

BOOK REVIEWS

Social protection for informal workers in Asia, by Sri Wening Handayani, Asian Development Bank, Manila, Philippine, pages 394, n/p.

Social protection is a newly emerged term which is being used for social development, during these days. In the current decade it has been recognized by the World Bank, Asian Development Bank, and at the other forums, on priority basis. Now it is even more important than the Millennium Development Goals and part of the 2030 Agenda for sustainable development. Specifically, its objective is to address the need of poor and vulnerable population of the society. Recognizing importance of the topic, the Asian Development Bank (ADB) has undertaken a two years research program on Asian countries in order to identify policies and built strategies to expand coverage of the social protection in Asia.

The book under review is edited by Sri Wening Handayani of the ADB and contain 11 Chapters. The first four chapters give the conceptual framework of how to extend social protection to the informal workers. The first four Chapters covers the:

1. Design and delivery,
2. Financings,
3. Political economy, and
4. Governance.

Apart from making assessment of the social protection coverage, the first four Chapters have suggested recommendations and identification of policies which can expand social protection schemes for informal workers. In addition challenges and constraints in setting up a Social Protection system for informal workers in Asian countries is provided and explained. The remaining six chapters are basically the case studies of six Asian countries which include Pakistan, China, Bangladesh, Indonesia, Philippine and Thailand. The last chapter is the conclusion of the book.

Chapter 1 is about challenges and policies regarding Social Protection. It aims to analyze the design and system of Social Protection for informal workers. The Authors, Michael Samson and Kaleigh Kenny discuss the success of Social Protection initiatives and the inability to protect beneficiaries from the negative impacts of rights, they face. These also examine the ability as to how these facilitate development objectives like fiscal sustainability, social inclusion, etc. The design and policies are discussed in length with the help of figures, tables comprising systems,

and data such as, Figure 1.1 shows the trends of formulating and operations of 'Social Protection' systems like policy level, program level and administrative level.

Chapter 2 is about financing the Social Protection for informal sector workers in Asia; what challenges they face, and what opportunities they have. Authors of this chapter are Michael Cichon and David Chicon, who actually try to identify the gaps and concentrate on analyzing and filling these gaps. They address several dimensions of Social Protection; namely, health security, income security during childhood, adulthood and most importantly, the old age days (senior citizen benefits); but in most countries of Asia this facility lacks totally. Their analysis is based on data provided by organizations like ADB, ILO, IMF, UN, WHO, etc. Pakistan, India, Bangladesh and Indonesia have been selected to cross-check the quality of aggregate data. Later, 20 countries were included and a projection was made till 2050, in accordance to demographic context, economic, poverty, and inequality context.

In this regard, the well-presented point is that development and on-going development transition sets the economic and social development of countries when total development ratios are calculated till 2050. Results reveal that the old-age dependency ratio in the region will increase, while the youth (under 15 years of age as a proportion in active age) will stagnate; in the economic context it is a mix. Some countries are expanding large economic growth while others are on low path. Similarly, some countries have high per capita GDP while others are at low economic growth experience and have low per capita GDP. Income inequality in developing Asia tends to rise with increasing per capita GDP levels. Here, we witness an extensive use of data in forms of tables and projections which makes the understanding clear and easy.

Stephen Kidd, senior social policy specialist and Verena Damerau, consultant in social protection in the UN; explain (in Chapter 3) as to how they worked in developing a link between political economy and low social protection coverage. Here, social protection is taken as social security where schemes for private individuals, families and households with regular income transfers are of two types. One provided by the government and the other by social insurance financed by employees and the employers. They concluded that social protection in Asia is still in early stages and is not fully developed. If projections are taken seriously and worked properly, democracy plays an important role in countries, where political leaders promise and deliver inclusive schemes.

In Chapter 4, the author (Babkin Babajanian), explain the role of governance in implementing policies and initiating programs for Social Protection. These are the introductory means to support informal workers in Asia. As the study progresses, several weaknesses in the governance of Social Protection which needs to be overcome are identified. After analyzing the existing programs in different countries of Asia the author approach to the conclusion that most countries have a weak governance/monetary system which results in bad performance. They are unable to make adjustments accordingly, hence effectiveness of the program is not seen.

In chapter 5 of the book Hina Sheikh, presents the case study of Pakistan employing mostly the informal workers who are given inadequate Social Protection services. The author is of the view that in this part of the region there is a need of Social Protection delivery services and the economic security; due to the very low per capita income and poverty and income inequality problems. She basically addresses the small and medium sized enterprises which include the garment manufacturing, street vending, construction, etc. She also states that Pakistan has no specific SME regulatory regime, the gender dimensions and role of employees. Findings of her study shows that wages are even below the minimum wage level. Gender wage differential and unsatisfactory working environment can be seen as in most cases the workers are particularly vulnerable, due to their concentration in the informal sector. Moreover, the author stress the need to make a formal structure, that is, agreement within the existing legal framework for contractors who provide informal labor to factories and companies.

The Pakistan's case study is followed by case study of the People's Republic of China (Chapter 6) where two-thirds of employees are in micro, small and medium sized enterprises and are informal workers. For informal workers, the authors Xiulan Zhang and Yuning Wu, aims to assess various Social Protection programs in the country. Their survey results reveal the concentration, mostly in construction, small-scale manufacturing and services sector. Overall, the number of MSME's in the country is 50 million and so the contribution of these firms is significant to the national economy. The authors recommended to the government to modify policies to accommodate participation of MSME employers and employees in social insurance. The author goes a step forward in bring in the NGOs (apart from the government) into the net Social Protection programs which will definitely lessen the burden of government.

Muhammad Yonus, a senior research fellow at the Bangladesh Institute of Development Studies, having current interest in financial matters such as taxation, local government fiscal policies, fiscal decentralization, poverty alleviation, etc., discuss the case of MSMEs in Bangladesh (Chapter 7). He addressed the need of well-designed Social Protection system in the country. In his view it will provide information to government agencies and would help in the formation and implementation of Social Protection programs. His study reveals that majority of the workers are employed on contract basis and have no permanent jobs, their wages are even below the legal minimum wage with no social benefits for them. Therefore, it is important to design a social protection program and employment contracts for them. Gender discrimination is seen in distribution of work. Male employees are mostly engaged in managerial and clerical services whereas females are seen in operative services, mainly the ready-made garments. He highlights the need of labor laws and their strict enforcement.

Then next part of the book (Chapter 8) is about Social Protection Program in Indonesia (the case of MSMEs) where informal workers have limited access to Social Protection programs, basically the health, employment and insurance. According to the ILO database this country is fourth largest in population in the world; labor force

in it have grown rapidly in the last decade. Finding of the research shows that due to informal constraint in insurance programs and as the workers are not on regularly pay list, they are not inclined to opt for extra burden of insurance premium; but still 50% of the workers are covered under health insurance. D. Setyonaluri and D. Radjiman, authors of this chapter highlighted the need to educate workers and give them awareness of the benefits of social programs and ensure them about the financial capability and regulatory enforcement.

Like Indonesia and China, Philippine too, has a big size of informal sector, which plays a major role in economic growth and poverty alleviation in the country. Ahmid Bualan, the author of Chapter 9, summarizes that in urban Manila, majority of MSMEs' workers are informal. They get very low workers benefits and low participation in workers' association, due to their non-regular status. They have little Social Protection coverage. Informal workers are almost in all sectors, including construction, manufacturing, services and sales. Access to Social Protection is very low due to their lack of awareness of the benefits of the program. The author suggest that work force should be informed about benefits of their participation and about their rights under the existing social protection programs.

Martha Chen and Frances Lund (Chapter 10) discuss the implementation of universal health care system and gender dimensions for informal workers and how to overcome these barriers. They highlighted the results and concluded from the observations of work in India and Thailand. The authors did justice with comparative research. As documented in India only the non-agricultural employment is comprised of 84.0 per cent whereas in Thailand it is 42.0 per cent, due to different health care system in the two countries. Studies in these countries are undertaken to explore the nature of business and to observe the gender biases. Their study used data and generated comparative lessons regarding the health status of men and women. The conclusion they made is that both India and Thailand are in the process of reforming their health system. As this study proceeds it becomes evident that in order to provide an effective health care system to informal workers, it is mandatory to work on the following aspects:

1. Extensive health care infrastructure.
2. A comprehensive package of services.
3. Choice of registering at the health facility centre (near their work places or residence or at both).
4. Basic infrastructure services and other health facilities.

The author of the book (Sri Wening Handayani), aims to promote the much needed policies in this regard; and in the concluding Chapter 11, throw light on expansion of Social Protection coverage to informal workers and discuss its implications for policy matters. He sums, by highlighting the findings and policy implications of

expanding Social Protection for informal workers in Asia. The author also states that there is a lack of awareness among the informal workers. Further, the author also acknowledges the gap on the design, financing, governance, the political economy of Social Protection with coverage on daily basis, and expanding informal workers' sector. It is observed that Social Protection plays an important role in improving human development capacities such as education, health and economic well-being. Along with the benefits and coverage of Social Protection the author, also discuss the determinants, targets and delivery. He concludes by stating that Social Protection is a long-term investment that enhances productive capacities and if Social Protection programs are expanded to informal sector, the workers can achieve the broader development objectives of equity and social inclusion.

The book (*Social Protection for Informal Sector in Asia*) is an interesting read and useful, basically for labor economists and, students and researchers. Even a non-labor economist will enjoy it as it has addressed the social issues like education, health, poverty, and income inequality in which a non-labor economist or non-economist would be interested.

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