Scaling Social Protection Systems

What holds it back?

Stefan Dercon,

Blavatnik School of Government,
University of Oxford

Introduction

Outline

- The opportunities
- The challenges
- Changing the default to build systems

The opportunities

Strong evidence that SP – and (especially) cash transfers ‘work’

Cash transfers change lives.

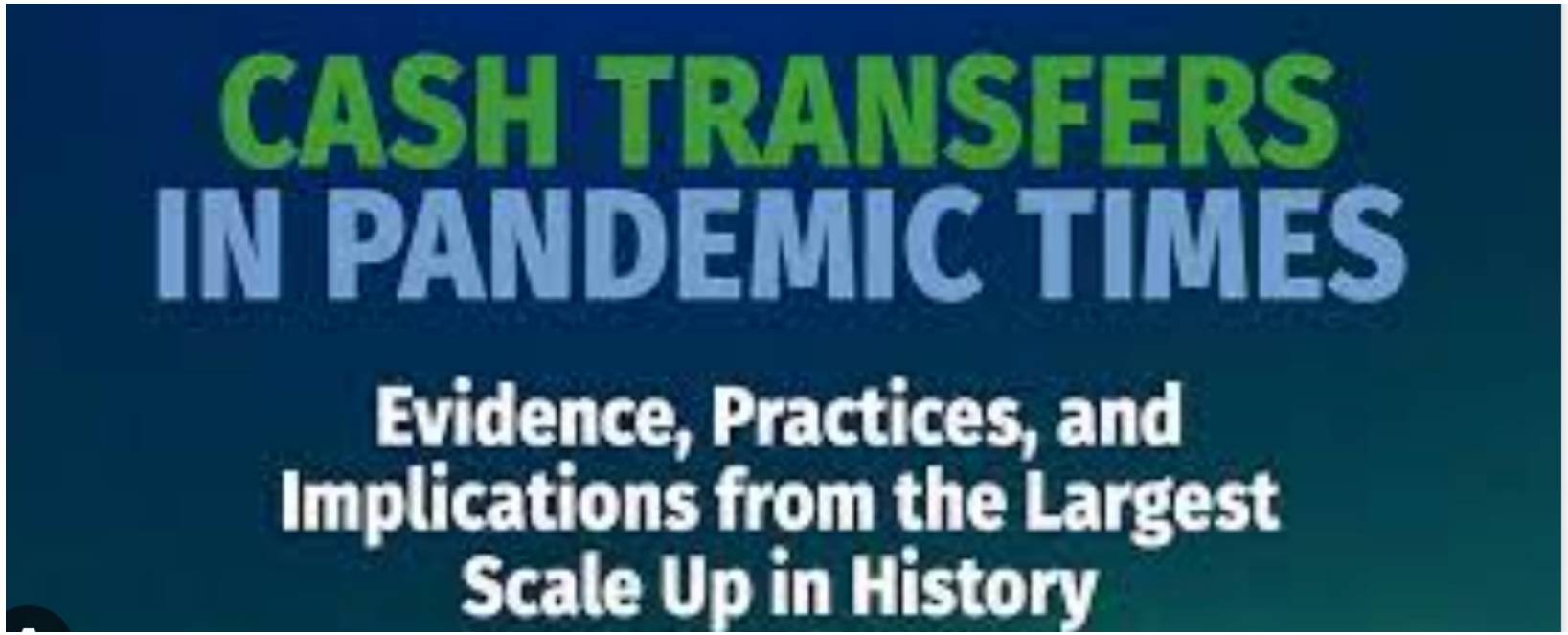
And can contribute to restoring dignity.

With digital transfers, a whole new array of opportunities arise

Digital transfers brings costs down, and increases accountability.

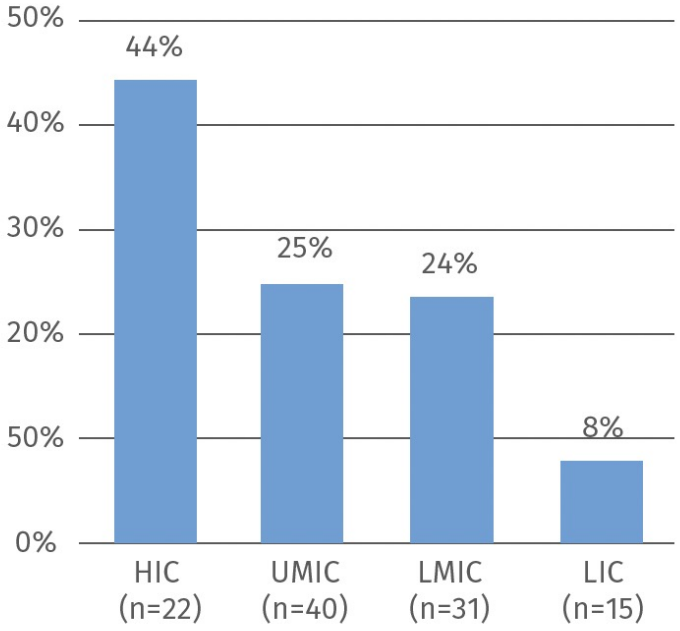
And creates opportunities for fast, timely, well targeted transfer systems; allowing for scalable anticipatory/shock responsive/adaptive systems even in difficult settings.

Covid showed many the potential…



The challenges

Implementation remains remarkably poor



Even during COVID, less than 10 percent of population covered on average in low income countries.

Digitalization is like a Swiss cheese.

Social protection’s role in development is oversold…

… and the role of politics is underestimated.

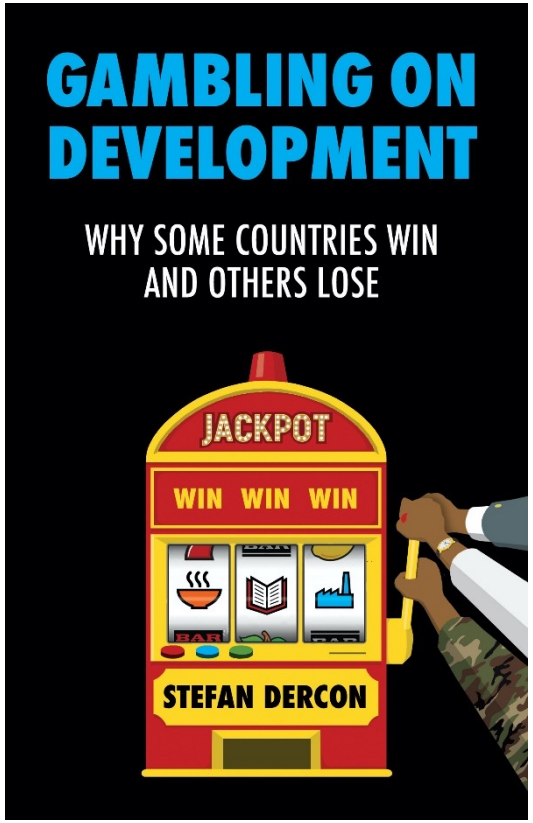
BENAZIR INCOME SUPPORT PROGRAMME
BISP

Support in donor countries cannot be taken for granted…

… while nature of political support across countries is rarely belief in social contract.

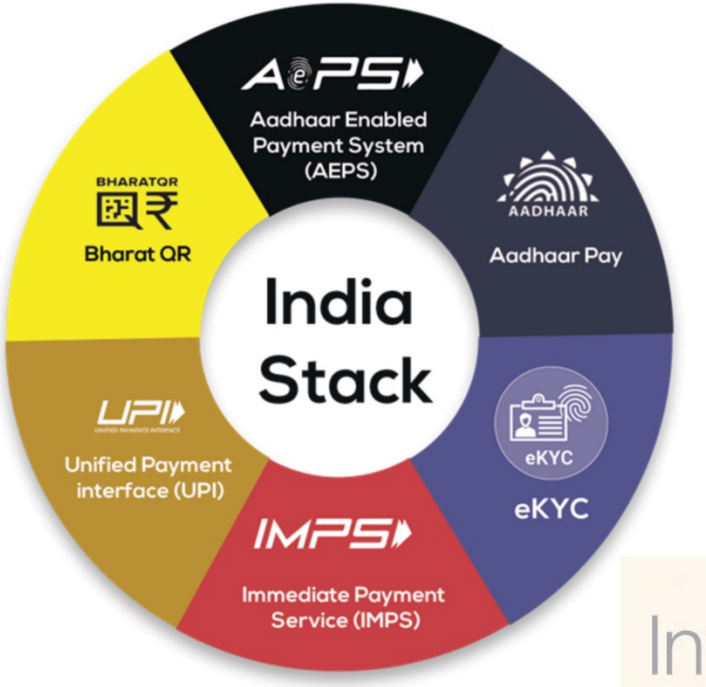
Change the default: How to build systems

Change the default (1):
Begin with local political commitment



Everything in development depends on politics and political commitment.

Changing the default (2):
Build G2P digital system, no digitized analogue SP system



IndiaStack

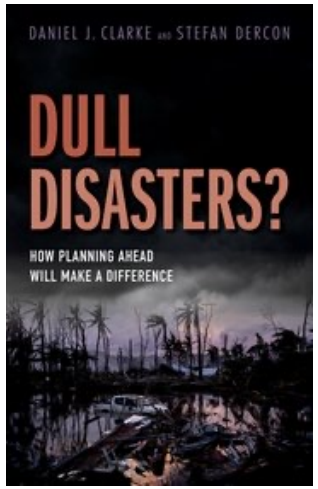
Change the default (3): Design with finance in mind

Tax

+

Pre-agreed financing

CENTRE FOR DISASTER PROTECTION



OCHA

IDA

GiveDirectly

Change the default:
Rethink then what a system could look like

A system fit for local politics

+

A digital system not a digitized analogue system

+

A system designed with finance in mind

Change the default:
Rethink then what a system could look like

A system fit for local politics

A digital system not a digitized analogue system

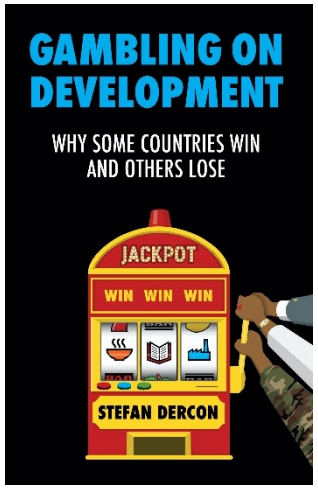
A system designed with finance in mind

Needs to be resilient as a system:

able to function during crises, whether man-made or natural…

The time to set up the plumbing is now

CENTRE FOR DISASTER PROTECTION



Thank you!

13 June 2023

stefan.dercon@bsg.ox.ac.uk

CENTRE FOR THE STUDY OF AFRICAN ECONOMIES

UNIVERSITY OF OXFORD

Global Forum on Adaptive Social Protection

Protecting lives and livelihoods in times of crisis

13–15 June 2023 • Berlin

Federal Ministry for Economic Cooperation and Development

WORLD BANK GROUP
Social Protection & Jobs

Implemented by:

giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Supported by:

UNDP

socialprotection.org