1. Introduction

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INTRODUCTION

While we now understand a great deal about the determinants, processes and distributional implications of social policies in developed countries, there is a continuing absence of knowledge about these matters in development contexts. The lack of basic descriptive information about the variety of mechanisms that poorer countries employ to address social needs and risks, together with a dearth of theoretical analysis explaining welfare policy or differences in cross-national arrangements, is widely bemoaned in the literature (Mares and Carnes 2009; Kennett 2004). There have been notable attempts since the turn of the century to address this deficit. The seminal work of Gough et al. (2004) explores the conditions under which social policy operates in developing countries and constructs a new conceptual framework for understanding different welfare regimes in the global South. The authors show how the management of social welfare and risk in developing countries is mediated under a very different set of institutional conditions from those in developed countries; formulated and implemented by a wider range of policy actors; and conveyed through a variety of different mechanisms and policy instruments. In short, the institutional welfare mix is much more complex and problematic. Others are also beginning to challenge the appropriateness of the analytic toolkit developed in the context of rich industrialized countries for understanding the development and dynamics of social protection in the global South (Hall and Midgley 2004; Mkandawire 2004; Haggard and Kaufman 2008; Yeates 2008; Mares and Carnes 2009). The accumulation of empirical data and research concerning the design and efficacy of various social protection instruments is also gathering momentum (Barrientos and Hulme 2008; Hanlon et al. 2010). Despite these notable contributions, the comparative welfare policy literature continues to be, if not consciously ‘ethnocentric’, then at least predominantly focused on the global North; and there remain several spaces and gaps in our knowledge about the variation, outcomes and
trajectories of welfare arrangements in other regions. It is to these spaces and gaps that this volume is oriented.

The impetus for examining welfare and social policy in developing country contexts has acquired additional momentum in recent years from a number of factors. In the first instance, since the turn of the century we have witnessed the steep and ‘rapid rise of social protection up the policy agendas of developing countries’ (Devereux and Sabates-Wheeler 2007, p. 1; Adésínà 2007, 2008). Previous scepticism about the affordability and appropriateness of social expenditure and transfers in development contexts has, it seems, given way to a discourse of ‘pro poor’, ‘productivity enhancing’ and ‘transformative’ social protection (DFID 2005, 2008; ILO 2001, 2008; World Bank 2009). Rather than being viewed as an obstacle, the social dimension is now viewed as a major prerequisite for successful development (Bird 2006). Understanding the reasons for this seismic shift and its implications for practical policy choices and preferences will improve our understanding not only of events in the South but of comparative social policy analysis more generally. Second, and arguably related to this, are the important transformations occurring within some of the chief development institutions. There is now a wide consensus that the various international development institutions (multilateral agencies, bilateral donors, regional organizations and regional development banks) constitute an increasingly influential and global dimension to the social policy agenda in developing countries (Deacon et al. 1997; Deacon 2007; Vetterlein 2007). It is therefore important to examine the changing nature of the ideas and activities of these institutions – and the implications of the new ‘international institutional architecture’ for policy analysis. Third, the emergence of new global actors in the form of powerful ‘Southern donors’ has additional practical and substantive implications for global social welfare (Kwon 1997). It raises important questions about whether a new South–South model of social development is emerging, how it differs from traditional North–South policy prescriptions, and, most crucially, whether it will achieve more effective results in poverty reduction and economic and social development (Malhotra 2010; Zimmerman and Smith 2011). Important questions are also raised about how this new dynamic might potentially influence Western development and international governance institutions and, in turn, analysis of the politics and determinants of social policy in developing countries.

Arguably, then, a ‘changed global political order’ is currently unfolding in relation to social policy in a developing country context – one which sees the emergence of new global actors and a weakening of the market fundamentalist policy prescriptions of the Washington Consensus. This
collection seeks to examine the effects of these recent dynamics on the social policies of developing countries, in particular the increasing emphasis on social protection within policy discourses and the growing number of social protection policies and programmes being implemented. It seeks to describe and examine key areas of social policy both as substantive subjects and as examples to illustrate the issues and debates outlined above. Finally, it begins to explore the ‘direction of travel’ of these current social policy dynamics and their implications for social policy analysis. Do they represent a paradigm shift in policy ideas and a new emerging trajectory, or are they merely the re-embodiment of old debates and contestations?

SCOPE AND ORGANIZATION OF THE BOOK

The book is divided into four parts, each dealing with a subset of the issues and questions raised above.

Part I, ‘Contexts and conceptual frameworks’, provides a historical overview of the determinants and evolution of social protection systems in developing countries. From this historical approach we are able to identify several distinct yet interrelated themes which help to explain why the welfare mix in developing countries is more complex than that in the global North and why several of the assumptions and frameworks of mainstream policy analysis are inadequate.

Part II, ‘Institutions and actors’, addresses the concern that a much wider range of actors and organizations contributing to social policy needs to be examined in studies of developing countries than in a traditional welfare-state context.

To the state–market–family–Third-Sector matrix which underpins most Western policy models can be added a fifth sector, that of the supranational multilateral governance organizations. Despite ideological and institutional differences in perspective, the collective influence of international development institutions on the social policy of countries in the South is ubiquitous, including on the quantity of public expenditure, the choice of programmes and implementing mechanisms, and the very direction and nature of policy objectives (Wiman et al. 2006; Woods 2006; Deacon 2007; Ervik et al. 2009; Vetterlein 2010).

However, as Antje Vetterlein’s chapter illustrates, this is a dynamic and fast-moving terrain, and developments since the mid-1990s open up several old debates as well as new ways of thinking about the drivers and determinants of social welfare in the South. The chapter seeks to understand and trace the shift in the approach of the World Bank and the
International Monetary Fund (IMF) to development. It compares the underlying values and theories of the Washington Consensus and the post-Washington Consensus, and evaluates these differences by comparing the new policy practice of poverty reduction strategy papers with the previous practice of structural adjustment lending.

In addition, NGOs feature as pivotal actors in contributing to social policy needs in developing countries. While Esping-Andersen (1990) in his typology of Western European states downplays the Third Sector as peripheral, in developing countries it is impossible to ignore the contribution this sector makes to public welfare (Lewis 2005; Mayhew 2005; Bebbington et al. 2007; Hearn 2007). Nevertheless, as David Lewis’s chapter outlines, there is ambiguity about how these Third Sector organizations that are neither governmental nor part of the private for-profit business sector should be characterized, and questions remain about their effectiveness. The chapter explores the evolving nature and impact of NGOs in the context of the rise of new ideological agendas around neoliberalism from the 1980s, the emergent ‘mixed economy of welfare’, and the ‘new public management’ movement.

Equally, as Sony Pellissery’s chapter shows, informal security regimes and the informal economy have to be an integral part of any global social policy analysis, both because a majority of the workforce in the global South gain their livelihood in the informal economy and because this workforce is constantly exposed to multiple vulnerabilities. In the context of increased pressures resulting from globalization, the chapter reviews the theoretical and explanatory positions shaping our understanding of the informal economy and summarizes various policy responses by the states in the global South in providing social protection for those in the informal economy.

Finally, the market assumes prominence in the form of private sector finance and provision of welfare for a minority of employees, as well as informal labour market mechanisms for the majority (Walt and Gilson 1994; Lund 2001; Frye 2006; De Haan 2007). While theories of market failure are often invoked to explain why richer countries have built comprehensive welfare states, the absence of large-scale public welfare systems in developing countries has led to a significant and growing emphasis on markets and the private sector for meeting welfare needs and mitigating social risks. The impact of markets in service, finance and provision is evident across all social policy sectors including health, education, housing, urban regeneration and pensions. It includes the privatization of health provision and pension schemes, the contracting out (or ‘tertiarization’) of services from the state to the private sector, and the expansion of internal markets.
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Against this background, Jane Doherty’s and Di McIntyre’s chapter discusses the role and influence of the private sector in the welfare systems of developing countries through a detailed case-study examination of health care and health policy. The chapter highlights some of the issues and challenges that confront attempts to harness the strengths of the private sector in the service of social objectives, and reflects on the contextual differences between low- and middle-income countries on the one hand and high-income countries on the other, that affect the policy choices in this area.

Part III, ‘Instruments and mechanisms’, demonstrates how the institutional context outlined in Part II subsequently affects the range of formal and informal policy instruments and tools used to meet welfare needs. While some mechanisms such as public works programmes, emergency food aid and relief, and the regulation of remittances from migration are traditionally identified as ‘developing-country specific’, since the turn of the century social security mechanisms more typically associated with rich countries are equally finding their way on to the policy agenda of developing countries (Conway and Norton 2002; Wiman et al. 2006; Auerbach et al. 2007). These include contributory social insurance mechanisms and cash-transfer and social-assistance initiatives.

In this context, Robert Walker’s chapter reviews current social security provisions in the global South and then elaborates on the structural constraints that must be negotiated if social security is to be further developed in low- and middle-income countries. The chapter draws attention to innovative ways of implementing social security in the context of development before finally engaging with recent claims that the promotion of social security may be a further example of cultural and economic imperialism.

As asserted earlier, social protection is increasingly accepted by the international donor community as being functional for broader development objectives (DFID 2005, 2008; ILO 2001; World Bank 2004). In the context of inadequate markets and public insurance systems, a broader role for non-contributory social assistance is deemed legitimate. Located within this wider trend is the rise of conditional cash transfers, that is, the idea of linking receipt of cash or income transfers to mandatory uptake of services or participation in income-generation activities. Though the preferred poverty alleviation instrument of governments and donors, the initiative is contentious and has generated widespread debate (Barrientos and De Jong 2006; Freeland 2007; Hanlon et al. 2010). It is against this background that Paul Dornan and Catherine Porter’s chapter focuses on understanding the impact of conditionality within social protection instruments. Drawing on a wider debate and citing evidence from the authors’
longitudinal study of childhood poverty, the chapter considers some of the different types of scheme often used to deliver social protection, with a discussion of the conditionalities implied by each. The authors examine both the positive effects for beneficiaries and possible unintended, negative consequences for vulnerable household members.

Public works programmes typically provide a form of temporary social assistance providing income or food in exchange for provision of labour which is typically directed to the production of public goods. Though the strategy takes various forms in different countries, it is arguably located within a broader ‘enterprise approach’ based on an individualist ideology which stresses the primacy of the market in social welfare and the centrality of ‘agency’ over ‘structure’. Income-generating programmes for instance are similar, though they adopt a longer term strategy designed to encourage and support participants to attain self sufficiency through engagement in economic activity. Also, whereas income-generating programmes tend to simulate normal market conditions, for example in the interest charged on loans, ‘wages’ paid on public works programmes are often below market rates. Such programmes are often underpinned by an ideological concern to prevent the growth among recipients of a dependency on cash assistance that is not earned. In this vein, social policy should encourage individual responsibility and provide opportunity rather than ‘hand-outs’.

Anna McCord and Charles Meth’s chapter thus examines the role of public works programmes and the ‘enterprise’ approach more generally as instruments of welfare and social protection in developing countries. It outlines the key components of public works programmes and challenges to their implementation and examines the range of policy objectives. It explores why such programmes (especially in the context of chronic and structural labour market failures) have become popular policy options for both policy makers and donors and the assumptions underlying their selection over alternative interventions.

Similarly, governments of developing countries increasingly emphasize creating opportunities for the poor to improve their own positions through income-generating activities. Microcredit, income-generation projects and social-entrepreneurship schemes are thus being given increased prominence as mechanisms to address the critical challenges of poverty and unemployment. It is argued that they encourage the poor to utilize their most abundant asset – their labour – in order to generate an income and sustain themselves independently. Secondary objectives relating to supply-side improvements such as skills transfer, community empowerment and capacity building are also frequently articulated.

Alex Nicholls’s chapter explores the implications of social entrepreneurship in development contexts for the traditional objectives of
social policy and tests how far these implications challenge the boundaries of conventional policymaking and the responsibilities of policymakers. The chapter outlines the nature, scale and scope of global social entrepreneurship, and analyses the institutional drivers of the social entrepreneurship revolution to suggest some of the distinctive contributions that it can make in developing countries.

Part IV, ‘Scenarios and trajectories’, draws on the evidence presented throughout the volume to examine some key issues and politics of policymaking and implications for the normative and ideological debates surrounding the different goals of social policy. It assesses the implications of the different social policy dynamics for the conceptual frameworks of comparative social policy analysis and the extent to which these approaches can be considered ‘new’. It evaluates the relevance of concepts that are well established and central in the study of social policy – equality, citizenship, social cohesion – in this new context and looks at future trajectories for social policy dynamics and welfare outcomes in these regions.

Bob Deacon’s chapter is concerned with the ways in which increased world interconnectedness has affected the nature of social problems in the developing world and the nature of the social policies prescribed to address them. It reviews evidence of increased inequity within and between countries, and discusses the impact of globalization on global social structure, including the disembedding of the globalizing middle class, on the balance of power between capital and labour, on gender relations and on ethnic divisions. The extent to which the interests and ideas of the global South are reflected in the UN or in the G20 are examined briefly, and possible reforms to global social governance assessed. The ideas of de-globalization and world regionalism are introduced as a lead in to the chapter on South–South dialogues.

Following this, Rebecca Surender and Marian Urbina-Ferretjan’s chapter explores the concept of South–South cooperation (SSC) and introduces its main characteristics, theories and actors, and the criteria used to classify them as such. The chapter examines the implications of SSC on social policy practices and analyses and discusses the extent to which these new developments represent a new model of social policy or paradigm shift (and a ‘silent revolution’?) and the consequences for the analytical frameworks traditionally used within the subject.

DEFINITIONS AND TERMINOLOGY

Just as the welfare-regime approach has highlighted that there is no single homogeneous welfare state in OECD countries, so it is important
to emphasize the distinctiveness and heterogeneity of developing countries’ histories, institutions, values and policy arrangements.

Following the seminal work of Esping-Andersen (1990), we fully appreciate the limitations of using social expenditure as a gauge of welfare commitment. Nevertheless, most traditional measures and classification systems of ‘development’ still use narrow indicators of expenditure and GDP. But these narrow economic measures tell us little about the ‘meaning of things’ such as – for the purpose of this analysis – accessibility, coverage and performance of social protection arrangements or their distributional consequences. Although transparency indicators and the Human Development Index (HDI) of the United Nations Development Programme (UNDP) attempt to improve on this, even here we need to acknowledge that the macro and micro logics vary hugely depending on whether we are talking about East Asia, Sub-Saharan Africa or Latin America. Historical paths, existing institutional structures and governance are extremely heterogeneous and diverse; this fact militates against attempts to build typologies or theories.

Given the challenges involved in attempting to devise a generic tool to study the issues and countries addressed in this book, we adopt a ‘sectoral system approach’ to a specific social protection institution, actor or programme (UNRISD 2012). This approach is concerned with the institutions and policies constituting a specific social protection programme and the historical, political and structural factors affecting them. It avoids a methodological problem shared by many comparative studies on social policy, in particular the welfare regime approach, which pays insufficient attention to variations over time and across sectors and countries (Fine 2009). The perspective offered by the sectoral system approach reveals that the institutions and policies constituting specific social protection systems vary, as they are determined by specific historical legacies, socio-economic and political structures and cultures that differ in time and space. Issues of finance, human resource management, service provision and regulation, among others, are all discussed.

Finally, while it is not the intention of this book to explicitly engage with or advance a framework of welfare typologies or classification, the comparative focus of the book wherever possible identifies patterns and common trends from which some analytic generalizations can be made. Though contributors use different language and terms to refer to the poorer countries of the world as a group (low income, developing, less developed, the global South and so on), the countries studied all fall within the World Bank classification of low-income/lower-middle-income economies (World Bank 2012) and have been selected in the light of
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criteria that include generalizability of the policy issue under consideration, geographical region, as well as indicators such as GNP, HDI status, and state and other institutional capacities and structures.

REFERENCES


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