Caring for the future

Social insurances, and the notion of time and trust

Sabine Klocke-Daffa

Abstract *For the social insurance industry, Africa is considered to be a market of the future where "the scramble for African customers" has just begun. With a share of more than 80 per cent of all insurance sales, the southern African countries of South Africa, Namibia and Botswana dominate the life insurance market. Namibia, though only a small country in respect to its population size, represents the "new targets" of insurers, where more life premiums than non-life premiums are sold and accounted for more than US$1 billion of sales in 2021. Life insurance, including funeral coverage that provides for the entire family, has turned out to be a bestseller. Customers appear to have considerable confidence in their insurers and have found a way to merge company requirements, culture-specific preferences, and national inheritance laws. This contribution looks at the backdrop of increased sales and redirected monetary flows and argues that caring for the afterlife by way of formal life insurance impacts not only informal support networks but also on notions of time and the relations between the living and the dead.*

The new scramble for African customers and the quest for social security

This contribution focuses on a particular aspect of social insurance and savings, namely funeral insurance and life cover. Alongside the established informal support systems and savings associations documented in this book, formal insurance is increasingly in demand on the African continent. From the perspective of the insurance companies, the African continent is a market of the future, where "the new scramble for customers" (PwC 2018:44–45) is underway and investment prospects are good (KPMG 2022; Swiss Re 2020). Despite the fact that less than 20% of the population in Sub-Sahara Africa is said to be covered by social protection benefits (ILO 2021:19), and regardless of the marked drop in the year-on-year average growth rate of 2.9 per cent between 2018 and 2019 (World Bank 2022), the insurance industry appears confident. It will stay one of the most important drivers of economic development in Africa. With a share of more than 80 per cent of all insurance sales, the southern African countries of South Africa, Namibia, and Botswana dominate the life insurance market (Signé/Johnson 2020:9).

Namibia, although being a country with a small population of just slightly over 2.5 million inhabitants (World Data 2023), represents one of the "new targets" of insurers. The number of life premiums exceeds the one of non-life premiums, and sales per year amounted to more than US$1 billion in 2019 (Signé/Johnson 2020:9) and were equally high in 2021 (Global Data 2023). Financial products such as funeral insurances and life covers are sold separately or in a package, with funeral insurance being in much higher demand nationwide. For customers who sign up for the more comprehensive life cover, funeral insurance is usually included; the insurance companies call it "the final expense", and it is paid before the remaining sum is due for payout.

Given the overall economic importance of social insurance, the growing number of African customers and the financial volume involved, anthropological research on this interesting topic is, as yet, relatively scarce, as Dekker (2008) so rightly stresses. A large part of the anthropological literature on care and security tends to be focused on the traditional forms of *informal security*. There is a comprehensive literature that testifies to their historical nature. Even where the state does not provide much welfare help – as is the case in many West African states, where a substantial part of the non-sedentary population is barely covered by any kind of welfare regime – there are powerful systems in place to minimize risks such as those faced by nomadic populations living with the threat of environmental hazards (van Dijk 1994). In war-torn East African countries with failing states and hundreds of thousands of refugees crammed into refugee camps, the informal value transfer system of Xawilaad (which operates worldwide and is also called Hawala) is remarkably efficient at handling remittances sent for social support by members of diaspora communities. It is a kind of underground banking system based on the concept of honour, shame, and trust that reaches the most remote places (Horst 2006; Lindley 2010:53–80). Similarly, traditional forms of mutual aid (Zacher 1988) as well as locally based financial mutuals, also known as "money-go-round" self-help associations (ROSCAs), are well-established ways to accumulate financial resources where bank credits are unavailable, formal insurance is out of question, and government welfare schemes are fragmentary (cf. the contributions in this volume; Ardener 1964; Bähre 2007; Kedir/Ibrahim 2011; Kimuyu 1999; Thomas 1991). For women in urban and rural contexts, rotating credit associations – also called village savings and loan associations (VSLAs) – may constitute a particularly valuable form of extra-familial social support beyond the financial backing they provide (cf. the edited volume of Ardener/Burman 1996; Ashong-Katai 2011; and Buijs 1998 for South-Africa; Deubel/Boyer 2020 for Mali; Gugerty 2007 for Kenya; Kedir/Ibrahim 2011 for Ethiopia). Michael Aliber claims that the efficacy of ROSCAs as a form of group lending is mainly to be attributed to social pressure "to reduce the probability that people will fall short on their commitment to themselves" (Aliber 2010:136). We will see later that insurance companies operate with similar strategies in order to keep their customers from lapsing.

Religious communities deploy their own forms of charity and gifting (cf. De Bruijn 1994; Weiss 2020 on Zakat and faith-based organizations in Muslim societies in Africa). However, the kind of security provided by the "gift" in religious contexts is questionable (De Bruijn/Van Dijk 2009 on Pentecostalism and West African Sufi groups), since the causes of inequality and poverty usually remain unchallenged and might even be intended to basically remain untouched. Nevertheless, international financial funding of church congregations and "church shopping" of church members between congregations, forming *vertical alliances* of formal institutions, which provide unilateral support, and *horizontal alliances* of interpersonal relations within the congregations (Rohregger 2009) allow for the establishment of a support structure. It exists in parallel to government-financed welfare systems and formal security institutions and can be used as an additional source of care.

Where governments do provide for the fundamental needs of the poor, a quite substantial percentage of the population may indeed be covered. For example, in South Africa and Namibia, more than a quarter of the population – mainly from special risk groups like the disabled, orphans, and vulnerable children, war veterans, and pensioners – is reckoned to receive some kind of social grant (Bähre 2011 on social grants; Devereux 2001 and Pelham 2007 on state pensions). The southern African countries are surely in a privileged position compared to many other African nations with regard to state provision of social assistance schemes, but they are in no way outstanding. All countries of Sub-Saharan Africa have introduced formal security schemes, most notably pensions for the elderly paid for either by mandatory contributory schemes, non-contributory elderly assistance schemes, occupational schemes, or civil service schemes (for an overview cf. Abels 2016; Bailey/Turner 2008; Dorfman 2015; Gillion et al. 2000). One of the oldest such schemes on the continent, after that of South Africa, is Ghana's, which dates to the 1946 Pension Ordinance (Gockel 1996:35).

What needs to be emphasized is that informal, semi-formal, and formal social protection systems in many countries exist side by side, as Stephen Devereux, Melesse Getu, and the contributors to their edited volume (2013) demonstrated. We also find forms of integrated state and non-state systems operating simultaneously, for example, where informal familial support systems are strengthened by government benefits paid to kin or non-kin caregivers who take responsibility for the needy, such as orphaned children (Midgley 2000:224–227 on several social security programs), or provide ample opportunities for a complementary system of non-formal social protection (Mupedziswa/Ntseane 2013 on Botswana). With formal social insurance gaining ground, we find more and more hybrid forms of individual provisioning with regard to securing a good life and peaceful afterlife. This has led to an increase in anthropological inquiries focusing on the intersection of the formal and the informal sides of care and security, and their relation to concepts of life and death. Given the dominance of multinational insurers in the southern part of the continent, it is no surprise that recent publications on social insurance have focused on this area. They vividly illustrate the cultural factors that need to be considered when we talk about social insurance. Among them we find work on the impact social insurance may have on social network cohesion or disruption (Bähre 2012; 2020 for South Africa), specific forms of individual coping strategies when navigating between personal risk provisioning and social values of solidarity (Klocke-Daffa 2016 on funeral insurance; 2022 on life cover and last wills in Namibia), and the remaking of kinship ties (Golomski 2015 on life insurance in former Swaziland).

Research outline

I argue that cultural values always impact the demand for and use of formal insurance even if invisible at first glance. Furthermore, funeral insurance as well as life cover have some features in common that should be given particular attention in anthropological research: the notion of time, since both are generally paid out only after the death of the policyholder, and the importance of *trust* on both the customer and insurer sides because the economic and social success ultimately relies on the customers' willingness to pay into contracts on a fairly regular base. This paper will particularly focus on the importance of trust within the context of life insurance in Namibia.

I will use a relational approach to analyse the everyday interactions of insurance brokers and customers in view of the question of caring for one's afterlife. The overarching research question is: What are the intersections of social insurance, cultural values, and trust in relation to life cover as a means of safeguarding the present and the future? A number of additional questions for investigation emerged with regard to the Namibian case study. How do Namibian customers manage to merge their individual interests regarding safeguarding their own incomes with the social obligations of care? For whom is social security to be provided? What are the key factors for imparting trust and confidence that one will be fairly treated in formal social insurance?

To analyse my data, it appears promising to link two strands of theoretical approach. The first is that developed by Morton Pedersen and Martin Holbraad on time and security (2013). The authors claim that concepts of (un)security are folded into concepts of time and visions of the future. Applying this approach to the study of life insurance policies seems even more promising because life cover explicitly addresses the aspect of time since it is usually paid out after the death of the policyholder. So, when is the time of security, and for whom? The second approach concerns the notion of trust. With regard to financial institutions such as insurance, Stephné Herselman (2008) suggests that we should include research results from the anthropology of marketing and examine the extent to which marketing strategies and trust are interrelated in the demand for life insurance. In his own research on purchasing power in the so-called "emerging markets'" in South Africa, which include the insurance market, he investigated the impact of trust and face-to-face relations on the buying behaviour of customers. Herselman claims that the success of the life insurance industry heavily depends on the acknowledgement of cultural phenomena.

The research presented here was part of a broader project on social security in Namibia that started in 2010. Originally, I focused on informal, government, and church safety services (Klocke-Daffa 2012; 2016; 2017). However, it soon became apparent that formal insurance was increasingly in demand. This necessitated separate research with insurance companies, which was carried out between 2017 and 2019 (prior to the Covid-19 pandemic), during three consecutive fieldwork periods over a span of six months. Qualitative interviews were held with a number of customers who make use of financial products such as funeral and life cover. Special attention was given to insurance brokers and independent sales agents, as well as legal advertisers. These are the people who not only sell financial products but also operate at the interface between customers and companies; they have hitherto been quite neglected in the anthropological literature. In total, 30 semi-structured interviews were undertaken in six different institutions where life insurance is sold (Old Mutual, Sanlam, Metropolitan Life, Bank Windhoek, Standard Bank, First National Bank). To get an impression of regional differences, about half of the interviews were done at the companies' local branches in Oshakati, Otjivarongo, Rehoboth, and Keetmanshoop; the other half at the main offices in the capital, Windhoek.

Namibia and the market for social insurance – What makes it so attractive to Namibian customers?

Historical background

To understand the overall situation of insurers and their customers, it seems indispensable to consider the recent history of the country. In 1990, after more than 100 years of colonial domination by German and South African authorities, the former Southwest Africa became independent as the Republic of Namibia (for a historical overview up to independence cf. Wallace/Kinahan 2011). Until then, the political system was deeply entrenched in the discriminatory concepts of Apartheid, which entailed the political, economic, and social segregation of the population into 'whites', 'coloureds', and 'blacks' (the terms are widely used in Namibia until this day). Apartheid was as much the political program of successive governments as it was the base of national law. According to its regulations, civil rights were granted or deprived according to racial categorization. Most of the 'non-white' population lived in reservations characterized by economic and social neglect. In urban settlements, separate locations were assigned to each group, each with their own nurseries, schools, hospitals, and working places. The majority of the population had no right to vote and was kept away from better-paid positions in government, public institutions, private companies, banks, and insurance. They were literally excluded from large parts of the economy. While 'whites' enjoyed the advantages of privileged elites, all others were held 'apart' from them. When Apartheid ended, most Namibians did not possess a bank account or real estate; they had no access to bank loans and were not permitted access to social insurance. Aside from the state pensions granted to all persons above the age of 60, only informal support systems provided for social security (cf. Klocke-Daffa 2001 for the Nama). The state pensions were also graded according to the racial category of the beneficiaries, with monthly payments as low as 92 NAD/month in 1992 (c. 24 EUR), which were raised to 120 NAD (c. 29 EUR) in 1994. Racial disparities were only abandoned in 1994, and the standard rate of 135 NAD (c. 40 EUR) was imposed for all social pensioners in 1994[1]; it was raised to 160 NAM (c. 27 EUR) in 1996 (Devereux 2001:10–11).[2]

With the onset of independence, the newly elected government was eager to overcome the legal, social, educational, and economic relics of past decades. One of the priorities was to open the financial market to those who were formerly excluded. However, up to and even after independence, the Namibian banking and insurance sector was heavily regulated by the South African Reserve Bank. The "legacy of institutional dependence", as Odén (1991) called it, continued for some time. In 1991, four out of five commercial banks and all insurance companies were still controlled by South African entities (1991:6). For years, the banks maintained "credit apartheid" (James/Rajak 2014) by refusing to grant loans to customers unless they had salaried employment or collateral to offer – requirements that most of their prospective customers were unable to fulfil. Since insurers demand direct-debit orders, enabling them to take the monthly premiums from customers' salaries, they considered those with very low incomes and no bank account, such as domestic staff and farm workers, as 'uninsurable'. However, following political appeals for the democratization of

1 For pensioners of the white minority, who had been used to receiving pensions up to seven times as much as the 'black' population, this meant a reduction of almost 70 per cent at a stroke (Devereux 2001:11).

2 Due to the importance of social security, not only to the elderly, pensions have been continuously raised ever since. Currently, they stand at 1.100 NAD (c. 56 EUR) per person per month for all Namibian residents over 60 years of age. Despite the increase, pensions may have lost in relative value, for example, between 1994 and 1996 because of the weakness of the Namibian currency (historical currency convertor, https://fxtop.com).

credit and the "banking of the unbanked" (James/Rajak 2014:457), and not least to overcome their own legacy of racial and social discrimination, banks and insurance companies finally drafted new programs to include the 'mass market'. Among the products they offered was cheap funeral cover, which in the beginning was bound to membership of a particular group, such as, the employees of government institutions, schools, hospitals, or companies (i.e. group schemes). Many years passed before the insurance companies opened their portfolio to all customers, and again it was quite long before the formerly 'unbanked' were able to afford the expensive life insurance.

The attractiveness of formal social insurance

Against the backdrop of the discriminatory experiences and racist treatment of the past, one would expect to find considerable scepticism and distrust towards banks and insurers on the part of the population. However, this is not generally the case. On the contrary, Namibians today appear to be more concerned with the trustworthiness of their government than that of the financial institutions of the country. There are, of course, those who are suspicious of any kind of long-term contract urging them into a new kind of dependency, such as those required by life cover. A few of my interlocutors from banks and insurance companies reported that some of their customers were reluctant to buy financial products for lack of trust. In Oshakati, the new economic hub in Namibia, which has a flourishing financial scene, a legal advisor working at a bank mentioned that in some cases it was difficult to sell life cover in particular. Elderly customers would suspect banks of following the (white) "money makers' schemes" and blame insurers for not being trustworthy when contracts lapsed, saying: "You are stealing from us" (A., Oshakati, September 9, 2018: Interview). In Rehoboth, a small town with a predominantly 'coloured' population, the local insurance agent found customers to be particularly sceptical of long-term financial obligations such as life insurance due to a general mistrust of banks and insurance. They would neither believe that life cover provided much security nor that the insurance company would be reliable enough to pay out the money in due time. Selling insurance policies turned out to be hard work there, she claimed: "You have to struggle to advise them. You face many challenges and you have to overcome them every day" (P. Rehoboth, September 7, 2018: Interview). These voices, however, may not reflect the overall situation at the time of recording, and the general opinion has certainly changed in the meantime, as shown by the rising number of life cover policies being taken out.

Despite all the scepticism, as much as this may have been justified at that time as it is today, there is one insurance that outperforms all others: funeral cover has been in high demand since the post-independence insurance market opened to the general public. Young people leaving home after school in search of a job with a regular income, which provided access to the insurance market, quickly made use of the new product because it offered the opportunity to share in the costs associated with death and burial within the extended families. As early as the beginning of 1990s, several of my elderly interlocutors, who were far from considering funeral cover for themselves at that time, confirmed: "Yes, our children are modern now, they have death benefits." With relatively low deposits and reliable disbursements, funeral cover allows people to bear a portion of the unpredictable financial burden and ever-increasing debt that can accompany a death within the family. Insurers allude to precisely this situation in their advertising posters (fig. 1).

Figure 1: "Funerals do not always come on payday." Advertising funeral insurance on the main street in Windhoek 2017

Source: Klocke-Daffa

With increasingly diversified offers, funeral insurance became a bestseller. This was in part because insurers not only lowered the price down to as little as 9.99 NAD per person per month but also allowed customers to contract a policy for the entire family (*family cover*) of up to 12 or more members[3] (fig. 2).

Figure 2: "Honour your loved ones." Advertising family funeral cover, 2018

Source: Klocke-Daffa

Today, most Namibians possess one or more funeral cover policies,[4] and many may additionally opt for the more comprehensive life insurance, which entails a 'death benefit' and relatively high financial disbursement. Most life cover policies are requested either as *term life insurance*, paid for a specific term of life, or *whole life insurance*,[5] which covers not only one's own funeral costs with a quick pay-out but also provides a larger sum to cover outstanding debts and provide financial resources for those left behind. Whole life insurance means that the kind of security obtained generally affects only the heirs or beneficiaries since it pays out only after the policyholder passed.

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3 Bonlife Namibia offers a family plan for up to 14 people in an extended family. To make it more attractive, the insurance grants an additional "tombstone benefit" (https://www.bonlifenam.com/benefits/).

4 Unfortunately, no statistics on the number of life insurance policies sold in Namibia are available.

5 Whole life insurance is usually only paid until the retirement age of 65.

Insurers have flexibly responded to the dynamics of the insurance market by expanding the target groups they address. Billboards in public reveal the idea behind their marketing strategy: the concept of honouring your loved ones is used to attract those who have not yet signed up for family funeral cover, and the concept of caring for the future of children left behind appeals to customers' sense of responsibility (fig. 3).

Figure 3: Billboard advertising life covers, 2017

Source: Klocke-Daffa

What makes formal insurance so attractive to Namibians that they buy policies in large numbers, complementing public welfare, private rotating credit associations (ROSCAs), and informal support systems? As opposed to countries like Ethiopia, where ROSCAs are predominant and trust in financial institutions appears to be rather low (see contributions in this book), in Namibia, insurance has become an integral part of security provision and care. Three points stand out in particular: (1) *trust* – insurers are anxious to be reliable partners in the contract, and pay out punctually when the money is due and the need is there; (2) *face-to-face contact* – insurers try to keep good relations with their customers by appointing a personal consultant who can be approached at any time, knows his customer personally with all their individual peculiarities, and possibly calls on wedding days and birthdays; (3) the *image of modernity* – being part of the system of formal insurance makes people seem associated with youth, aspiration, and stylishness. The well-educated young generation aspire to a lifestyle that includes a good job, property ownership, and a household that is close to the Western 'nuclear family' of father, mother, and children. However, the image of the modern individual rarely corresponds to reality, even though the insurers tirelessly promote exactly this: making money, residing in one's own house, caring for the future of oneself and the children as a responsible adult, and living a good life. Such aspirations are hard to realize, not least because they compete with the concept of the care-giving *social person* that is very elaborate among many of Namibia's cultural groups (c.f. for example Klocke-Daffa 2001 for the Nama). This concept entails your social reputation being largely dependent on how much you give to others, how many people you support in your household, how much you care for your extended family, friends, or neighbours, and how much you contribute, for example, to a funeral (which may be very costly).

This is where funeral insurance comes in. More than any other form of saving, it allows people to provide for the future and build up their social reputation, since people openly talk among family and friends about their financial obligations towards funeral insurers, while they may conceal their life cover policy or disclose its existence only within the immediate family. Through *family cover*, elderly persons such as parents and grandparents (up to the age of 75)[6] as well as aunts, nieces, and nephews, and biological children from inside or outside of marriage can be included in one policy, provided that the policyholder is willing to pay for them. Emotionally, this ensures a high level of safety. As one interviewee said: "Security means, being able to care now and in the future [...] I want a decent funeral for my parents and for myself so that they [my family] must not suffer" (T., Windhoek, September 20, 2019: Interview).

As long as the policyholder pays, all are covered. The insurance is paid out within 24–48 hours after the death of any one of the insured persons. Many customers prefer the funeral money to be transferred directly to the undertaker. The only condition today is that the policyholder be insured themselves and be part of the same *family cover* he/she pays for. To make sure that everyone continues to be covered even after the death of the primary policyholder, waiver insurance is highly recommended. This constellation of requirements and options was not always available when the 'mass market' opened. Then new customers often requested *family cover* that excluded themselves so that they could save some money; this clearly highlights the social importance attributed to funeral insurances. The negative effect of this was that, at the passing of the person paying into the family cover, the policy lapsed and all members found themselves without cover, also the insurance company had no one to refer to. The insurers' new policy of urging policyholders to be insured

6 For Sanlam, one of the largest insurers in Namibia, additional people covered by the policy of the principal member must be younger than 75 years of age at the commencement of the policy (https://www.sanlam.co.za/namibia/personal/insurance/Documents/Namibia%20Funeral%20Brochure.pdf).

within the same contract as his/her family not only makes it easier for insurance companies to handle the contract, as they only have to deal with one person, but also reflects the principle of the underlying concept of the self-reliant individual, who should negotiate the adversities of life in advance rather than expect his descendants to find a solution.

The mismatch between individual interest and social obligations becomes all the more visible in the case of *life cover*. One of the points that makes it so attractive is the high level of interest (8 per cent and more per year[7]) that can accrue and contribute to remarkably large pay-outs of 500,000–20 million NAD and more when a death occurs. Many insurers point out the tempting prospect of such large sums. For example, one advert trumpets, "[...] protecting your dependants from large debts (like home, vehicle or credit loans) by paying a lump sum if you kick the bucket."[8] Such prospects tempt many of their customers, but there is another side of the coin: the paying out of large sums of money must be backed by large deposits to allow life insurance to function in the first place. The ability to depositing savings on a regular basis implies that these resources are redirected financial flows that otherwise may have been distributed for alternative purposes. There is a high number of needy persons that always demand and expect to be "given" (e.g., provided financial help), who now realize that the money that would usually have gone to them is no longer available to the same extent. Insurance customers may not be generous providers of support to anyone who asks for their help. Indeed, they try to limit their social obligations and channel financial donations into carefully constructed social networks. Taking out a life insurance policy is one of several means by which someone can save, care, and provide while escaping the ever-increasing demands of others. The rising number of insurance policies being taken out and wills being drafted indicate that customers today want to safeguard their own assets, save for the future of their own descendants, and ensure that their own preferences will be respected. The good life that many strive for may not materialize in the present, but at least they can take comfort in the fact that everything is taken care of.[9] Yet, at the same time, many customers are struggling with obligations towards relatives, descendants, and other people that need to be considered according to the traditional laws of inheritance and independently of their own preferences.

7 Interest rates were consistently high during the years of my research, so at least since the 1990s. It is not clear whether the high premiums could be maintained if interest rates were to fall dramatically.

8 Sanlam Namibia, "Life Cover + Quick Payout", https://www.sanlamindie.co.za/product-details/life-cover (accessed August 23, 2023).

9 Sanlam for example announces: "Sanlam's life cover solutions can give you peace of mind that your family can take care of their needs and expenses if you pass away. This means your death will not place a financial burden on your loved ones" (https://www.sanlam.co.za/namibia/personal/insurance/Pages/default.aspx).

Saving for the future and last wills and testaments

Problems may arise over life cover because insurance companies accept only a small number of nominees as beneficiaries and do not allow too many of the extended family on the list. This is generally not a severe problem for people of European descent, because they usually nominate the same people as beneficiaries of their life cover as would inherit according to national law, which prioritizes the surviving spouse and the biological children (or other next of kin) over more distant relatives. This is not the case with the cultural groups in Namibia, many of which want the rules of their culture-specific customary law also to be observed, and this does now always accord with national law. To mention only a few: *Nama* and *Damara* want as many people from the extended family to be considered ("everyone must get a share"). The *Herero* (for example, the Maharero of Okahandja or the Ovambanderu of Epukiro in Omaheke Region) distribute the movable and immovable property of a deceased man among his widow and children, including those born outside of marriage, with a remaining part to be distributed among his patrilateral family members, such as younger brothers, sisters, and nephews. People can also be inherited: "The widow is offered the option of being 'inherited' by a younger brother or nephew of her late husband" (Hinz/Gairiseb 2016:311). The matrilineal *Aawambo* (representing the majority of the Namibian population) pass on any inheritance to members of the matriline. This may lead to a situation where, when a man dies, his sisters' children come and take everything out of the house and claim the insurance money because they consider themselves his legitimate heirs (cf. Hinz/Gairiseb 2010–2016 for customary law in Namibia). It needs to be mentioned that many young people are barely aware of the regulations of customary law or simply do not care much about it as long as it is of no particular use to them. However, as legal advisers and lawyers have confirmed to me, some will bring a case to court if, in their opinion, they have a legitimate claim according to customary law.

In order to avoid quarrels amongst their heirs, people with high life cover try to care for as many people as possible and prevent all possibly claims from arising by setting up a last will and testament that merges national laws, bank and insurance regulations, and the requirements of traditional laws (Klocke-Daffa 2022:144–147). This is no easy endeavour, because the insurance policy might be subject to a mortgage (so the insurance money goes to the bank), or the farm is part of communal land that is not part of the inheritance. Some or even most heirs might thus end up empty handed and not particularly well cared for.

According to the Namibian Constitution, "both the customary law and the common law of Namibia in force on the date of Independence shall remain valid to the extent to which such customary or common law does not conflict with this Constitution or any other statutory law" (Article 66). In cases of conflict over claims to financial resources and estates, and where no testament exists, claimants can appeal to court. National law overrides customary law, but according to Section 13 of the Community Courts Act (No. 10 of 2003), customary law can be applied in courts by consulting cases or calling for oral and written opinions. Traditional authorities or elders of the respective communities can then be called as witnesses to testify to the regulations of customary law.

Despite all the adversities that may arise, customers prefer insurance as a means of caring for the future over other forms of savings because of its undoubtedly greater advantages: insurance money is protected from theft and third-party access; insurers urge customers to pay the monthly contributions and – as opposed to ROSCAs – will rigorously sanction non-compliance; and insurance agents are reliable partners, coming close to being clients' good friends. As such, insurers and their brokers or agents act as if they were part of their customers' informal social support networks (Klocke-Daffa 2016:218), albeit with less intimacy and a higher guarantee of not failing.

Analysis

To answer the initially presented research question, I will highlight a few points that appear pivotal for the analysis of the empirical data, and then refer back to the theoretical frame of this paper.

Cultural values play a decisive role in the demand for and the use of formal insurance if they are in line with social obligations and an individual's quest for reputation. Contractual savings allow customers to evade the risk of being destitute due to the ongoing demands of needy persons, and, to some extent, allow them to reconcile their individual aspirations and the social requirements of traditional law. In this regard, funeral insurance supports the requirement to be a responsible caregiver within the family network in a much more satisfying way than the more individualized life cover, which appeals to a single person providing for only a limited number of kin.

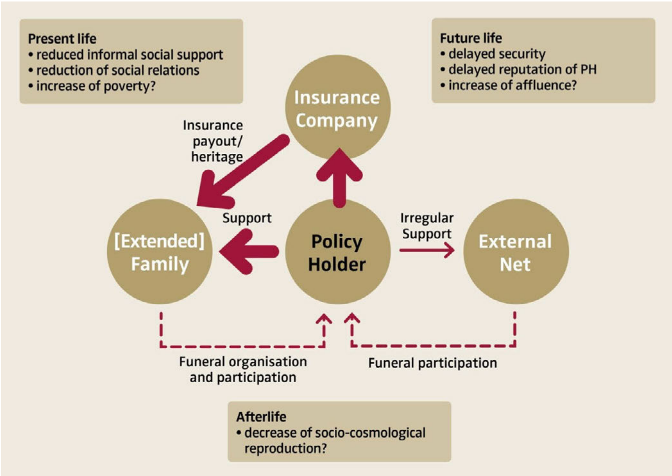
Trust in insurance institutions, however, is important, even the prerequisite, for customers' buying and saving behaviour. As long as insurers pay out punctually when their customers need help, and as long as no major corruption scandals shatter the image of the company as a trustworthy institution (like those regularly delivered by Namibian politicians), there is good reason to take out formal insurance as an additional way of ensuring safety. The same holds true for customer–bank relations, because banks are involved in every contract as the handling institution and may even be the owners of insurance policies that back customers' business and home loans. Without the cooperation of banks, no security-providing insurance would be possible. A most important role seems to be accorded to the brokers and agents as mediators between insurances, customers, and banks. Due to their commitment, customer relations may in fact resemble family ties: brokers stay in contact with clients and try to be reliable partners in cases of emergency. As one broker said: "It is like being married to your customers. You have to take care of them and be their friend. Otherwise, they blame you for everything that goes wrong with their contract" (A., Oshakati, September 12, 2018: Interview). As Herseman rightly pointed out, the face-to-face contact between customers and insurance representatives are essential for building trust in the "highly regulated hardcore business" of the life-insurance industry (2008:42).

Security in times of uncertainty with all associated contingencies does not appear to get lesser when linked with formal social insurances – at best they are a promise, but no guarantee. As such, insurance may be more or less as reliable as savings associations, but certainly has less advantages in regard to socializing. Insurance customers do not continuously meet or even know each other, nor do they have much insight into the overall financial performance of financial institutions. The lack of social ties and transparency on the part of insurers with regard to the overall development of finances, investments, interest rates, and the safety of deposits might well be among the reasons why private or communal saving associations are preferred in some countries. Where insurance companies do appear to be more effective in comparison to more informal savings associations is in the sanctions applied to defaulting clients. The threat of falling out of the system after defaulting on payments for three consecutive months weighs heavy on the customer, and does indeed keep most of them from falling short on their commitments, as Aliber has claimed (2010:136).

Payments for insurance policies have a direct impact on *gifting*. They mean that less money is available for one's investments (business, farm, animals, house) or the education of one's children due to the substantial *cash flow* that is redirected towards banks and insurance companies. But it also becomes obvious that insurance payments mean a qualitative reduction of social ties. An insurance-induced lack of financial resources means that support on the more informal level has to be decreased. The extended family which needs to be supported is scaled down to close relatives while external partners have to be content with what is left. Clearly, this leads to a reduction of social relations and possibly to an increase of poverty among those who are no longer co-funded (fig 4).

Time itself thus becomes a risk, because the *time of security* (should there be any) is delayed and relegated to the future if all goes well. With regard to funeral insurance, the policyholder can benefit from the security the policy offers, provided he or she has taken out a family cover. With life cover, it is quite different, because such policies in no way provide security for the policyholder. However, they do provide an opportunity to care for the future of descendants and other beneficiaries, which may otherwise have been impossible. The 'good life' in the present is reduced in the hope of providing more security for dependants in the future.

Figure 4: Life covers, insurance-customer relationship and the notion of time



Source: Klocke-Daffa

Saving into insurance policies is a safe way to keep one's income for oneself. Particularly for the low- and middle-income groups, insurance companies appear to offer an escape from excessive social obligations. Savings accounts basically serve the same purpose, but are too easy for the accountholder to plunder if the pressure to respond to all the request for help from ever-present needy relatives, friends, and neighbours becomes too much. In this manner, even relatively small amounts subtracted and sent via the common phone-banking system may add up over the months, and "at the end of the day you sit with nothing", as many of my interlocutors would frankly admit.

The fact that a growing number of people are saving for the future – if only after death, whether their own or someone else's – not only reflects the increased incomes that have enabled people to afford insurance since independence came to Namibia, but also an increased awareness of uncertainty about what time will bring. Following Pedersen and Holbraad (2013), it becomes very clear that attitudes towards security and insecurity are intertwined with the perception of time – an inscrutable present and visions of an even more unpredictable future. In order to manage the future as best as possible, saving into insurance is one option out of many that ensures that provision so that nobody must 'suffer'. A sense of the danger of having to suffer seems to be deeply entrenched in many Namibians, but more research is needed to find out if this has anything to do with the difficult past of the population.

The delaying of security to the future may in some cases be accompanied by a delay in the reputation of the policyholder, because many family members do not even know that they have been chosen as future beneficiaries. Whether the insurance pay-outs increase affluence remains questionable, since most of the money is redistributed among the social network after the death of the policyholder. This occurs most certainly with regard to funeral insurance and may just be as true for life cover. Even if there is a last will that specifies what is to happen to the estate and from which many of the bereaved are to benefit, this still does not guarantee them a time of more security.

It also needs to be mentioned that there is a potential change in the concept of the afterlife (fig.4). Many Namibians strongly believe that the living and dead have obligations towards each other: the living are obligated to provide a proper burial for the dead, and the dead are responsible for protecting and blessing the lives of the living. This kind of reciprocal exchange relation seems to be disturbed by insurance. With insurance, it is now the dead who have cared for themselves (by the death benefit of their insurance policy) and for those left behind. For the surviving dependents, there is not much to do other than to organize the funeral. For external relatives and friends who used to share in the costs, the only thing left is to pay their last respects. This might be one of the reasons why funerals are tending to become more and more expensive, thus proving opportunities for the living to care for the dead, even though most of the costs have already been settled.

Conclusion: Caring for the future – Who cares? Whose future?

Saving for the future by way of formal social insurance may be a means of providing more security. However, unlike the Ethiopian *iddir* and *equb* organisations, which are private or communal associations acting on a face-to-face base, insurance companies are anonymous institutions. Even though some insurance brokers act like members of a social network, they do not even come close to the many social and spiritual functions connected with savings associations. Yet, there is more to insurance than just its economic aspects:

(1) The advance of the life insurance industry in Africa is clearly a sign of social transformation. Formal insurance is attractive because it enables customers to pool money and social obligations in order to care for their beneficiaries (if only after death) rather than spending it on the growing number of needy persons in the present. In this regard, formal insurance can indeed be conceptualized as a 'future-making practice'.

(2) Trust in the system is an important factor in this process. Everything runs smoothly as long as the financial institutions and their customers are reliable partners. Whether the flip side of this trust between formal institutions and their customers is a lack of trust between those customers and private savings

associations needs to be questioned, but informal savings associations are certainly not the predominant way of providing security in Namibia.

(3) Formal insurance challenges the notion of time and visions of the future: the time of security is not now but is postponed to the future. The hoped-for good life will at best start later. Death is the prerequisite for this.

(4) There is undoubtedly a social price connected to the growth of formal insurance, as it drains informal support networks and potentially undermines the socio-cosmological exchange relations between the living and the dead.

In view of the research question presented at the beginning, I can state that cultural values and trust in the financial institutions play a major role in terms of demand for insurance. Customers have confidence in their insurance agent because they act like a member of their social network: they, and the insurance they provide, are reliable, punctual, and provide help in case of emergency and death. Face-to-face relations are important factors in the process but are not the only point that matters in determining customers' buying behaviour. The real attraction of insurance is that it offers the option to blend individual aspirations to protect own resources and the need to meet the social obligations of caring for life and the afterlife.

Saving for the future is caring for the future. To do this by way of formal insurance entails a double burden but also a twofold promise. With monthly payments to the insurance company, which are usually subtracted from the bank account by debit, financial liabilities increase while social obligations within the informal support networks persist. To reduce this double burden, some may reduce their obligations towards needy persons. But the social price is high if those who were used to being cared for are relegated to other givers. What makes insurance so attractive nevertheless are the prospects and promises connected to them: if all is paid, insurance enables clients to pay for the costs of funerals without getting into additional debt, and it opens up the possibility of caring for the future of the next generation. With this a lot has already been achieved compared to colonial times, when the little people had had to be distributed to many, making the future appear not much brighter, and perhaps even darker, than the present. Today customers are trying to keep more for themselves and care for the future of those left behind by leaving some acceptable starting capital – much to the benefit of insurance companies and banks but to the detriment of the lower-income groups that might be thereby left out. More research is needed to find if this kind of individualized caring is acceptable to society on a broader scale, or if alternative ways of caring for the future are emerging.

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