



# Global Lessons in Social Policy Planning and Implementation

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# About UNRISD

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- An autonomous United Nations agency founded in 1963
- Engages in multidisciplinary research on the social dimensions of contemporary development issues
- Stimulates dialogue and contributes to policy debates within and outside the United Nations system



# Roadmap

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- Social Policy and Development
- Lessons from UNRISD research
- Social Protection: best practices and recommendations
- Political Economy of Reform
- Perspectives



# What is Social Policy?

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- « Social policy is state intervention that directly affects social welfare, social institutions and social relations
- It involves overarching concerns with **redistribution, production, reproduction** and **protection**
- and works in tandem with economic policy in pursuit of national social and economic goals. »



# Different approaches to social policy

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- Universal approach to SP
  - SP has to economically sustainable, socially inclusive and democratically anchored
  - Universalism
  - Equality of outcomes
  - Macro-impact of SP: economic stabilization, social cohesion, political legitimization
- (Post -) Washington Consensus social policy:
  - SP as safety nets, poverty reduction and part of risk management tool kit
  - Targeting
  - Equality of opportunities
  - Micro-impact of SP: incentives, market distortions, household/indiv. behaviour



# Social Policy and Development: an Integrated View

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## The Multiple Roles of Social Policy

**Production**  
human capital  
stabilization

**Reproduction**  
sharing care burden  
gender-sensitive institutions

**Protection**  
market effects  
life-cycle contingencies

**Redistribution**  
equity and equality  
legitimation and social cohesion



# Social Protection: Social insurance and assistance

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- Extension and Reform of Social Insurance
  - Importance of labour markets:
    - Contribution-financed schemes for “formal economy”
    - Challenge in countries with high degree of informality
  - Privatization revisited: poor record in terms of
    - Coverage, poverty reduction, social inclusion
    - Systemic crisis (economic, financial)
    - Stabilization function of social transfers
    - Gender equality
  - Measures for difficult-to-cover groups → examples
  - Increasing efficiency and equity in current systems → examples



# Selected Examples

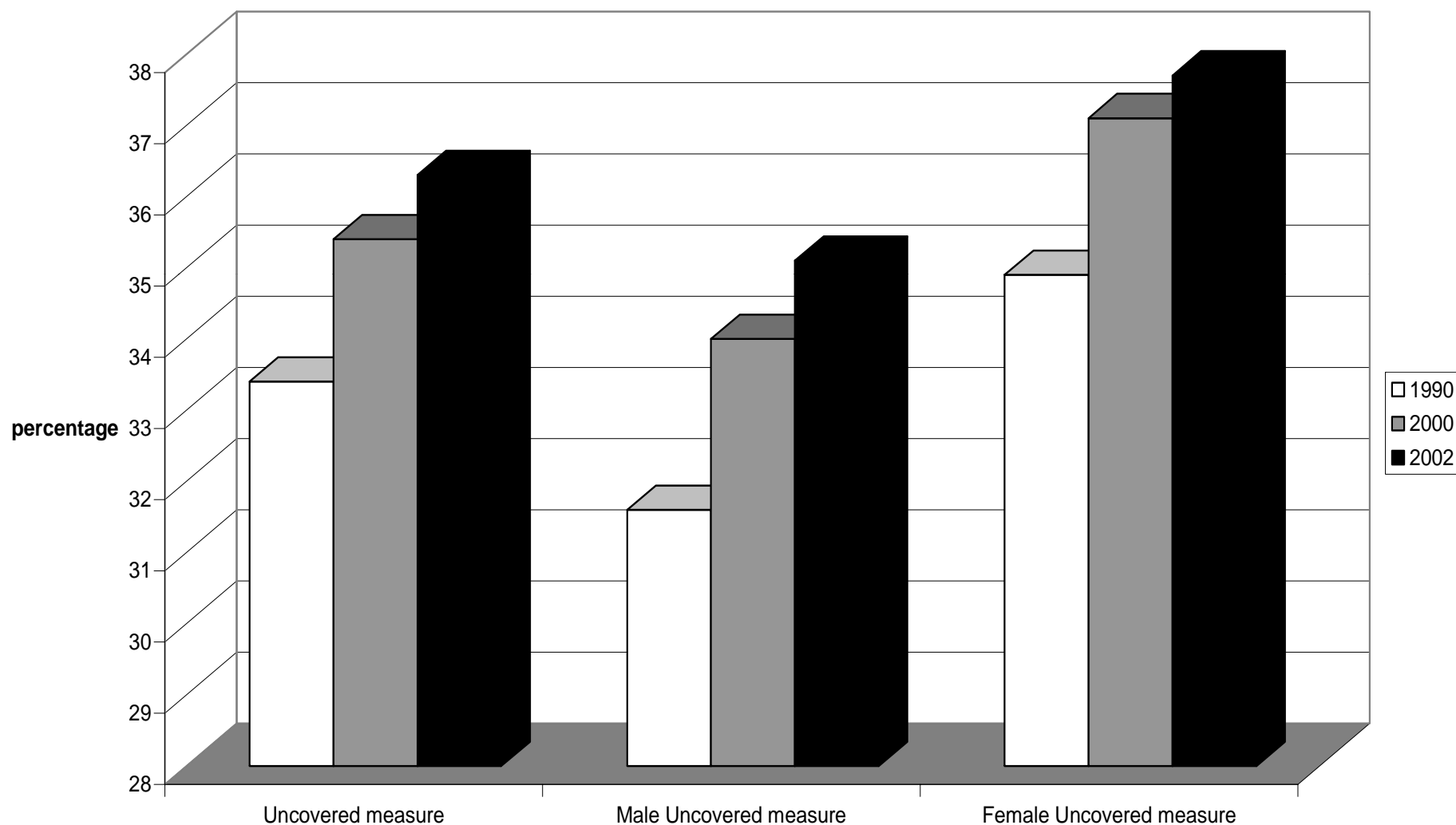
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- Example Costa Rica
- Example Brazil
- Example MENA countries





# Share of dependent workers not contributing to social protection insurance in Latin America (weighted average of 12 countries, ILO's Panorama Laboral)





# Costa Rica: a social-democratic welfare model in Latin America?

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- Strong commitment to universal provision of education and health
- Efforts to increase coverage of contribution-financed social insurance:
  - Mandatory affiliation for self-employed
  - State subsidy for contribution payments of difficult-to-cover groups (self-employed, peasants, domestic workers)
- High expenditure on social assistance (5.6 % GDP in 2006), financed through progressive payroll taxes

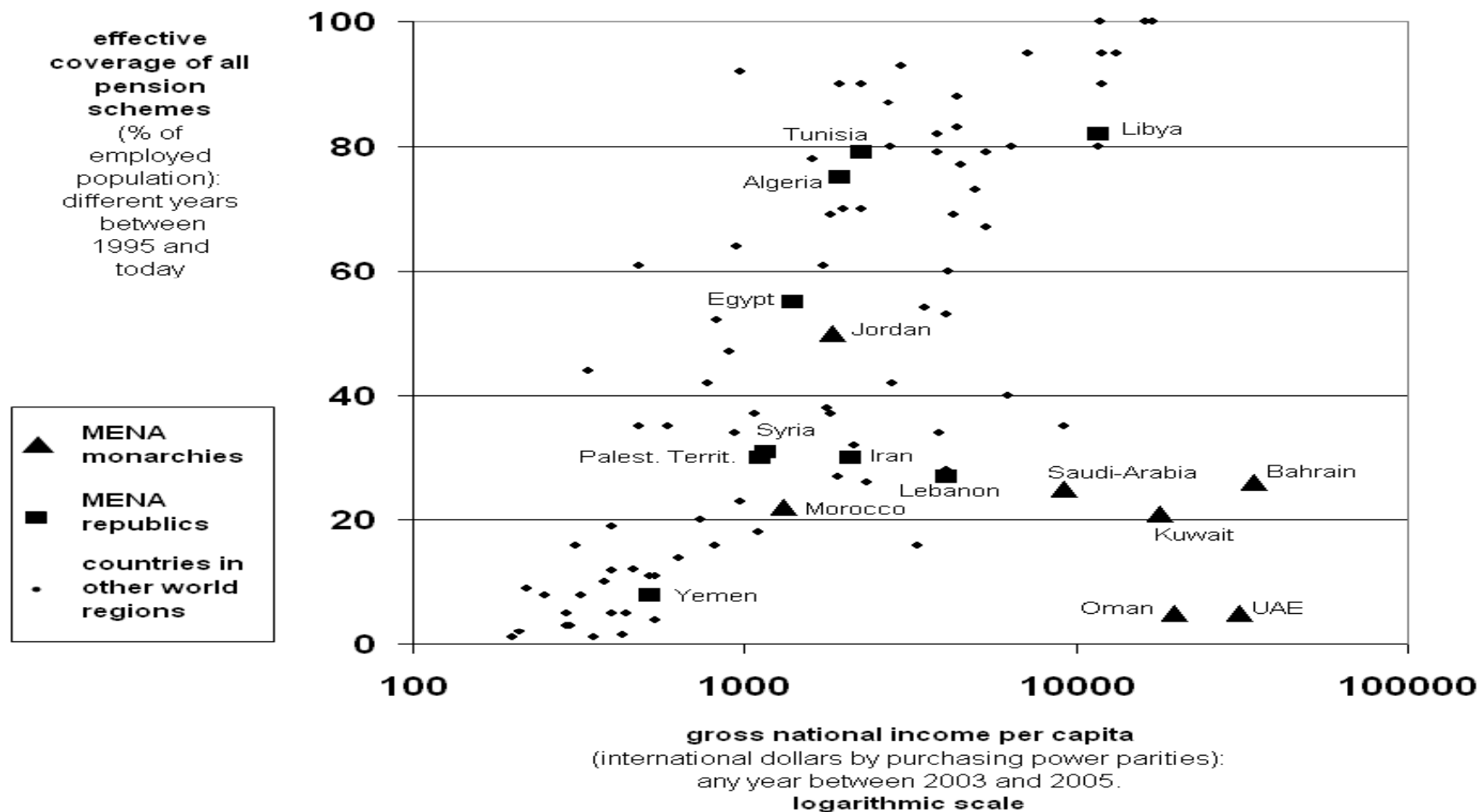


# Brazil: towards more social inclusion

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- Parametric reforms of social insurance programmes
  - Reform of civil servant pension regime (3.8% GDP spending vs. 0,5% on social pensions):
- Extension of Social Assistance
  - Fome Zero/Bolsa Familia programme
  - Social pensions (rural pension not means-tested, reaching more than 7 million people)

# Coverage rates of pension schemes in MENA and other countries (Löwe 2009)





# Increasing pension coverage in the MENA region

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- Examples from Libya
  - Migrant workers included in social insurance
  - Enrolment mandatory for self-employed
  - Coverage of temporary employees
  - Positive incentives: free medical treatment, maternity pay, family allowances included in pension scheme



# Increasing pension coverage in the MENA region

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- Examples from Algeria and Tunisia
  - Public awareness campaigns to enroll in social security programmes
  - Strengthening of monitoring capacities
  - Access to health benefits included in pension insurance, also for self-employed
  - Access to family allowances
- Examples from Jordan
  - More autonomy for pension fund administration
  - Parametric reforms to increase equity and financial sustainability (contribution rates↑, separate schemes for civil servants and military phased out)



# Extension and Reform of Social Assistance

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- Design, scope and financing
  - Targeting
    - Means-testing
    - Categorical (group-based)
    - Geographical
  - In kind benefits, services, subsidies
  - (Conditional) Cash Transfers
    - Conditionality: payment of benefits depends on beneficiaries' proof of regular school attendance/health check-ups for children
    - Bring social services to the people: quality supply crucial!
  - Employment/Workfare programmes



# Selected examples

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- Bangladesh: food-for-education programme
- Conditional Cash Transfers (CCTs) like *Bolsa Familia* (Brazil), *Oportunidades* (Mexico), *Jaring Pengamanan Sosial* (Indonesia)
- Social Pensions
  - Universal: Nepal, Mauritius, Bolivia, Bangladesh, Brazil (rural sector)
  - Targeted to the poor: South Africa, Argentina, Chile, Brazil, Namibia, Botswana
- Child support grant (South Africa)
- Public employment programmes for heads of households with children (Argentina *Jefes y Jefas de Hogar*)
- National Rural Employment Guarantee (NREG) in India (Bangladesh, Nepal)





# CCTs Latin America

	<b><i>Budget (Billions )</i></b>	<b><i>Coverage (Households)</i></b>	<b><i>Monthly benefits 2008 (US\$)</i></b>
Brazil <i>Bolsa Familia</i>	US\$5 (2005) 0.36% of GDP	11.1 million (2006)	\$35 per extremely poor family; \$11 (variable) per child up to 3 children; \$17 (variable) per adolescent up to 2
Mexico <i>Progresas/ Oportu-nidades</i>	US\$3.1 (2006) 0.4% of GDP	5 million (3.5 million rural)	Education: \$12-77 per child Nutrition: \$18 per child. Pension: \$25 per elderly. Energy& Food: \$16 per family. Youth: \$3-27 per young person



# Social Policy Responses to the Crisis

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- **Health and Education:** Maintain/expand social infrastructure:
  - health, education, care services (creates job opportunities for women)
  - Water, sanitation, transportation, housing etc. (has also beneficial impact on health)
- **Social Protection:** Expand/create cash transfer and employment programmes:
  - Widen eligibility conditions
  - Increase benefit amounts or duration
  - Conditional Cash Transfers more demanding in terms of finance and administration
  - Opt for unconditional transfers if no CCTs in place



# Cash transfers: examples crisis response

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- Brazil: increase of Bolsa Familia benefit value
- Philippines: Expansion and increase of CCTs
- South Africa:
  - raising means test threshold for social assistance programmes
  - Extension of Child Support Grant to children >18
  - Social Old Age Pension: age equalization for men (age 60, before 65)



# Political Economy of Policy Reform

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- Democratization can improve well-being of the poor by making political leaders become more accountable and responsive to citizens, but no guarantee to deliver on the poor!
- Multiple roles of social policy have to be balanced (for example social/political vs. economic goals) to make systems sustainable
- Role of strategic alliances, social pacts and social dialogue are important for building a national consensus - civil society and social movements crucial!
- Universal programmes (if poor quality does not lead to opting-out of better off) are more likely to get broad support from constituencies with ability to pay and political influence
- Targeting and conditionalities needed to « sell a programme »?



# Perspectives

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- Create affordable and accessible **social services** (health, education, water/sanitation etc.) **for all**
- **Protect people** against income loss (social insurance and assistance) and poverty
- Protect and **promote employment** (decent work)
- Complement universal programmes with **smart targeting**: Special supportive measures for excluded or vulnerable groups
- **Get the state back in** (and increase state capacity and democratic governance)
- Create **sustainable and fair financing schemes**



# Further Reading

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- UNRISD 2005. Transformative Social Policy: Lessons from UNRISD Research. Research and Policy Brief No. 5
- Mkandawire, Thandika. 2005. Targeting and Universalism in Poverty Reduction. PP No. 23, Social Policy and Development Programme.
- Barrientos, Armando. 2007. Social Protection and Poverty. Unpublished manuscript, UNRISD (available at website)
- Löwe, Markus. 2009. Pension Schemes and Pension Reforms in the Middle East and North Africa. Unpublished manuscript. UNRISD (available at website)
- Forthcoming UNRISD report on Combating Poverty and Inequality: Structural Change, Social Policy and Politics.