

Social protection system design

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Several questions need to be answered before a social protection system is designed. Part II of the Handbook on Social Protection (Schüring and Loewe 2021) introduces the reader to the debates around some of these questions and highlights the importance of discussing each of them at the systemic level, rather than as single interventions.

A first question, which possibly underpins all others: Why is a social protection programme set up at all? Is social protection predominantly seen as a means for economic development, social inclusion and political stability, or as a human rights matter when it comes to systemic choices? The Handbook discusses what these approaches to social protection would entail.

Who should receive the benefits? Targeting is possibly the most problematic of all design issues in social protection. It is so difficult, expensive, and socially divisive that many have argued for universal social protection. Universality, nonetheless, does not mean that every programme has to be universal. Targeting is as much a political issue of establishing priorities as a technical one. For example, if it is difficult to identify the 'poor', is it then better to provide benefits to everybody (poor and non-poor alike)? Or is it better to 'target'—i.e. try to identify the poor—by using, for example, proxy indicators (age, place of residence, living conditions, etc.) risking that some of the non-poor will still receive benefits while some of the poor do not? While there is widespread debate regarding various targeting mechanisms, it is important to note that targeting approaches are a crucial part of all social protection systems.

The next question that must be addressed during system design is: How can social protection be financed? Two interrelated aspects are discussed here. The first is where the funding for social protection benefits should come from. Is it intertemporal redistribution (i.e., the shift in a person's income across the life cycle), intergenerational redistribution (people of working age supporting children and the elderly), vertical interpersonal redistribution (from the rich to the poor) or horizontal interpersonal redistribution (risk pooling, as in insurance schemes)? The second aspect regards how much funding can be mobilised in technical terms (between contributions, taxes, government income sources—such as fees, investments, sale of assets or natural resources—

borrowing, or external grants) and what are the advantages and drawbacks of these different options.

Yet another point concerns which actors should get involved in social protection programmes. The Handbook argues that social protection is not the exclusive purview of countries or individual states. Governments have the challenging role of directing the complex interplay of actors at informal, societal, private and public sector levels to move towards an integrated social protection system that is effective, efficient and guarantees equal rights.

The questions raised in this One Pager are far from exhaustive. However, systems will still be under active development even if and when all these questions have been answered. Social protection instruments do not easily and naturally chain up—they can be complementary but also substitutes to each other—but rather require a systemic approach. Even when the choice and combination of instruments can and should be guided by technical analysis, the fact that decisions remain normative should not be overlooked.

Table 1. Expert voices in Part 2

Chapter	Page	Expert	Video/Podcast
8	23	G. Standing (University of London)	School Feeding Programmes
10	45	O. Schutte (UN)	Global Fund for Social Protection
10	87	M. Greten (Caritas Bonn)	Caritas Bonn as a Provider of Social Services in Germany

Note: The videos can be found in the multimedia version of the Handbook, in the respective chapters.

Source: Schüring and Loewe (2021).

References:

- Schüring, E. and M. Loewe (editors). 2021. *Handbook on Social Protection Systems*. Cheltenham: Edward Elgar Publishing Limited.
- Schüring, E., and M. Loewe (editors). 2021. *The multimedia application of the Handbook on Social Protection Systems*. Bonn: Litello GmbH.