where ISP occurs, the social relations in question can be characterised by adverse incorporation and deep power inequalities.

The two interviews in Box 1 (excerpts from interviews on two separate days) were held with an *iTaukei* (ethnic Fijian) woman in a remote rural village in Fiji. They illustrate the importance of mutuality, maintaining networks, rational calculation, and the fact that people 'like, love or loathe one another—and therefore associate together or avoid each other—for reasons that lie outside the domain of rational calculation' (Field 2008, p. 31), and beyond the bounds of normative kinship relations. They also illustrate the difficulties with dichotomous categorisations, highlighting the more nuanced norms and values, as well as the calculations (in the second interview) underpinning ISP.

Box 1—Discussions on helping in Fiji

Interview 1

Researcher: I've just been speaking with Tokasa [points to house across the path]. She mentioned how much help that you give her, and how important this is to her.

Respondent: Yes, I often help her.

Researcher: There are many needy old women in this village. Do you help them all in the same way as you help Tokasa?

Respondent: No, I don't. I help Tokasa more.

Researcher: Why is that?

Respondent: She is an old woman, and she is on her own.

Researcher: But there are also other old women on their own here ...?

Respondent: Her mother and my grandmother are from the same island. They are distantly related.

Researcher: Do you have other maternal relatives here in the village?

Respondent: Yes, the old woman who lives over there is my grandmother's cousin.

Researcher: She is also alone, yes?

Respondent: Yes.

Researcher: So do you also help her?

Respondent: Sometimes, if she asks.

Researcher: Why do you help Tokasa more?

Respondent: We have a loving relationship. I am very close to her.

Interview 2

Two days before the October Methodist bazaar, four people from the *vanua* [an inter-related social group made up of a number of clans who share a social, physical and cultural environment] came to ask us [she and her husband] for loans. One asked for \$190, one for \$100 and two for \$50.

We decided to lend the \$190 because this family had helped us extensively in our plantation, as well as in building the shop. When my husband was in the Catholic mission training as a carpenter and working, this family had helped me with the farm. No others had really helped, not even the *mataqali* (clan). There was a maternal link with this family too. We also knew that they had the ability to pay, as we had helped them to buy watermelon seedlings, which were now almost ready to harvest. The harvest would enable the family to pay back the debt.

A very poor family asked for \$50 and though they are very vulnerable we refused. This is because they had little ability to pay the loan, and because they are constantly in debt, despite \$90 cash and \$30 food stamps from social welfare every month.

One of the families who asked for \$100 the next day secured this from elsewhere, so they came back and asked for a smaller loan, just \$20, which we gave to them, as they offered their cow as a retainer.

For the final request of \$50, we refused, as we had no more ready cash.

Constructing social relations

Analysis of ISP must balance a socialised view with an individual agency view. While norms are important, people are constantly and actively constructing and renegotiating their networks, for rational and emotional reasons. This essentially dissolves the distinction between altruistic exchange (the gift) and selfish contracts (commodities) (Mauss 1925), thus revealing ‘universal principles of mutual obligation and social integration’ (Hart and Hann 2011, p. 14). In other words, individuals balance agency with duty as prescribed by social norms in the practice of ISP.⁶ This balance is critical and can be upset by rapid, sudden and extreme change.

Gardner and Ahmed (2009, p. 137) describe how individuals construct kinship bonds to exploit the obligations that come with these relationships to ‘care for one’s own poor’, as illustrated in this quote from a permanent labourer in Bangladesh:

My salary is not fixed, but I receive about 20,000 *taka* a year. Whenever I need help from my employers, I get it from them. I never ask about my salary. When I was first working here I used to get about 8 to 10,000 *taka*, but over time my wages have gone up. So I don’t bargain. It is up to the employers to fix the rate. If I want to go back to *Golopganj*, I can go, but first I have to make sure that there’s someone to look after Mama (that is, Uncle) Assador’s house, as I can’t leave it empty. Sometimes I help in the telephone shop owned by him. Uncle got married in *Golopganj* recently, so he’s now my kin. (Gardner and Ahmed 2009, p. 142)

Parallels were found in rural communities in Fiji where proximity to one’s clan (*mataqali*) and to one’s maternal relatives (*vasu*) is an important means of accessing ISP. Women who had married into the village were seen as more vulnerable, because members of their clan were far away and their husband’s clan members were not as willing to provide assistance to ‘unrelated women’. This can be mitigated to some extent when people find maternal links within the village, which they actively aim to do. As seen with *Tokasa* in Box 1, even links several generations old—through blood, common geographical origin, or both—were identified and amplified to create social obligations of care and assistance (Calder 2013).

Many discussions of social protection emphasise social capital as something people consciously ‘invest in’ to ‘call down’ in times of need. Ostrom and Ahn (2003), for example, conceive of people as social entrepreneurs—actors consciously investing in relationships of trust and the creation of norms in anticipation of reciprocity and tangible benefits. Ellis (2000) writes that through such relationships assets can be transformed and traded, and livelihoods strategically constructed. This does not mean, however, that this more conscious creation of social capital relations is not firmly embedded within local values and norms. Caring for ‘our poor’ and ‘our own’ are strongly held social norms. They are so important that in Bangladesh people create fictive kinship relations between patrons and clients as well as between employers and employees (Gardner and Ahmed 2009). In Fiji people amplify kinships bonds between those distantly related (Calder 2013).

Norms and values concerning caring for and sharing with ‘our own’ and ‘our poor’ are also informed by, and interact with, religious and cultural norms. Religious injunctions and impulses for charity, tithing, *zakat*, alms, and the like have significant moral and historical influence on social norms and practices. While beyond the scope of this study, the semi-formal social protection system of *zakat* is discussed in Chapter 5, when the paper looks at ISP in relation to semi-formal social protection.

⁶ Coleman (1988) discusses this tension between rational economic theory and a more human and collective view of social capital.

Concluding remarks

This chapter has emphasised the interplay between social relations, the values and norms within them, and individual action. This sets the scene for the discussion in Chapter 2 of how social institutions are contested and social structures negotiated. This chapter has also highlighted the simultaneously supportive and burdensome character of close relationships and social norms of assistance. ISP is not always symmetrical, balanced or pro-social. It often occurs in contexts of stark inequality. And it is often those with the least who are also least able to maintain social networks and thereby rely on others in times of need.

2. Institutional forms of ISP

... practices and meanings are simultaneously agentive and structuring.
(Huijsmans 2013, p. 1898)

Chapter 1 established the importance of understanding social relations in analysing ISP. This chapter explores the ways in which those relations are structured. Recognising that these are not hard and fast categories, a range of institutional forms of ISP are identified. While many institutional structures supporting ISP are, generally speaking, common to all societies, such as families and kinship groups, social relations are context specific. This chapter uses migration to examine particular traits of ISP in context.

Structures and norms

Although the paper argues that often ISP is more a by-product of social relations rather than a conscious goal, social relations in small-scale societies are to some extent structured to provide mutual aid and support to members. The social norms that do so tend to endure. Social relations are structured through social networks and social organisations of family, kin, friends and neighbours. ISP in its most personal form includes sharing and mutual and reciprocal support, some ritualised in practice. Close family members deal with relatively less severe but recurrent everyday challenges that are beyond the capacity of individuals or families. The importance of these family and close kinship relations is illustrated through the example of *kerekere* in Fiji (Box 2).

However, structures and practices often diverge from norms and values. The description in Box 2 reflects an ideal reality: the professed norms to which respondents aspire. While the values of sharing and caring are still very important in Fijian culture, the behaviours related to these values are increasingly contested. Huda and Calder's research illustrates this:

Although meant to be an informal safety net that ensures a basic level of security for vulnerable *iTaukei* [ethnic Fijian] family members, *kerekere* (the borrowing of small items) is increasingly seen by many as a constraint and drain on household resources. While many of the poor and vulnerable depend on it as a coping strategy to overcome day-to-day shortages, others feel that *kerekere* is an irritating and increasing burden. In focus group discussions, respondents generally expressed that "continuous asking" from families was becoming a nuisance, and was used as a means to satisfy "wants" rather than "needs". As one respondent in *Vorovoro* claimed, "people should learn to drink tea without sugar if they do not have it." (2014, p. 22)

The perception of thick bonds of obligation and support as burdensome, while perhaps not entirely new, appears to be becoming more widespread. The reasons for this relate to the range of contextual changes discussed in Chapter 4.

Box 2— Social structures and the practice of *kerekere* in Fiji

Informal social protection mechanisms are deeply embedded in extended kinship or clan-based Pacific societies and every component of social life has a role in social protection (Ratuva 2005). These societies share features of lineage systems of inheritance, communal rather than individual land ownership, the power of chiefs or elders to allocate or reallocate land, a powerful sense of social belonging and obligation (in extended kinship groups), ceremonial gift-giving as an integral part of this obligation, and redistribution of gifts so no community member lacks food or basic needs (Fukuyama 2008).

Vakavanua, which means ‘the Fijian way’, is a complex system of social relations, with the values of sharing and caring at its heart. The values are embodied in the idealised terms *veivukei* (offering a helping hand), *yalo solisoli* (generosity), *veinanumi* (being considerate), *veilomani* (being loving and friendly with one another), *duavata* (togetherness) or *yalovata* (being of the same spirit) (Mohanty 2011; Seguta 1986).

Fijian socio-cultural life is traditionally organised around a number of social groupings related to each other through kinship and political allegiance. The most basic social group is the nuclear family (*vuvale*). A number of *vuvale* makes up an extended family grouping called the *tokatoka*, and a number of *tokatoka* constitutes a *mataqali* (clan). A number of *mataqali* make up a *yavusa*. In their totality all of these make up the *vanua*. The *vanua* is simultaneously land as a socio-economic entity that is used for sustenance, the various levels of socio-cultural relations explained earlier, and the cosmological complex linking communal social relations to the ancestral world. Tuwere describes the *vanua* as a ‘connective and relational Indigenous Fijian worldview and complex set of rules to live by’ (2002, p. 36). The matrilineal link (*vasu*) also plays an important role in socio-cultural relations, particularly with community collections and ceremonies. Together, these patrilineal and matrilineal kinship networks, called *viewekani*, exist as a network of ISP where individuals and families are looked after by other members of the network in times of need.

Ratuva (2005) lists a range of Fijian informal social protection mechanisms provided by *viewekani*, including *kerekere* (asking for aid based on reciprocity). *Kerekere* needs to be understood in relation to the whole kinship ethic and values of reciprocity shared by Indigenous Fijians (the *vanua*). The *vanua* as a social grouping prioritises maintaining and strengthening kinship ties and therefore social solidarity, as well as social and economic security.

Kerekere, which means ‘to request’, is used to ask fellow villagers, relatives or neighbours for goods or services to satisfy basic socio-economic needs or to fulfil certain social obligations. Goods and services asked for range from taro and tobacco to be immediately consumed, *yaqona* (kava root) to present at a funeral ceremony, labour to make a garden, money to pay for school fees, or pigs for a son’s or daughter’s 21st birthday (Ratuva 2005; Mohanty 2011; Calder 2013).

According to Mohanty (2011), the *kerekere* system has these socio-cultural and socio-economic functions:

- > sustaining those in need of basic necessities such as food and sometimes shelter
- > sharing and distributing surplus goods to ensure they do not accumulate within a family (there was, and in places with no electrification still is, an understandable logic in ensuring that perishable goods were consumed immediately)
- > ensuring self-sufficiency.

Importantly, *kerekere* also helps to maintain mutual relations within kin groups and communities. Because denying *kerekere* requests for goods or services may mean denial of requests of those who have refused to give, and thus access to the kinship solidarity that affords a safety net to meet needs, they are not likely to be refused. The reciprocal nature of *kerekere* is a potential safeguard against tensions. If an individual or group *kerekere* to non-kin, this is considered *madua* (shameful), so ensuring the locus of requesting and giving is within the kinship also ensures maintenance of social solidarity within the group.

Informal social protection: a proposed typology

Several classifications have been developed of the different forms of ISP.⁷ Most focus on the social institutional structures that provide ISP. For example, the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) suggests a tripartite typology of ISP, linking the first two to generalised reciprocity and balanced reciprocity respectively (2001, p. 45; Mamo 2013):

1. Informal social security entitlements offered by traditional solidarity (such as support payments, gifts, dowries and bequests, which are all based on generalised reciprocity).
2. Indigenous self-help (such as burial funds, savings clubs and community support, which are all based on balanced reciprocity).
3. Modern self-help, which can be initiated by external actors such as cooperatives, trade unions, charities or non-government organisations, and more indigenously formed self-help groups, such as farmers' organisations and religious groups.

The first two categories of ESCAP's typology fall within ISP, as institutions are locally developed, rely on family or community networks and have a strong element of reciprocity. However, ESCAP's typology insufficiently captures the everyday nature of much ISP, which is located in and shaped by institutions like household and family. The category of 'modern self-help' is better characterised as semi-formal social protection (discussed in Chapter 5). It should perhaps not be seen as entirely modern, since religious forms of ISP have, in many cases, stretched back for centuries.

This study defines three broad categories of ISP, according to the institutional arrangements that characterise them. These should be seen as non-discrete and interlocking. They range from small, frequent and relatively private informal transfers to increasingly large, less frequent and relatively public informal mechanisms.

1. *Sharing and helping between family, close kin and immediate neighbours (often one and the same).* This includes, for example, collecting water for a neighbour, borrowing small amounts of money or food, paying school fees or medical costs for a relative's child, paying for house repairs for a relative after a storm, or performing acts of caring in response to major events and crises.
2. *Informal cooperation and mutual assistance aimed at production and livelihood practices.* In South Asia and Africa, for example, this commonly includes practices of labour exchange, work parties, share cropping and even oxen sharing. Mamo notes that these practices among the *Arsii* in Ethiopia are generally negotiable, balanced and built on pooling endowments 'into a complete operational unit' (2013, p. 23). Rotating money pooling and/or rotating savings and credit associations fall into this category, as do more asymmetrical reciprocal arrangements, such as patron—client relations.
3. *Largely kinship-based traditional solidarity events or rituals to support major life transitions and crises.* This includes funerals, weddings and baptisms. It also includes community-based associations formed for risk pooling around major life-course events, such as burial or funeral associations.

Each category of ISP is predicated largely on face-to-face relationships with actors within their own socio-economic and cultural sphere, where there are generally high levels of trust. They are also predicated on actions that at least partly spring from shared values. However ISP, as mentioned earlier, also includes more asymmetric relations, such as between patrons and clients, which spring from shared values and norms but cross socio-economic divides.

⁷ For example, Verpoorten and Vershraegen (2010).

All three categories of ISP vary in frequency and size of transfers, levels of formality and the locus of giving and receiving (family, extended family, neighbours, community members, elites or patrons). Variation depends on contextual issues, including cultural context (which determines the norms and values within social institutions), personal feelings of love and caring between network members, and a person's social network and position or status within this network. This understanding therefore needs to be tested and refined in each context in which it is applied. In Indonesia, for example, similar support can be provided by families and by community institutions (and, theoretically, by FSP, for example by providing care to the elderly or those with disability) (Kreager and Schröder-Butterfill 2008).

Institutions over a distance: remittances as informal social protection

A number of authors have argued that remittances are not ISP (for example, Hagen-Zanker 2012). This study's approach to ISP, however, discusses remittances as a form of ISP. Although they do not always work in the same way as face-to-face ISP practices, these forms of ISP contribute to and require renegotiations of social support structures and systems. In this way, migration and ISP shape each other.

Migration is part of a broader portfolio of risk management and coping strategies. Writing of overseas migration, Gaily notes that families often deliberate carefully about which members would be most likely to do well and be reliable in sending remittances (Gailey 1992b, p. 345; Brown et al. 2013). Brown et al. (2013), citing Marcus 1981, argue that through this process, extended households have partly transformed themselves into 'transnational corporations of kin' that strategically allocate family labour to local and overseas destinations to maximise income opportunities and minimise risk, and benefit from remittance flows. Migration, in other words, is an investment that extends beyond the initial cost of migrating, as well as ongoing or future services, such as taking care of the migrant's assets while abroad, future possible material support in case of unanticipated misfortune (insurance) or investment in anticipation of securing a future transfer such as a bequest.⁸ Remittances represent the returns on this investment in migration.

Migration is thus partly characterised by exchange, which can occur at household or community levels. For example, in a remote rural village in Fiji, the community of 27 households were supporting six local students to study in Suva. This community investment in the students was made with the explicit expectation that students would send remittances at a later time (Calder 2013).

Along with the exchange basis of remittances, Brown et al. (2013) also contend that remittances are underpinned by altruism. Remitting is an expression of 'network solidarity' (Kreager and Schröder-Butterfill 2012), or 'a social act expressing love and affection' (Brown et al. 2013). Brown reports that in Tonga if someone is ill for more than 30 days, remittances increase by US\$300 (2008, p. 9). Amosa and Samson (2010) describe remittances in Samoa as an extension of cultural collectivism and duty to family. Here, remitting is an expression of the values and norms at play within systems of social relations. Kreager and Schröder-Butterfill (2008) describe the heterogeneity of support flows co-existing in two Indonesian communities as being informed by different norms in each locale. Indeed, Brown et al. (2014) suggest that community-sharing norm pressures are stronger in locations with more extensive home-community networks. The observation of norms is thus conditioned by the effectiveness of networks and socio-economic status, as well as willingness.

Understanding migration in its broader context of family and community livelihood strategies illuminates elements of exchange and altruism. Remittances are a crucial practice in enacting both, as are the other practices identified in the typology. As such, they fall within the ambit of ISP.

⁸ This is based on two models developed by de la Briere et al. (1997), using insurance and investment as the two main alternative motivations for migrants to send remittances back to their families (Brown et al. 2013).

Concluding remarks

This chapter looked at a broad and flexible typology of ISP arrangements. This typology is based on an organisational structure of social relations and social networks, at family and community levels. The chapter looked at social relations in Fiji, and the ISP practice of *kerekere* to illustrate the inseparability of ISP and social relations. It also discussed how *kerekere* is increasingly seen as a stress on social relations, rather than a means to maintain these relations. This theme is picked up in Chapter 3. Finally, this chapter looked at how remittances flows are structured according to social relations, which are underpinned by values and norms. It suggested that remittances, like other forms of ISP, should be understood as simultaneously embedded within social relations and subject to individual agency.

3. Assessing the effectiveness of informal social protection

... this brief account ... illustrates the dangers of dismembering an exceptionally complex and poorly understood set of relations and processes in order to isolate a single element of instrumental value.

(Scott 1998, p. 21)

This chapter proposes an approach for assessing ISP effectiveness, termed progressive inclusivity. It explores, in broad terms and through a case study of the elderly in Indonesia, what the evidence tells about the level of social protection that can realistically be expected from ISP.

Approaches to assessing informal social protection effectiveness

If it is assumed that ISP refers to a system of social relations, then it is necessary to ask: What is the purpose of social relations and are they meeting this purpose? Social relations are the means by which those who live in close proximity to one another—families, clans, patrilineages and communities—develop a sense of identity and common purpose. People find meaning in social relations and this meaning is embedded in shared values and norms. Social relations reproduce and renegotiate this set of values and norms. This puts a different spin on assessing ISP effectiveness. It means, at least in theory, that the effectiveness of each ISP system should be assessed against society's core values and norms, because the values people self-consciously evoke as informing ISP are highly context specific.

Few approaches exist for assessing ISP effectiveness. One is simply to look at the ubiquity of a practice. For example, Dercon et al. (2006) posit that funeral insurance's ubiquity suggests it is considered to be useful and effective by its members. While this may work in looking at funeral insurance, it is a poor way to assess all ISP. Other ubiquitous forms of ISP, such as patron—client relations, are not necessarily beneficial to all, in particular the most vulnerable. Just because something is normative it does not mean it is effective, and just because a practice is not effective for some it does not mean they would or could opt out. This is explored in more detail in this chapter.

Another weakness in using ubiquity as an indicator of effectiveness is the possibility that in some cases it might spur competition among the poor for scarce resources, reducing social cohesion, cooperation and 'bonding capital'. Huda et al. (2008) found that in Bangladesh members of the Ultra Poor Programme are in essence competing with each other for a finite and very modest amount of resources. In one village in Fiji, Calder (2013) observed a similar competition for scarce resources, with one relatively well-off couple receiving four *kerekere* (requests) for substantial resources just before the annual Methodist Church contribution time (Box 1, Chapter 1)—one was met in full, one in part and two refused. This suggests that while *kerekere* is important, it is not always effective in meeting everyone's needs.

Maclean (2011) takes another approach to assessing ISP effectiveness, by measuring the breadth and depth of social reciprocity.

Breadth measures are the:

1. number of people in a village community who did not invest in reciprocal exchange
2. amount of reciprocal support exchanged among village residents.

Depth measures are the:

1. concentration versus diversification of reciprocity among social ties
2. geographic concentration or diversification, within the village versus between rural and urban centres
3. stringency of reciprocity.

This qualitative ethnographic approach generated extremely interesting comparative data from the two villages studied in Ghana and Cote d'Ivoire, which highlighted that while informal reciprocity was becoming increasingly exhausted in Ghana, people in Cote d'Ivoire were providing more social support to a narrower range of people and with more stringent reciprocal terms. This suggests that the informal system of non-state social welfare provided by family, friends and neighbourhood did not simply expand to fill the functional gaps left by the neoliberal retrenchment of the state. Maclean's paper concludes that when policies are designed based on an overly romanticised image of kinship and communal reciprocity in Africa, it is the very poor who increasingly fall through the gaps of the state and non-state systems of social welfare. Maclean's work emphasises the importance of contextual qualitative research to understanding ISP and its relationship with FSP.

Other assessments of ISP focus on the comparative strengths and weaknesses of ISP and FSP. Verpoorten and Verschraegen (2010), for example, identify three weaknesses with ISP systems:

1. the challenge posed by covariance to risk-pooling endeavours at community level (i.e. risk-pooling measures such as insurance will not work in the face of covariate shocks, where all individuals within the community are affected)
2. an unequal treatment of household members relative to needs, which causes under-protection of certain social categories, particularly women, the aged and children
3. the inability to adapt to processes of modernisation and globalisation, which causes traditional methods or arrangements to become ineffective over time.

The Verpoorten and Verschraegen approach can be criticised for assuming that ISP intentions are similar to FSP intentions. The paper argued earlier that there is not always ISP 'intentionality' in social relations and that social relations are constructed and reconstructed with objectives other than ISP in mind (for example, reproduction). There are merits to using concepts such as coverage, inclusion and adequacy to assess ISP effectiveness, not the least of which is that it reflects local claims that 'we look after our own poor' and 'no one goes hungry here'. The rest of this chapter explores an approach to assessing ISP effectiveness built on this approach, termed 'progressive inclusivity'. This exploration addresses Verpoorten's and Verschraegen's second weakness, listed in the paragraph above. The first and third weaknesses with ISP systems are discussed in Chapter 4.

A proposed approach to assessing the effectiveness of informal social protection in terms of progressive inclusivity

This section explores a number of interrelated concepts to help assess the benefits the poor accrue from ISP systems. Acknowledging that not all societies are characterised solely by inclusive and egalitarian values or norms of sharing and redistribution, this section discusses exclusion and adverse incorporation as two concepts that explain how people can be left out, or included on unequal terms. Next, the section discusses whether, when people are included on equal terms, the poor obtain the support they need. Finally, it looks at other forms of exclusion through a case study from Indonesia.

Exclusion

Some understand exclusion to be a dynamic process that:

... precludes full participation [or encourages participation on unequal terms] in the normatively prescribed activities of a given society and denies access to information, resources, sociability, recognition, and identity, eroding self-respect and reducing capabilities to achieve personal goals. (Silver 2007 in Babajananian and Hagen Zanker 2012, p. 1)

With this definition, the process of social exclusion is central to understanding how weak social capital (limited and ineffectual social relations and networks through which ISP operates) contributes to poverty and vulnerability.

Some assert that poor people, although lacking material assets, can generally call on close relations with family, neighbours and friends as a form of social security. 'Poor people typically have plenty of bonding social capital' writes Woolcock (2000, pp. 2–3), and the World Bank website claims that 'In addition to enabling poor people to start up small enterprises and increase their income, informal relationships often mean the difference between day-to-day survival and despair.' (2003). However, it has been established that some people are excluded from social relations or have few or weak networks of support. It is generally the resource poor who are in this position.

Adverse incorporation, or non-progressive inclusion

As discussed in Chapter 1, people are embedded within social structures that continually serve to reproduce relations of inequality and marginalisation. This is referred to as 'perverse social capital' (Wood 2005) or 'the dark side' of social capital (Bourdieu 1986; Bourdieu and Wacquant 1992). The poorest experience clusters of interlocking disadvantage, which make it highly unlikely that increased association and participation at community level will benefit them. Where social values of hierarchy and obligation predominate, relationships, collective action and social institutions may also structurally reproduce disadvantage of the poorest. As a result, the poor engage in social and institutional life on adverse terms. They are less able to negotiate the 'right way of doing things' to 'create room for manoeuvre, to shape social relationships to their advantage rather than others' (Cleaver 2005, p. 895).

Two of the starkest examples of adverse incorporation—and two of the most widespread systems of social relations—are the caste system and systems of feudalism and patronage⁹, where the unequal nature of poor people's relationships with neighbours is demonstrated by their supplicatory position in everyday social exchanges. Putnam (1993) describes vertical gift-giving as 'clientelistic behaviour' that exploits the ultra-poor for personal gain. This is because the balance of giving and receiving between the ultra-poor and the elite is not level. If the elite bestow a gift that is too high in value for the ultra-poor to equally reciprocate, then the elite are at an advantage in extracting whatever the poor can manage.

Do the poor get the support they need?

It has been suggested that ISP ensures at least some level of food security and a minimum basic standard of living for all. Monsell-Davis, for example, writes that ISP 'ensures that no one goes hungry, and that no one is destitute' and that 'everybody is looked after' (1993, pp. 1–13 in Mohanty 2011). Woolcock (2000) suggests that the ISP networks of the poor are sufficient to 'insure themselves against shocks such as bad health, inclement weather, or government cutbacks and to pool their resources, such as food, credit, or childcare' (World Bank 2003). The evidence suggests, however, that even when people are included, the amounts exchanged are too low to have much impact on social security in the long term, as suggested in the Indonesia case study (Box 3). There is good evidence that while 'traditional safety net transfers fulfil their role to a degree' their nature is uneven and haphazard (Ellis 2012).

Other forms of exclusion— the elderly in Indonesia

A strong case was made in chapters 1 and 2, and earlier in this chapter, that the poor and vulnerable can be left out or excluded from ISP. Are there other vulnerable groups who fail to benefit equally from ISP? Verpoorten and Verschraegen (2010) suggest that a weakness of ISP is its unequal treatment of household members relative to needs. This causes under-protection of certain social categories, particularly women, the aged and children. These issues are explored in the case study on ISP and the elderly in Indonesia (Box 3).

This case study suggests that while a large number of older people are recipients of ISP transfers (around 57 per cent), large numbers are not receiving support through their social networks. Those excluded tend to have fewer resources and have been unable to invest in their children or in other social relations that would provide support in old age. The evidence

⁹ The most ubiquitous form of adverse incorporation is gender inequality.

from Indonesia also suggests that even when older people receive transfers, these are often inadequate. As vulnerability increases with age, transfers to women also reduce, again pointing to issues of exclusion and inadequacy in informal systems.

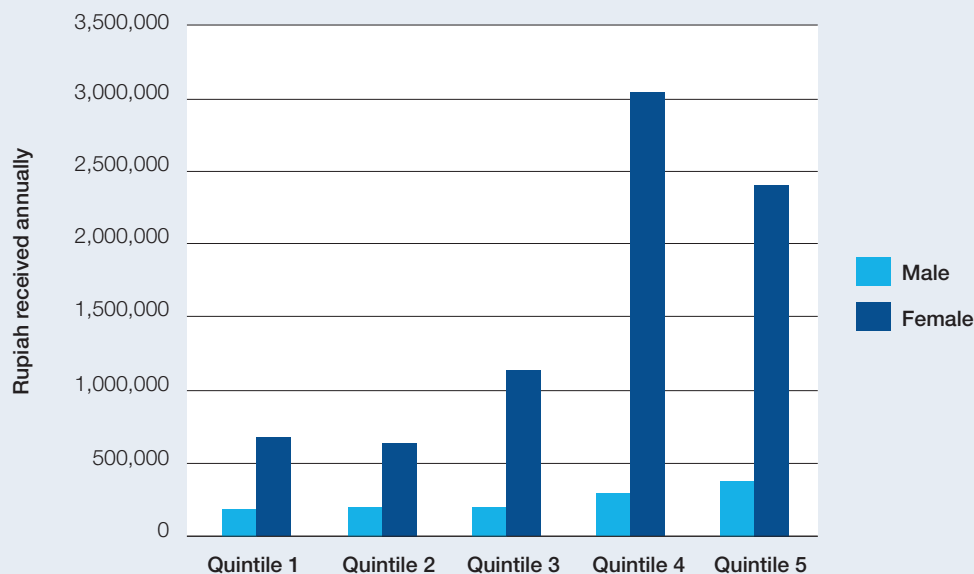
Box 3—Informal social protection and the elderly in Indonesia

Given the absence of decent work and pensions for most older people in Indonesia, combined with their growing frailty, many have no choice but to depend on kin for support. Many older people live in households with adults of working age and likely benefit from sharing within the household.

However, informal transfers cannot be relied upon to keep a large proportion of the elderly out of poverty. In Indonesia, around 43 per cent of older people do not receive transfers. Figure 1 shows that the size of informal transfers received by older people varies according to gender, age and wealth. In Indonesia, older women are the main recipients of informal transfers, although as men age their likelihood of receiving transfers increases. Transfers to women fall significantly as they become older. Better-off men and women receive significantly more.

Other research provides further background, suggesting that the ability of elderly Indonesians to access support from their kin is an accumulated outcome of events over the life course (Kreager and Schröder-Butterfill 2010). Those who have lived in poverty are likely to have children who are poorer. Many ‘sharing households’ are themselves too poor to ensure their own wellbeing, let alone that of older members.

Figure 1: Informal transfers received by older women and men, disaggregated by wealth quintiles



Source: Kidd 2013

Closing remarks

This chapter proposed an approach to assessing the effectiveness of ISP systems termed progressive inclusivity. This approach recognises that inclusion in and of itself does not necessarily provide protection, because protection based on unequal relationships can be provided on adverse or exploitative terms. It also recognises that the very poorest and most vulnerable can be excluded entirely from systems of social support, or that the support provided may be insufficient to change their circumstances in a meaningful way. For inclusion to be progressive, it must include the poorest and most vulnerable on equitable terms, and be sufficient to meet their needs.

4. Informal social protection in a changing world: understanding pressures and responses

This transformation substantially changed the organisation of entire societies. The economics ceased to be embedded in society. On the contrary, social relations became embedded in the economy.

(Drahokoupil 2004, p. 840)

Much literature refers to the recent breakdown of traditional systems of social support.¹⁰ Yet social relations are always in flux and being renegotiated. Change is not new. A more useful approach is to ask how and why social relations are changing and what this means for the effectiveness of ISP.

The ability of ISP to be progressively inclusive is being further compromised by major economic and social trends. Local systems of ISP have never faced the types, pace and magnitude of change that has occurred over the past several decades. Mohanty, writing about the Pacific, attributes change in ISP to monetisation, rural—urban migration, population changes, increasing poverty, and economic and environmental shocks (2011). This chapter examines four key drivers of ISP under pressure:

1. widespread poverty and increasing inequality
2. covariate shocks
3. monetisation, urbanisation and migration
4. changing values and norms

The chapter then examines how ISP systems are evolving, singling out a change in the structure of networks and a shift to more strategic giving. While ISP is not disappearing, it cannot be relied upon to provide adequate social protection for all.

Informal social protection under pressure

Widespread poverty and increasing inequality

Sharing within communities and extended families is considerably diminished when widespread poverty places all or most members under consistent livelihood stress (Carter and Maluccio 2003). In these circumstances, the most vulnerable members miss out, such as children, the elderly and people with disability. In Zambia among those elderly receiving little help, about half said they had requested assistance without success. The rest claimed they did not ask for help because they knew others were struggling (Kidd 2011, p. 16). In many Pacific countries, those of working age are increasingly migrating to urban centres, increasing the dependency ratio in outer islands and straining ISP systems. This is unlikely to be fully compensated for by increases in remittances (Australian Agency for International Development (AusAID) 2010).

Increasing inequality also affects ISP. In-group inequality can, to some extent, be mitigated by ISP systems that oblige better-resourced people to share what they have with their families and communities (for example, Amosa and Samson 2010, on Samoa). However, the ability of ISP to equalise through redistribution is being challenged by increasing inequality. Gardner and Ahmed (2009) write about increasing in-group inequality within *baris* (households) and *gusti* (maternal or paternal kin) as a result of migration from Bangladesh to the United Kingdom, separating what were single household units into ‘*Londinis*’ (those living in the

¹⁰ For example: AusAID (2010); Connell (2009); Verpoorten and Verschraegen (2010); Fafchamps and Lund (2003); Ellis (2012). Browne (2013) summarises the weaknesses of community-based social protection mechanisms.

United Kingdom) and those who remained in their village in Bangladesh. This inequality has had a profound effect on social relations, with *Londonis* increasingly employing caretakers with whom they have a strictly business relationship, to avoid the messiness of reciprocal expectations when relatives take care of their homes back in Bangladesh.

Covariate shocks

When shocks affect all or most members of a network, ISP is unlikely to be effective. This is a particular concern in the Pacific given the region's economic and natural vulnerability (Fafchamps and Lund 2003). Where networks are homogenous, all community members find themselves affected by the same event and are therefore less able to help each other (Bhattamishra and Barrett 2010 in Browne 2013). This also means that the better off are more likely to withstand a covariate shock than the poor, as they have more resources at their disposal and incur a smaller erosion of their assets' status proportionately than the poor (AusAID 2010; Verpoorten and Verschraegen 2010; Oduro 2010).

Monetisation, urbanisation and migration

The rise of cash-based markets, accompanied by related trends of rural—urban migration and urbanisation, comprise a significant driver of change in ISP. The economic transitions occurring now in many developing countries parallel changes in the early 19th century in Western Europe:

In the first half of the 18th century ... the market economy was generated. The institutional pattern to support the behavioural principle of barter/exchange was established—the pattern of the market. This transformation substantially changed the organisation of entire societies. The economics ceased to be embedded in society. On the contrary, social relations became embedded in the economy. This was a milestone in the evolution of Western societies from the agrarian structure to modernity. (Drahokoupil 2004, p. 840)

These changes include a widening gap between those operating in the cash economy and those depending on traditional subsistence activities, most starkly characterised by urban migrants and their rural kin. It stretches face-to-face relations over a distance, places intense pressure on migrants to remit, integrates migrants into new networks (and new value systems) and has an intense effect on social relations and the further production of ISP. It suggests not only that local ISP systems—of which remittances are a part—are coming under intense pressure from market forces, but also that members of one household, separated through migration, are potentially operating within two socio-economic systems, with two inherently different value systems, one predicated on subsistence and the other on gain. As Drahokoupil reports:

The market pattern thus makes it possible to separate an institution of an economic nature from society—the institution of the self-regulating market. This transformation also implies the transformation of the dominant motive of economic action from subsistence to gain. (2004, p. 840)

This has not led to the wide-scale abandonment of traditional values, however. As indicated later in this section, until now social relations based on the principles of redistribution, reciprocity and communality have exhibited remarkable resilience in the face of these changes.

Linked to transitions to a cash-based economy are demographic transitions. These affect marriage and gender relations, increase the tension between production and reproduction, and put pressure on informal inter-generational care arrangements because a smaller number of children will have to provide old-age support to a growing population of older people (Huijsmans 2013). Rural transformation has reconfigured rural—urban relations and unfolded along generational lines. Young people, in particular, are turning their backs on farming and, through migration, are becoming involved in extra-local, non-agricultural work (Huijsmans 2013).

Changing values and norms

Muiruri (2013) writes that the incursion of other social philosophies is eroding traditional value systems. Values of obligation, reciprocity and redistribution characterising flourishing systems of ISP can become patronage, cronyism and corruption when translated from village society to modern economy (Ellis 2012). Ellis also suggests that chiefly systems—that can be prone to such tendencies anyway—with incorporation into modern economies with values systems antithetical to redistribution, can become suborned by the attractions offered by personal accrual of wealth. This means service to the community can transform into personal accumulation at the expense of other community members.

These trends acutely disadvantage women, whose role in the care economy is unrecognised and unvalued in the transition to cash-based economies. For example, while previously rural women in Fiji built up social capital through participating in communal events, such as weaving mats and contributing food-stuff from their own plantations, there is increasing expectation that contributions should include purchased goods and sometimes cash (Calder 2013). Women in Fiji reported that their work loads and time poverty were increasing dramatically as they tried to earn the income necessary to make contributions to community rituals and projects, in addition to contributions to the Methodist Church (Calder 2013). The rise of indebtedness and consumption borrowing is testimony not only to increasing vulnerability, but to shifting value systems. The two are indelibly linked (Amosa and Samson 2010; Calder 2013).

Movement away from the community through migration exposes the migrant to a number of alternative, and sometimes competing, value systems. As noted by Kreager and Schröder-Butterfill in their discussion of migration and inter-generational wealth flows in Indonesia:

Reality thus moves inexorably away from the cosy world of idealised family bonds to the variability and uncertainty of ties in practice. Family members' capacities vary, and competing values beckon. (2008, pp. 1782–83)

How informal social protection systems are evolving

Changing structure of networks

A key trend is that the structure of ISP systems is changing so that in some instances the key support network is shrinking. In other instances the locus of this support is changing. In yet other instances, structures appear remarkably persistent. The effects of migration are particularly notable here. As noted by Kreager and Schröder-Butterfill:

Any individual member's migration is, in effect, a potential extension of norms guiding family behavior. Yet the strategies employed can at the same time mark a break from those norms. Migration provides avenues for meeting commitments, but also ways of escaping them. Which avenue a migrant is following may not be immediately clear, either to other members of the network, or to the migrant him or herself. (2012, p. 2)

In Bangladesh, support from *Londoni* migrants to their home communities generally adheres to normative structures, as described by Gardner and Ahmed (2009, p. 137):

... when *Londonis*' travel back to their home village, for example, he or she would first and foremost be expected to provide 'help' for those in their lineage, followed by others who are more loosely related, and then, finally, by charity to unconnected poor people, or beggars.

Similarly, the Indonesian communities studied by Kreager and Schröder-Butterfill (2012), while making different adjustments to economic change, of which different levels of migration are a major component, exhibit little sign that intergenerational solidarity has lessened or that social networks at family and community levels have weakened. Research in Indonesia by Deb et al. (2008) confirms this. Their findings point to the strength and persistence of private transfer networks across generations. So while different responses are made to changing socio-economic conditions, ISP continues to operate within a deeply shared value system.

While there is evidence from some contexts of the strength and persistence of ISP, evidence also points to changes in ISP in many places. Some authors suggest that the locus of support is shifting from smaller, informal support structures, such as families, to larger, more semi-formal structures and bigger reference groups. This reflects shifting value systems and intra-group inequality, where those with resources can more easily buy protection and those with fewer resources are shut out. This issue is discussed in more detail under ‘Shift to more strategic giving’. Kreager and Schröder-Butterfill (2012) note that in Indonesia the elderly with few resources and little support from children must rely on community charity, which indicates a larger reference group, albeit one operating with a different set of values and norms than would be expected with a more semi-formal structure.

A converse—though potentially related - phenomenon also appears in some places, with sharing demands becoming so onerous that the social networks within which ISP is practiced are contracting. This is an example of what Verpoorten and Verschraegen (2010) describe as the inability to adapt to modernisation and globalisation, which cause informal methods or arrangements to become ineffective. These processes entail changes in close kin as a social institution. Calder’s (2013) research in Fiji found that while larger more widespread networks were still critical in dealing with significant shocks, everyday support was shrinking from the *vanua* and *yavusa* (larger community-level and multiple clan units) to the *mataqali* (clan) level. Respondents felt that the number of people to whom one could turn for support was diminishing (Calder 2013). This is partly because the redistributive support so commonly provided by the larger *vanua* and *yavusa* groupings depends on surplus from agriculture and fishing, both of which are in decline. It is also because income is irregular for many, despite monetisation. Thus small loans of money and foodstuffs, which can be *kerekere*d or asked for only from immediate family and very close kin and neighbours, are becoming increasingly important and increasingly fatigued.

Maclean also writes of this ‘social reciprocity fatigue’ in Ghana and Cote d’Ivoire:

... not only was the depth of investments in the relations of social reciprocity fatigued, but the breadth of these networks of social relations was limited. Overall, large numbers of people were no longer participating in the informal networks of social reciprocity at all. For those who were able, the amount of reciprocity exchanged was so low that it was doubtful whether they could be considered to have adequate social security in the short or long term. (2011, p. 133)

Shift to more strategic giving

In many places, giving is increasingly premised on the recipient’s ability to reciprocate, undermining the progressiveness of ISP. Mamo (2013, p. 27) cites one of her Ethiopian *Arsii* informant’s views that there is a tendency to provide funeral contributions (in cash and kind) ‘to those who can return it instead of those who deserve.’ She concludes that people sometimes prefer to invest in those with the potential to make returns, which makes giving more of a loan and less of an emotional act. Mamo describes this as emerging speculative behavior, rather than a pervasive tradition. Her informants make a similar complaint concerning the reduction of support to injured, post-partum and post-circumcision community members. This has been declining in several ways: substitution of traditional nutritious foods by processed foods of low nutritional quality; reduced quantities of milk given (perhaps due to reduced productivity of cattle); and a shrinking of the circle of reciprocity and exchange networks, leading to a decline in social cohesion and cooperation.

Maclean, in her study in Ghana and Cote d’Ivoire, found that this increasing stringency of terms ‘most likely had serious consequences for the equity of access to social support’ (2011, p. 132) and that ‘gifts or grants that need not be repaid were becoming increasingly rare; thus, the terms of social exchange were growing more stringent’ (2011, p. 131). Global evidence suggests that the resource poor are finding it increasingly difficult to make the contributions required to maintain social capital and flows of ISP. For example, Huda and Calder (2014) found in Fiji that the inability of individuals or families to pay clan contributions to the Methodist Church had profound consequences for social relations, including, in extreme cases,

shaming, shunning and withdrawing support for families or individuals unable to make monthly payments. Mamo writes of the *Arsii* in Ethiopia that:

... observation from the field suggests a potentially worrisome trend—a relative decline of inclusive and non-contributory informal social protection systems on the one hand, and the rise of semi-formal and contributory (hence non-inclusive) reciprocal systems on the other. (2013, p. 37)

This more explicit reciprocity and more stringent terms of exchange are thus less progressive and less inclusive.

This increasing emphasis on the transactional nature of ISP is also evidenced through the increasingly 'adverse' and vertical nature of some forms of ISP. It is not difficult to find examples where purported ISP practices switch from being 'community sharing' or 'support for the most deprived' to a 'funnelling wealth upwards' effect. For example, in Pacific societies feast-day 'gifts' to the Chief were customarily redistributed to those facing particular hardship in the community. This is now sometimes subverted, so that gifts to the Chief remain the property of the Chief and are sold to enrich the wealthiest family in the village (Ellis 2012; Calder 2013). Another example of how ISP is changing to be more clientelistic is the ISP practice of *ganyu* in Malawi. Originally, better-off community members would employ poorer community members at the peak of the lean season to ensure they at least had basic food rations (payment being in food). This has, however, evolved into a cheap casual labour system whereby desperately poor small farmers rely on bits and pieces of *ganyu* labour to survive, often to the detriment of conducting their own farm operations in preparation for the next crop season (Frank Ellis, personal communications).

Concluding remarks

Social relations in the modern world are being subjected to pressures. These include: persistent adverse trends including poverty, inequality and increase in dependency ratios; covariate shocks; the pervasiveness of cash-based economies; demographic changes, including migration and urbanisation; and the incursion of other philosophies that can weaken, or at least alter, value systems related to sharing, redistribution and reciprocity.

Polanyi augurs the annihilation of social institutions and cultural degradation (pp. 1944–57 in Drahokoupil 2004) brought about by embedding society in the market economy rather than the subsistence economy being embedded within society. Others claim that the bell is not yet tolling for ISP. Following Bloch and Parry (1989), anthropologists are increasingly recognising that the use of money is not restricted to the type of relations associated with the market and that cash can be re-embedded, incorporated, encompassed and re-localised within the generative social relations that characterise kinship groups (cf. Englund 1999; Rutherford 2001; Keister 2002 in Kidd 1999).

ISP systems are diverse and responding differently to the rise of the cash economy and stresses and pressures. The effect of migration on ISP is an excellent example. As noted by Kreager and Schröder-Butterfill, 'the role and influence of migration functions in contrary ways, both undermining and helping to secure ties between members' (2012, p. 9). However, as has been shown in this and the previous chapter, ISP does not achieve the outcomes expected of a FSP system.

5. Understanding informal social protection in relation to other forms of social protection

... my point is that formal schemes of order are untenable without some elements of the practical knowledge that they tend to dismiss.

(Scott 1998, p. 7)

This chapter examines ISP in relation to formal and semi-formal social protection. It argues that, like FSP, ISP needs to be understood in relation to social and economic principles. The comparison of informal, semi-formal and formal social protection lays the foundations for the discussion in Chapter 6 of how FSP influences ISP and how the effectiveness of FSP is always mediated by social relations.

Defining informal social protection as a part of wider social protection

This chapter defines social protection as the set of public and private cash and in-kind transfers deemed necessary in a polity or society to smooth consumption and protect individuals from destitution. Though narrow, this definition covers mechanisms as diverse as informal sharing and pensions. It focuses on a contextually specific understanding of social protection, in line with this study's emphasis on ISP as a system of social relations imbued with values and norms. It also includes FSP as comprising regular and predictable transfers—usually in the form of cash—that are provided or regulated by the state with the main aims of offering the population a minimum income and the means to smooth consumption across the life course.

Distinguishing formal social protection and informal social protection

Some authors distinguish FSP from ISP on the basis that the former is guided by economic and social principles and the latter by religious and cultural principles, as well as community and family values (Devereux and Getu 2013; Amdissa 2013). This overlooks the fact that ISP is embedded in social relations guided by social principles, which are informed by cultural and religious principles and community values and norms. It is also apolitical and ahistorical to suggest that formal systems of social protection are not guided by these principles, values and norms. Box 4 demonstrates that the evolution of European social protection systems is rooted in societies' shifting norms and values around hand-outs, the 'undeserving' poor, dependency and inclusivity.

It is also clear that ISP is guided by economic principles. As the previous chapter showed, the rise of the market economy has altered the nature of social relations. Even before the emergence of market-based economies, economic principles of exchange and redistribution characterised ISP systems. Mamo writes that ISP is primarily an issue of 'socioeconomic life and social relations' (2013, p. 9) and that the reciprocal relations characterising ISP need to be understood in the context of the informal economy (2013, p. 15). The ideas of reciprocity, exchange and redistribution discussed in Chapter 1 reflect the economic nature of ISP.

Box 4—Evolution of European social protection

During the 18th and 19th centuries, in part driven by the fear that the French Revolution would spread, a number of European countries established formal social transfer schemes to tackle the rising poverty engendered by industrialisation and rural—urban migration. The schemes, collectively known as ‘poor relief’, directed support at those living in greatest poverty.

However, during the 19th Century poor relief budgets shrank, some by significant margins. As the middle class gained the vote, they began to resent their taxes being spent on schemes from which they were excluded. As a result, political support for poor relief, which was increasingly seen as a hand-out within a neo-liberal value system, fell, leading to a concomitant fall in budgets.

Furthermore, while poor relief had initially been provided as unconditional transfers, Townsend (2007) notes that, during the 19th Century, the concept of the undeserving poor—those of working age living in poverty—began to grow, along with fears of a growing dependency culture (similar to current concerns in many developing countries). To maintain political support for poor relief, it became conditional on recipients entering the workhouse, a demeaning form of workfare. The middle class could therefore be assured that their taxes were not being given as handouts to the undeserving poor who were, instead, made to work in exchange for benefits.

However, sustaining the budget of programs targeted at those living in poverty was incompatible with growing democracy, which demanded more inclusive programs benefiting both those with low and middle incomes. So, while poor relief expenditure fell, investment in social programs incorporating the middle class and those living in poverty—such as universal primary education and old age pensions—began to increase.

Source: Kidd (2014)

Another distinction made between FSP and ISP is that most ISP schemes encompass arrangements and actions taken by an individual or groups not guided by formal legal regulations (Oduro 2010, p. 3). Similarly, Devereux and Getu (2013) write that, unlike ISP systems, FSP systems have institutional arrangements, rules, regulations and accountability mechanisms. Although ISP is not guided by formal legal regulations, it is indisputably characterised by complex, well-developed and highly formalised institutional arrangements. For instance, Amosa and Samson (2010) argue that, in Samoa, ‘informal’ is inaccurate because for Samoans these are formal social obligations (Mohanty 2011 also argues this for Fiji). While in many cultural contexts local arrangements may be relatively less formal than would be the case in a FSP system, they are still guided by informal institutional arrangements, rules, regulations and accountability mechanisms.

ISP and FSP diverge with the type of institutional arrangements that characterise them, with FSP characterised by citizen – state relations. ESCAP’s Asian study (2001, p. 142 in Mamo 2013, p. 13) distinguishes between FSP and ISP based on structures, with FSP ‘provided by State and market-based actors’ (the latter mandated or at least regulated by the State) and ISP based on ‘individual and collective arrangements which fall outside these systems’. Browne (2013) and Amdissa (2013) both describe ISP as being ‘privately provided’ at community level. Similarly, the United Kingdom’s Department for International Development’s (DFID) definition focuses on the private and personalised nature of ISP—‘actions to minimise risks or transfers between individuals or households to cope during difficult times’ (DFID 2006, p. 6). It is appealing to distinguish between ISP’s fundamentally personalised private nature and FSP’s basis in public citizen—state relations. Whereas ISP is based on mutuality, FSP is only mutual to the extent it is based on the social contract between states and citizens. To an extent, however, this is idealised reality. It glosses over the nature of the State in many countries, and the role of local dynamics in shaping the delivery of ostensibly state-provided benefits. At local level, the public and private are distinctly blurred, which is seen strongly in semi-formal social protection systems.

Distinguishing informal social protection and semi-formal social protection

Lying along the continuum of family, household and some community-level transfers and actions to reduce deprivation and smooth consumption, as well as large formal schemes delivered and mandated by the state or market-based actors, is semi-formal social protection (SFSP). This form of social protection is often lumped with ISP in a catch-all category referred to as ‘community-based social protection’ (Browne 2013). This is an unhelpful term since SFSP includes mechanisms not based on private, personalised or face-to-face social relations with kin, family or neighbours, but those simply delivered at community level by civil society organisations and formal non-state institutions such as churches, mosques and faith-based organisations. Civil society organisations and the space they occupy are usefully described by Dinnen (2003, p. 5 in Mohanty 2011, p. 44) as:

... those voluntary organisations occupying the intermediary space between the state, on the one hand, and the most localized entities of tribe, clan, language group, and family, on the other hand.

SFSP also includes community-level schemes explicitly aimed at providing social protection. These include local community-based organisations and associations that straddle the divide between ISP and SFSP and include elements of each, such as access to credit and in-kind assistance with tasks of social reproduction. One such system is described by Deb et al. for Indonesia:

Community organizations in Indonesia provide a range of local public goods—health care, sanitation, irrigation, and neighborhood security—in addition to performing safety net functions. Community organizations often provide services that do not have clear market substitutes. For example, through contributions to community meetings, households may gain access to mutual insurance and credit and obtain in-kind assistance with household/farm chores and child care. (2008, p. 1102)

SFSP also includes more formal, wide-scale and public schemes, such as those provided by non-government organisations and faith-based organisations, which provide similar functions to the state where the state cannot or will not provide social protection to its citizens. Box 5 presents a case study of one such organisation that provides social protection on a large scale, the Fiji Muslim League.

This case study illustrates the hybrid nature of SFSP. It is more formal, public and institutionalised than ISP and thus less based on face-to-face relations. However the face-to-face and informal still play an important role in the operation of social protection support provided by faith-based organisations. As noted by Calder and Huda (2013), while support provided to poor beneficiaries (in the form of *zakat*) is regular, predictable and therefore akin to a social security benefit, the selection of beneficiaries is highly subjective and agentive, being based on personalised notions of poverty and vulnerability, personal connections, and views on who is deserving.

Box 5—The Fiji Muslim League

The Fiji Muslim League is structured around a Secretariat of four volunteer members. Branches are responsible for implementation and have their own sub-committees and officials. They receive funds for implementing projects from headquarters and receive donations from Muslims in their own areas. The League's 23 branches are supposed to report their activities to headquarters monthly, although not all do (Fiji Muslim League 2012).

The League's two umbrella organisations are the Fiji Muslim Women's League and the Fiji Muslim Youth Movement. The Women's League has 13 branches responsible for running vocational centres and housing projects for vulnerable women. They actively fundraise for social projects.

The Fiji Muslim League strongly promotes education through fee exemptions, and provide funds for uniforms, shoes, books, school supplies, bus fares and school lunches for vulnerable students. The League runs 22 schools across the main Island of Fiji—*Viti Levu*—while a similar system operates in *Vanua Levu* under the Macuata Muslim League. This League also operates several madrassas where boarding, food and clothing are provided for vulnerable male and female children. Education support is for all struggling students who attend Fiji Muslim League schools (regardless of religious affiliation). Funds for education costs come from the League's internal funds (for example, annual contributions and fundraisers) and donations.

In response to the string of natural disasters throughout 2013, the Fiji Muslim League has provided considerable humanitarian assistance, including:

- > providing immediate food relief to victims
- > distributing stationary needs to all student victims attending Fiji Muslim League schools regardless of religion and race
- > distributing household items (for example, plates, cups, pots, basins and kettles) to families of all communities who lost their belongings.

Despite a range of other newer forms of support described here, *zakat* remains a cornerstone of the Muslim faith, helping the most vulnerable through charitable giving and redistribution of resources. *Zakat* is an obligatory religious doctrine. It is a religious tax requiring Muslims to give 2.5 per cent of their income to the poor and needy. Modes of *zakat* assistance for the poor and vulnerable include cash vouchers, food vouchers, funds to support coping with emergency crises (for example, idiosyncratic events, such as a house fire or theft), life-cycle events (for example, marriage and funerals) and educational support to the children of *zakat* recipients.

Source: Huda and Calder (2014).

Closing remarks

This chapter examined ISP in relation to FSP and SFSP. Distinguishing among the three forms of social protection is difficult. ISP, for instance, is not underpinned only by religious and cultural principles, but social and economic ones. While ISP is private and personalised, FSP is more public, with pure FSP based on highly centralised, impersonal, public, citizen—state or market-based relations. Nevertheless, the reality of state — society relations in most countries means this is an idealised typology rather than a reality. In particular, FSP's policy intentions are often filtered through local dynamics during implementation. The interface between FSP and ISP is examined in Chapter 6.

6. Are informal social protection and formal social protection complementary?

If you have only dust in your hands, then friends are far; when they are full, they come closer.
(Chewa pensioner, Knox 2009, p. 3, in Kidd 2011, p. 17)

Although ISP serves an important function in reducing hardship and smoothing consumption, it is fraught with uncertainty, due to the exclusionary and adverse nature of social relations discussed in chapters 1 to 3 and the modern world stresses discussed in Chapter 4. In this context, formal transfers can be critical in maintaining and expanding the social networks through which ISP is delivered. Muiruri, writing about Kenya, concludes that FSP could ‘provide the wherewithal for ... [the poor] to participate in informal arrangements, and thus widen their range of options when they are hit by a shock’ (2013, p. 64).

This chapter explores how FSP affects ISP. A number of design features can impact on social relations—including benefit value, length and regularity of provision, conditionality and targeting—but conditions and targeting are the most hotly debated and well documented for their impact on social inclusion and community cohesion.¹¹ This study focuses on categorical and poverty targeting.

The design of FSP is often informed by models of the impact on household consumption and poverty levels. This chapter argues that undertaking social analysis to better understand likely impacts on social relations is equally important in designing context-sensitive FSP. It can help anticipate which design elements are likely to disrupt social relations and which are likely to reinforce them.

Formal social protection and the maintenance and expansion of social networks

Chapter 1 demonstrated the importance of mutuality in maintaining social networks. Older people often depend on social networks yet they cannot invest resources to maintain them. In cultures where norms suggest that older people should continue to be givers and providers, such as in Indonesia, the increasing dependence of people as they age results in a loss of status. Kreager and Schröder-Butterfill (2008 and 2012) argue that an independent income enables the elderly in Indonesia to help their kin financially—in particular children and grandchildren—thereby maintaining their self-worth and self-respect. Kreager and Schröder-Butterfill also argue that by contributing to kinship networks through services (such as caring for children, helping with housework and cooking) as well as goods and cash, the elderly can participate in social networks and increase their likelihood of receiving benefits and support from others. This challenges the notion of crowding out (Box 6).

Calder and Nakafeero (2012) also confirm the importance of pensions in enabling mutuality. The Ugandan Senior Citizen Grant results in stronger social capital networks leading to:

- > reduced exclusion and more support within the extended family, especially from grandchildren to grandmothers
- > increased dignity and improved status among the elderly, particularly important for men
- > wider community perceptions that older people were more productive and more progressive and worth investing in
- > increased mobility and social interactions, which reduce isolation.

¹¹ There is significant debate on whether conditions empower women—enabling them to challenge traditional gendered roles and responsibilities and increase their bargaining power within the household—or disempower women by reinforcing inequalities. For example: Molyneux (2006); Luttrell and Moser (2004); Martinelli and Parker (2003); Adato and Mindek (2000); Schuring (2010); Kabeer (2008).

Box 6—Interrogating the notion of crowding out

The idea that FSP provides the resource poor with the means to invest in and maintain their social networks—what Mamo (2013) refers to as ‘giving is saving’—challenges the notion of crowding out. Crowding out refers to when cash transfers impact negatively on social relations, leading, for example, to reduced provision of ISP. This is one of the biggest concerns with all cash transfer provision. However, this notion is challenged by the evidence around pensions and the broader literature (Gibson et al. 2004 in AusAID 2010; Bhattamishra and Barrett 2010; Verpoorten and Vershraegen 2010; Brown et al. 2013; Hofmann et al. 2008).

It should not be assumed that all FSP will have the crowding-in effects seen with pensions and other categorical transfers (such as child grants). Bhattamishra and Barrett (2010) suggest that external intervention may change the position of households, reducing their reliance on each other, changing the structure of social networks and potentially fragmenting them. Browne’s review (2013) suggests that integrating community-based social protection with FSP potentially has negative impacts. The review concludes, however, that there is no strong evidence of this. Where FSP is understood to be just or fair in relation to local values and norms, the support provided can establish or strengthen relations of mutuality, as with pensions. However, where local values and norms are challenged or violated, this is likely to undermine local social relations and increase the vulnerability of those already on the margins of social systems of support. The impact of poverty targeting on social relations is discussed in more detail in the next section of this chapter.

Finally, crowding out of informal social transfers by formal transfers does not imply that the informal social transfer system is weakened. Assessment of the resource flows in the family network may find that public transfer has re-directed flows within the network, which will eventually prove to be welfare-enhancing for the entire network (du Toit and Neves 2009b).

Using a quasi-experimental design, Hofmann et al. (2008) found that older people receiving the pension in *Kwa Wazee*, Tanzania, were less lonely than those not receiving the pension. In addition, they found that their survey:

... showed no significant change in support networks as a result of receiving a pension. Family and friends remained the biggest source of external support, while support by the clan or community was consistently judged minimal. There was some evidence that support from some neighbours and family members decreased with the improved situation of pensioners, who now had to pay for some services. However, even in these cases pensioners overwhelmingly welcomed the more reciprocal relationships that resulted from greater financial stability. They reported that they were more likely to get credit from shops or neighbours since they had the capacity to pay them back. The most prominent change in social relationships was evident in households where older people cared for grandchildren. The increased ability to meet the children’s needs eased worries and improved the relationship between the generations. More money coming into the home improved the relationship between children and grandparents because it reduced stress. Children felt more loved when their grandmother was able to meet their material needs, and conflict between the generations was reduced. (2008, p. 8)

Zambia's introduction of a pension meant the elderly could build relations with others through sharing. They were also able to 'gain greater self-worth and were respected more by both family and community, with a noticeable decrease in witchcraft accusations' (Kidd 2011, p. 1).¹² Kidd concludes that an increase in economic freedom (as opposed to economic dependency) allowed potentially marginalised elderly people to:

... re-incorporate themselves into intimate communities in which they are cared for, respected and loved and where they themselves can reciprocate that care and love as full and subjective human-beings. (2011, p. 1)

Another interesting example, from Malawi, relates to the broader social strengthening effect of cash transfers aimed at the extreme poor. Leaving aside problems with poverty targeting, discussed in some detail in the next section of this chapter, Malawi's poverty targeted social cash transfers aimed to reach labour-constrained extremely poor households such as elderly widows living on their own or single women with many dependents but no able-bodied labour in the household. These households typically (at the time of targeting) did not have access to land or engage in agriculture and had no visible means of support. However, after about 18 months of receiving cash transfers, these families often had several able-bodied males in the household and were tilling the same amount of land as non-recipient farm families in the same villages (Miller et al. 2008; Maliro 2011).

Babjananian and Hagen Zanker (2012) suggest that income exclusion often represents a pathway or a transmission mechanism that facilitates other forms of exclusion, so that tackling income exclusion addresses other forms of exclusion. Most poor rural livelihoods in low-income countries are beset by continuous risks including, agricultural, market, casual labour and own health. A steady source of income replaces a highly uncertain and uneven income flow with a certain and even flow (however small). This alters the ability of households to survive. With the Malawi cash transfer, able-bodied relatives crowded in to single-person families, which transformed these households into highly productive multi-family units.

FSP can reduce inequality, exclusion and adverse incorporation: that is, increase the progressive inclusivity of ISP. Bhattamishra and Barrett (2010) found evidence that FSP can address inequality in ISP at community level by providing funding to excluded individuals, which allows them to access ISP. In addition, providing formal cash transfers to the very poor can enable them to buy membership in existing semi-formal social protection mechanisms, thus enabling greater and more equitable participation (Oduro 2010; du Toit and Neves 2009a). FSP can reduce the reliance the resource poor have on wealthier members of their communities. There is also evidence that when women receive cash transfers, this can increase their status and power within households and communities, addressing, at least in part, their adverse incorporation within these informal institutions.¹³ Unfortunately, the converse is also true. FSP schemes sometimes reinforce inequalities because they do not understand and/or do not adequately address gender issues.¹⁴ This can happen, for example, when conditionality linked to cash transfer payments to women reinforce women's domestic roles or increase their time poverty, or when travel to payments points incurs financial and opportunity costs for women.

12 Also MacLean (2011, p. 125) who quotes a 40-year-old married Akan man in an Ivorian village: 'I will give to him [a relative in need]. It's obligatory that I give to him. If I don't give to him, that will go badly and witchcraft will intervene

13 For example, Holmes and Jones (2010).

14 For example, Holmes and Jones (2010) discussion of Mexico's subsidised crèche scheme, Estancias, and Bangladesh's asset transfer program, Challenging the Frontiers of Poverty Reduction.

Targeting

This section explores how poverty targeting can damage social networks, through stigmatising the poor, crowding out informal transfers and causing social conflict. It also looks at how more egalitarian communities subvert the aims of poverty targeting by redistributing formal transfers through informal networks.

Poverty targeting can damage social networks

Poverty targeting can damage social networks by creating jealousy or stigma towards recipients. It relies on methods sometimes unintelligible to recipients, who can perceive it as a redistribution mechanism, an act of charity, and as random and unfair. Indeed, there is solid international evidence that poverty targeting can cause conflicts in communities when some are chosen and others are not.

Central to the problem is that many poor people eligible for programs are excluded on the basis of poverty targeting. Social conflict has been observed with proxy means testing and community-based targeting. Studies in Mexico and Nicaragua demonstrate feelings of despair, frustration, envy, resentment and jealousy from non-beneficiaries, many of whom are also poor.¹⁵ In Uganda, Calder and Nakafeero (2012) found cases where the poverty-targeted Vulnerable Family Grant (VFG)¹⁶ lead to jealousy and bad feeling, reducing the support recipients of the grant received from their wider social networks:

The VFG targeting mechanism is complicated, and not well-understood, and is therefore seen as unfair; this of course is compounded by the fact that so many households were missed during registration. As a result, there are also low levels of inter-household conflict, or at least enmity, reported both by beneficiaries and by staff. More friction is reported on paydays. (Calder and Nakafeero 2012, p. 51)

One VFG recipient reported:

We have been accused by others of buying our way onto the programme ... Some people are hostile to us, and if we miss a payment then they mock us, saying that now we are just like them again ... No one helps us now because they are jealous of us. They are looking at us with one eye. (Calder and Nakafeero 2012, p. 52)

Ellis's research (2012) suggests that poverty targeted cash transfers may not be appropriate for traditional societies in the Pacific because of their potential to be socially divisive. And Ellis is right to be concerned, as there is evidence of direct conflict as a result of poverty targeting. For example, in some communities in Mexico, when *Progresa* recipients were cleaning the streets, non-recipients threw rubbish; in other communities, fences mended by recipients were knocked down by non-recipients (Adato 2000). In Kenya's Cash Transfer for Orphans and Vulnerable Children program, the absence of significant discord in communities following the selection of recipients using a proxy means test was due to program administrators deceiving those excluded by telling them they would be incorporated into the program in the near future (Calder et al. 2011). Widjaja (2009) found significant challenges in Indonesia when the *Bantuan Langsung Tunai* program, which used a proxy means test, was rolled out. Protests about the selection process took place in around 30 per cent of villages. Indeed, Cameron and Shah (2011) found that crime increased by 5.8 per cent as a result of the poverty-based selection process. In a community visited by Hannigan (2011), the initial distribution of the Indonesia *Program Keluarga Harapan*, which also used a proxy means test, provoked stone throwing and the burning of a building.

15 Cf. Adato (2000); Adato et al. (2000); Adato and Roopnaraine (2004); Hannigan (2011).

16 Strictly speaking, the VFG pilot targeted on the basis of labour capacity and dependency ratio (as a proxy for poverty).

As Sen (1995) and Grosh et al. (2008) point out, a further social cost of poverty targeting is the potential stigmatisation of beneficiaries. Sen argues:

Any system of subsidy that requires people to be identified as poor and that is seen as a special benefaction for those who cannot fend for themselves would tend to have some effects on their self-respect as well as on the respect accorded them by others. (1995:13)

Many poverty targeting processes create stigma. For example, putting lists of beneficiaries up on walls or reading them out in community meetings can be a source of embarrassment and stigmatisation (Kidd et al. 2011). In Malawi some beneficiaries found this painful (Miller 2008, p. 29). In Nepal, Jha et al. (2009) have noted how community-based targeting can lead to greater stigma. The proxy means test prepared by the World Bank in Nepal proposed publishing the beneficiary list in national newspapers, which may be regarded as a potentially stigmatising measure (Kidd et al. 2011).

Good social relations are a key asset of the poor. Serious reflection is needed on whether poverty targeting—given its inherent inaccuracies and the effects identified here—is a worthwhile price to pay for undermining poor people’s social capital (Kidd et al. 2011). Adato and Roopnaraine conclude, reflecting on the impact of poverty targeting in Nicaragua, that ‘It is necessary to take these social costs into account in evaluating future targeting options.’ (2004, p. 79)

Informal re-targeting—‘We are all poor here’

It is clear that with high levels of inequality or exclusion, poverty targeting can exacerbate and reinforce discrimination rather than address it. But what happens when societies are more equal and more egalitarian? When poverty targeting is imposed on communities it is common to hear members exclaim: ‘We are all poor here!’ (Ellis 2012a). Such a refrain has been noted in African, Indonesian, Mexican and Nicaraguan communities.¹⁷ In Malawi, for example, a community argued ‘We are one group of people therefore targeting some and leaving out others is not right’ (Mgomezulu 2008, p. 73). As a result of communal and egalitarian social norms, it is not uncommon for cash to simply be redistributed through social networks. This is attributed to the desire to maintain smooth intra-community relations (McCord 2013).

However, doubts about poverty targeted transfers as a workable method for tackling gaps in ISP coverage do not mean rejecting other types of formal social transfer. As seen, categorically targeted transfers, such as old age pensions, contribute significantly to the ISP system, addressing issues such as exclusion and adverse incorporation. And they are not socially divisive because almost all families (and certainly all extended kinship groups) have members above the age threshold of a pension and all citizens understand that if they live to that age they will be eligible for the benefit (Slater 2010). They adhere to, and support, local notions of fairness and justice, providing resources to those perceived by communities to be ‘deserving’ because of life-course risks and vulnerabilities.

Context sensitive formal social protection

Before FSP initiatives are designed and launched, there should ideally be serious anthropological research into social relations (including networks, structures and systems of support), social norms and value systems, as well as serious consideration of the implications of introducing new forms of social protection into different local contexts. However, the number of calls in the literature for FSP to consider ISP and learn from it¹⁸, accompanied by few examples of this having happened, suggests that this is not necessarily the case. Examples of the converse happening—as seen with the poverty targeting discussion earlier—abound.

17 Kidd (1999); Adato (2000); Adato et al. (2000); Mgomezulu (2008:73f); Huber et al. (2009:49); Hannigan (2011).

18 For example, Coheur et al. (2008); Slater and Jones (2012); Verpoorten and Verschraegen (2010).

There are notable examples of donors, non-government organisations and governments in a number of Southern African countries building on indigenous practices to support the resource poor. Examples include sharing produce from the Chief's fields in Swaziland, small livestock transfers in Zimbabwe, burial societies in Lesotho and farm input support in Mozambique and Malawi (Ellis et al. 2009). As noted by Mupedziswa and Ntseane (2013), these innovative initiatives are designed to suit contemporary conditions.

This final section presents a case study of a program that, though nearly 40 years old, is testimony to the importance of understanding and learning from local systems of social protection. Among pastoralists, where ownership of livestock is the backbone of social relations, different types of animal loans are key to generating and maintaining social capital. During the drought in Niger in the late 1970s, which decimated local livestock populations, Oxfam recognised that local ISP systems of risk pooling could not cope and so designed an emergency social protection scheme around local ISP systems (Box 7).

Box 7—Context-sensitive formal social protection: a case study

In Niger, the *Wodaabe* pastoral nomads (a section of the larger *Fulani* group of West and Central Africa) use livestock loans to express and strengthen bonds of friendship, solidarity and kinship, and to help decrease vulnerability to two main risks—drought and disease—which can decimate the herds and flocks of individual households and threaten livelihoods. In the event of significant individual livestock losses, *Wodaabe* households can activate coping mechanisms, one of the most important being the *habbanae* cow (literally, the cow 'tied to' or offered 'on behalf of' someone in need). In such cases, a cow is loaned temporarily by an individual to a friend, a young or poor member of the same clan or tribe or even, in some cases, a member of another tribe. The lender 'ties' the animal to the borrower until the first two or three offspring are born, after which the cow is returned to the original owner. The recipient household is entitled to keep the calves to reconstitute its livestock assets and benefit from the milk produced by the borrowed cows.

The *habbanae* cow is also called *hawtarae* (literally the cow 'which is co-owned'). The cow is not given for profit-making purposes but as a token of friendship and solidarity. By this gesture and by the reciprocal duties that bind the two individuals and their households, the *Wodaabe* enact their conception of relations that unite individuals. After the *habbanae* cow is returned to its owner, the former recipient can in turn become the lender by 'tying' another cow to his former creditor. This cow is called the *bokkorde* or 'tail' cow. Thus, there is no end to the alliance of friendship and solidarity between families and no permanent benefactor or beneficiary relationship, but rather a relationship of mutual obligation and support.

The *habbanae* system is a traditional safety net mechanism that helps transient poor rebuild assets and, at the same time, meet some immediate consumption needs. It is a system of collective rights and obligations, which creates and strengthens bonds and linkages between households and clans. It can be seen as a way of investing in social capital.

A pioneer initiative called the *Habbanae* Project was jointly supported by Oxfam in central Niger between 1974 and 1984 in the wake of the massive drought of the late 1970s that decimated herds across the Sahel. Through this project about 500 destitute *Wodaabe* households benefited from a loan of an average of two or three cows and/or camels (plus two or three sheep and sometimes a donkey) and were able to restock their herds and go back to their pastoral livelihood. The project was run according to local traditions (to manage conflicts, for instance) and was locally managed by a network of community leaders. Reimbursement rates were very high—after five to eight years, the original animals were given back to project management. Older animals were sold in the market, while different arrangements were made to leave younger animals with the 'borrowers' through alternative reimbursement of sheep, goats or even donkeys (which were then sold on the market). The money from the sale of animals was given back to Oxfam—America and re-injected to finance other community-based initiatives in the 1980s. This approach has subsequently been adapted in different ways by a number of projects in Niger and elsewhere.

Source: Angelo Bonfiglioli, with Carol Watson, personal communications

Why did the Oxfam project work so well? Oxfam's program design recognised that *habannae* served as an effective form of traditional social protection, offering a safety net to vulnerable groups or individuals, but only during times of individual household shocks or loss. Instead of replacing a local system that could not cope with covariate shocks, Oxfam bolstered local ISP mechanisms. This meant the project had local legitimacy. The project also provided the *Wodaabe* people with the means to restore their local systems when the drought was over.

Concluding remarks

At times, FSP can help improve the protectiveness of ISP. Targeting on the basis of groups seen to be 'deserving' by local populations appears to support more progressive and inclusive ISP regardless of local context—whether it is highly unequal and exclusionary or highly communal and egalitarian. On the one hand, pensions, for example, enable individuals to maintain their social networks by engaging in mutuality. This and other successful examples of contextually sensitive FSP appear to accord with local values and norms. On the other hand, poverty targeting can bring about social division, stigmatise the poor, effectively crowd out informal transfers and cause social conflict.

These insights point to the importance of using social analysis to inform the design of FSP, to understand where ISP is not perfect—how and who it leaves out or fails to benefit equally—and how FSP might be received. The case study from Niger shows that if FSP is cognisant of the nature and structure of ISP, it can bolster ISP rather than replace it. It illustrates the complementarity that can be found between ISP and FSP when the design of FSP programs is informed by social analysis.

Conclusion

Social relations play a central role in shaping ISP, providing care and support to family, community and group members through a range of social structures and social networks. ISP is predicated on people's cultural beliefs, norms and values, including the core values of sharing and caring for others, communality, mutuality and obligation. These values are contextual and socially and culturally determined.

While values and norms undergird the relations that shape ISP, ISP is also subject to individual agency. Looking at ISP through a social capital lens highlighted the importance of mutuality, maintaining networks, rational calculation, and the fact that people: '... like, love or loathe one another—and therefore associate together or avoid each other—for reasons that lie outside the domain of rational calculation' (Field 2008, p. 31) and beyond the bounds of normative kinships relations. So, while it was argued that often ISP is more of a by-product of social relations rather than a conscious goal, social relations in small-scale societies are to some extent structured to provide mutual aid and support to members. The social norms that do so tend to endure.

The paper examines a broad and flexible typology of ISP arrangements based on an organisational structure of social relations and social networks, at family and community levels. The typology includes:

- > sharing and helping between family, close kin and immediate neighbours
- > engaging in informal cooperation and mutual assistance aimed at production practices
- > forming community-based associations around a certain goal
- > the hosting of largely kinship based solidarity events and rituals.

These arrangements should be seen as non-discrete and interlocking. They range from small, frequent and relatively private informal transfers to increasingly large, less frequent and relatively public informal transfers.

Social protection in the paper is defined as: the set of public and private cash and in-kind transfers deemed necessary in a polity or society to smooth consumption and protect individuals from destitution. Though narrow, this definition covers mechanisms as diverse as informal sharing and pensions. To better understand the complementary roles ISP and FSP can play in supporting those who have inadequate resources, the paper examines the similarities and differences between these two systems. It argues that ISP and FSP are characterised, to differing degrees, by social, cultural, religious and economic principles, and by institutional arrangements, rules, regulations and accountability mechanisms. They are distinguished according to ISP's fundamentally personalised and private nature, based on family and community relations, and FSP's highly centralised, impersonal and public citizen—state relations, noting that FSP policy intentions are often filtered through local dynamics during implementation.

While an enduring and essential part of all societies, ISP does not always support or protect. Far from the rosy picture that some literature depicts, social relations can be simultaneously supportive and burdensome. Even social relations that provide ISP can be deeply unequal and characterised by adverse incorporation. It is often those with the least resources who are also least able to maintain social networks and who therefore need to rely on others in times of need.

Acknowledging that not all societies are characterised solely by inclusive and egalitarian values or norms of sharing and redistribution, the paper proposes an approach to assessing the effectiveness of ISP systems, termed progressive inclusivity. This recognises that inclusion in and of itself does not necessarily provide protection, because protection based on unequal relationships can be provided on adverse or exploitative terms. It also recognises that the very poorest and most vulnerable can be excluded from systems of social support, or that support provided may be insufficient to change their circumstances in a meaningful way. For inclusion

to be progressive, it must include the poorest and most vulnerable on equal terms and be sufficient to meet their needs.

The paper refers to the oft-cited refrain that traditional systems of social support are rapidly breaking down. It argues that because social institutions are constantly contested and social structures constantly re-negotiated a more useful approach is to ask how and why social relations are changing and what this means for ISP effectiveness. The paper looks at a number of current challenges to effectiveness in protecting the poor and vulnerable, including: widespread poverty and growing inequality; covariate shocks; increasing integration into cash economies and demographic transitions; and shifting values and norms. ISP systems are diverse and respond differently to the rise of the cash economy and other stresses and pressures. The paper also examines how ISP systems are evolving, singling out changes in the structure of networks and a shift to more strategic giving.

So, although ISP serves as an important function in reducing hardship and smoothing consumption, it is fraught with uncertainty, due to the exclusionary and adverse nature of social relations and modern-world stresses. FSP thus has an increasingly important role to play. First, it can address inherent shortcomings in ISP systems—the tendency to exclude certain groups of people or include them on adverse terms, the inability to protect all those in need and the inadequacy in dealing with covariate shocks. FSP systems can distribute resources according to needs, rights and citizenship, without reciprocation. Second, although ISP has exhibited remarkable resilience in the face of change, there are holes in the net. FSP can effectively plug these holes and bolster ISP systems when they are under stress (as ISP can plug the holes in FSP).

While formal transfers can help people maintain the social networks through which ISP is delivered, a solid understanding of the likely impacts on social relations makes it more likely. While a number of design features can impact on social relations—including benefit value, length and regularity of provision, conditionality and targeting—conditions and targeting are the most hotly debated and well documented for their impact on social inclusion and community cohesion. The paper focuses on the impacts of categorical and poverty targeting, using the example of pensions as a categorical benefit that improved the protectiveness of ISP by enabling individuals to engage in mutuality and thus maintain their social networks. This and other successful examples of contextually sensitive FSP appear to accord with local values and norms and so crowd-in additional resources. Where FSP displaces or crowds out local systems of support, evidence suggests this is not necessarily negative, as it may make ISP relations based on patronage and structural inequality less essential for the survival of the poor. Whether FSP crowds out or crowds in depends on context and whether distribution of resources through FSP is seen to be fair and just according to local norms and values.

The paper also argues that poverty targeting can bring about social division, stigmatise the poor and cause social conflict. Good social relations are a key asset of the poor. There therefore needs to be serious reflection on whether poverty targeting—given its inherent inaccuracies and the effects identified in the paper—is a worthwhile price to pay for undermining poor people's social capital (Kidd et al. 2011). With more communal and more egalitarian societies, evidence exists that cash is often redistributed through social networks to maintain smooth intra-community relations (McCord 2013). The paper thus concludes that targeting social protection based on local understanding of social justice—for example, caring for the elderly—appears to support more progressive and inclusive ISP, regardless of local context (whether highly unequal and exclusionary or highly communal and egalitarian).

This study attempts to understand ISP from a social relations perspective. It highlights key features within local contexts and within FSP design that can affect FSP effectiveness in tackling poverty and vulnerability. Much of the literature on ISP leans towards community based or semi-formal social protection, rather than a social-relations approach. While some research takes a social-relations approach to understanding ISP (for example, Maclean 2011; Mamo 2013) this is by no means widespread or even in terms of geographical focus, with a stronger (yet still patchy) body of research coming from Africa and the Pacific, some from South Asia, and little from South East Asia. This is a critical area for further research, particularly with the recent burgeoning of FSP programs in countries where informal systems have predominated and will continue to influence how FSP is viewed and received, and how it benefits the poor.

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