

Policy Brief

Informal Social Protection: The Role of Social Capital

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Key Message

- Social capital is a key element of social protection beyond state intervention. Each community has unique social system dynamics and power relations, forming particular social capital. In developing an adaptive social protection system, through empirical evidence, the government needs to develop a governance model that considers informal social protection practices that already exist in communities and take place between citizens, especially social capital, while understanding the bias of inequality and social injustice.
- Various informal social protection practices, especially those based on social capital existing in the community, for example, in Sumba, exist and develop various life rituals based on the values upheld by the community. The community can develop and expand this system to respond to climate change and disaster adaptation as part of adaptive social protection.
- Semi-formal social protection models provided by non-governmental microfinance institutions have been proven to assist rural residents when certain stresses and needs exceed the support provided by available formal and informal social protection. The presence of microfinance institutions such as cooperatives or other mechanisms provided by the private sector needs to be considered and developed as part of adaptive social protection by providing an ecosystem that is safe, accessible, and profitable for all parties.

Introduction

Efforts to develop social protection as a mechanism to protect poor and vulnerable people in developing countries when facing pressures and crises that disrupt their livelihoods continue to be developed (Carpenter et al., 2012; Davies & McGregor, 2009). Exploration of comprehensive social protection goes beyond formal models due to the limited capacity of many countries to provide adequate social protection (Devereux & Getu, 2013). Informal forms of social protection have begun to be explored based on their role in sustaining the lives of the poor and vulnerable when they face difficult situations. However, the study of informal social protection models has not been given much attention by national governments in many countries, even though many citizens who work in rural areas and other informal sectors are

greatly helped by this mechanism when they are in trouble (Devereux & Getu, 2013, p. 2). Therefore, more empirical evidence is needed to clarify this category of social assistance both theoretically and practically.

Attempts to understand informal social protection are often made by bringing various social mechanism forms outside the state (Mumtaz & Whiteford, 2021). Incorporating all forms outside the state leaves problems in formulating a more systematic and effective social protection system, especially in improving cohesion between the two models of social protection: formal and informal. This policy brief is written as part of the research titled *Towards Future-Proof Society: Adaptive Social Protection Against Climate Change*, with a specific question

to be answered: Does social capital qualify as informal social protection?

Informal Social Protection

Social protection is empirically related to the mechanisms provided by multiple actors in various scales and dimensions, such as government, other public organisations, private agencies, volunteers, and informal networks so that individuals, families, and communities can survive various pressures and events that disrupt their livelihood systems (Mumtaz, 2021). The rich and multi-layered variations of social protection make it challenging to develop theoretical formulations and formalisations of social policy. This confusion is exacerbated by informal processes, which are often simply defined as efforts that take place outside the intervention of the state and its policies but, in reality, are complex and situated realities based on the context in which they occur.

Processes outside state intervention are carried out and spread within communities and are part of a joint mechanism for responding to risks. These processes are often part of a particular community's efforts to maintain collective life. In many cases, they also show that if carried out excessively, they can become a burden, especially for the poorest families in a community. Still, they are forced to follow it because they are worried about being excluded from the community. Research shows that rural areas with poor economies experience more risks, especially from diseases and environmental hazards (Devereux, 2002). Each community develops mechanisms to respond to risks. A narrow definition of informal social protection solely as mechanisms outside state intervention is insufficient. There is a need to complement this definition with empirical research to identify these informal mechanisms more clearly to inform the development of polycentric social protection policies.

Social Capital and Findings from Sumba

Attention to social capital in social protection policy debates is related to cultural mechanisms based on community and family relationships and networks that have long been able to sustain the poor and vulnerable in the face of various crises. There are various definitions of social capital developed by social scientists. Generally, social scientists discuss social capital in terms of one's relationships with others in communities and families. These relationships support the community's common life, including expressions such as cooperation and conflict, dialogue and debate, reciprocal relationships, and elements of trust, for example. Social capital is also associated with a shared system of values, norms, and beliefs. The key features of social capital are the various forms of relationships

that, when empirically explored, refer to the productive aspects that ensure the order of communities and families to continue and survive through the various conditions of their collective life in aggregate.

Research on social capital in Indonesia highlights the '*gotong-royong*' system concerning community welfare arrangements (Lukiyanto & Wijayaningtyas, 2020). *Gotong-royong* is then associated with its role in terms of health support between community members and income sources. *Gotong-royong* is considered a cultural institution that exists in every community with welfare. Furthermore, it is included as part of informal social protection. The term '*gotong-royong*' itself may not fully capture the rich diversity of existing practices. These diverse practices within communities are crucial components of informal social protection.

The community of Sumba, Indonesia, possesses social practices rooted in its specialised caste system. This system is characterised by strong relational ties between the *Ata* (enslaved people) and the *Maramba* (nobles). *Ata* and *Maramba*, although often criticised for their asymmetrical relations that are considered unequal, live in mutual support. One is referred to as *Maramba* when they have several *Ata*, who are often described in terms of their names in an explain-explained relationship. A person is referred to as an *Ata* because they have a master whom they serve. The *Maramba* held a position that exempted them from physical labour. This was because they possessed significant resources like land, food, livestock, and the labour of the *Ata* (enslaved people). When pressures and crises disrupt their livelihood system, loss of wealth and assets, *Maramba* experiences a downfall that makes them vulnerable because they are not equipped with several abilities to live as ordinary people.

Social protection practices found in Sumba, particularly the *Mandara* practices, are spread through a variety of practices that take place at different scales; micro networks that are between families such as care and mutual assistance between families or neighbours; and also, where a family experiencing food difficulties borrows from other families or neighbours. *Mandara* practices occur in specific relationships between one person and another or between one family and another within or between communities. When a particular family experiences crop failure or food shortages within the family, they can borrow from other families according to the amount and limits they understand. *Mandara* is particularly beneficial as it can extend a family's time when they are in a difficult situation while also giving them space to make other efforts. Fallen *Maramba* are often unable to practise *Mandara* due to lack of exposure to the practice due to their previous high social status and the pride they still have.

These micro-level practices come through variations of reciprocity and solidarity with no obligation on the part of the recipient to return. It is also possible for conversions to occur between practices, such as helping each other out at everyday events or occasions.

At a more complex scale, informal social protection is present at the community level through practices such as *arisan* and traditional events. The practice of *arisan* here experiences a proliferation of meaning, from a time-based practice, for example, every month through an agreement among participants and rotation, to a practice based on important events or occurrences, such as death, marriage, or birth, which is a social custom that is embedded and practised over a relatively long period in and by the community.

In addition to the forms of social adaptation that take place among residents and rural communities, there were also opportunities offered by semi-formal microfinance institutions, such as *Koperasi*, which are accessed by residents when they experience difficulties and the existing social capital is limited to help them. This can be categorised as semi-formal social protection.

Social Capital as Informal Social Protection

Based on the empirical findings regarding the practices that can be categorised as forms of social capital in Sumba, to some extent, these customs are forms of social protection systems that exist in the context of *Sumbanese* communities. Although they occur within limited resources and are often fragmented, these are the mechanisms that help community members survive their difficult situations. Even though they are not fixed, stable mechanisms that work well for every community member simultaneously, these practices fill in certain parts of the community so that they do not collapse when faced with crises that disrupt the balance of their lives. Every region and community has this kind of social support system that takes a special form in each community and family relationship.

A special feature of these social capital practices is that they can be bidirectional or reciprocal. Often, these practices are also trade-offs. In this context, community members have a shared view that adversity or crisis can happen to anyone, often reflected through important events that are part of their life-cycle rituals, such as death, marriage, and birth, which are then extended to crises. Disturbances such as the impact of climate change, locust infestation, African Swine Fever (ASF), *Seroja* cyclone, and COVID-19 reinforce this feeling in Sumba.

However, it can also erode this habit when the disturbance is widespread and disturbs the majority of community members, such as locust infestation.

Reflectively, studies have shown that the use of the term social capital for informal social protection is a generalised concept that has the potential to disguise the different informal mechanisms that community members employ to protect their lives from hunger and destitution due to losses caused by extreme events. The concept of social capital encompasses many different practices, but at the same time cannot deny that these mechanisms work as models of social protection for poor and vulnerable communities.

Recommendations

- **The existing social system in Sumba has loopholes that make certain groups vulnerable, despite being from the noble caste.** They are unfamiliar with the things that their servants previously did. They are also not exposed to the Mandara system, the tradition of requesting help when certain community members face difficulties. Their opportunities to obtain loans from *Koperasi* and other semi-formal microfinance units can breach this vulnerability. In this context, social protection systems need to consider various aspects to enable an effective and appropriate design.
- **The typical social stratification with a caste system that exists in Sumba society has weaknesses when the livelihood system is disrupted due to the loss of assets.** Not only did the nobility fall, but the servants who depended on this system were also at risk of starvation and a decline in their quality of life. Empirical evidence is needed to inform the design of social protection systems as social policy.
- **Social capital-based social protection can work in response to anomalies in 'normal' conditions or changes that are not large-scale or community-wide.** Further empirical studies are needed to assess the performance of social capital when facing changes caused by compounding and cascading crises with pervasive effects, such as locust infestations in the Sumba context, Cattle disease outbreak, and Cyclone Seroja, which resulted in the community as a whole losing their social capital capacity to help others.
- **More micro-symbolic relations need to be empirically examined to determine the layers of vulnerability** based on unequal power relations at the family or community level by being sensitive to aspects of GEDSI.
- **Intervention mechanisms are needed to replace weakening social capital as part of informal social protection.** Interventions

through social policy need to ensure this dimension.

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Disclaimer

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