(Non)state and in(formal) social protection in Africa: focusing on burial societies

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Background and Guiding Question

• Social protection has reached development policy agenda in Africa...

• ...Extending social protection to informal workers is now the key concern

• What are the available models of extension?
Social protection intersperse

**State**
- State-formal provision
  - e.g. social assistance
  - Child grants
  - Non-contributory pensions
- State-nonstate interchange
  - e.g. market-based intervention
  - donor funding
- State-informal provision
  - ?

**State-informal provision**

**Formal**

**Nonstate**
- Nonstate-formal provision
  - e.g. NGOs and Donors
  - cash transfers, school feeding by NGOs (donors)
- Nonstate-informal provision
  - e.g. informal systems
  - inter-household allocations
  - Burial societies, ROSCAs, Savings clubs, etc

**Informal**

**Case of burial societies**

- Formal institutions
- Linking Social Capital
- Community-based BC
- Work-based BC
- Religion/Tribal/Ethnic-based
- Migrational-based BC
- Gender-based BC

- Economic agents/actors
- Bonding social capital
- Bridging social capital
Why burial societies are one possible pathway?

1. Burial societies are the only source of investment for some informal workers without a bank account and street address.

2. They enjoy a large, consistent and devoted membership despite the availability of insurance provided by for-profit formal institutions.

3. Members have a strong sense of ownership hence there is self-commitment and continuity

Extending social protection to informal workers

1. **The state-informal single model**: states targeting individual informal workers, with voluntary participation e.g. Ghana Informal Sector Fund.

2. **The state-informal collective model**: state targeting informal systems such as burial societies.
   - Advantages of this model is that burial societies (of informal systems) remain delegated monitors hence moral hazards are reduced.
   - The bridging social networks may transmit the positive effects of state-formal provisions quickly.

3. **State-formal model**: a legalist pathway
   - Formalising informal systems to allow state-formal provision
   - Linking informal systems to formal and allow state-formal provision
Thank you