

# Re-Thinking Social Policy for Development

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This paper argues that if the intention is to succeed in closing the gaps between social and economic policies, the conceptualisation of both social policies and of development as a whole need a radical shift. Addressing the challenges of persistent poverty, structural inequality, and systemic inequity requires breaking away from conventional social policy models that focus on the symptoms of poverty and exclusion. Rethinking social policy for development implies to start anew and look at the class, power, gender and ethnicity factors that are at the root of those gaps in developing countries. In this light, the paper concludes by suggesting areas in need of further research.

## Introduction

There are encouraging signs of interest in the international development community to rethink social policy from a fresh perspective. However, today's views about social policy remain trapped in theoretical categories, conceptual dichotomies, and ideological paradigms that restrain rather than move forward social development thinking.

Empirical evidence from the past decade in Africa, Latin America, and South-east Asia shows that rethinking social policy in a development context is often easier said than done (Stallings and Peres, 2000; Carlson, 1999; Vásquez, 1999; Urzúa, 1997; Savedoff et al., 1997; Konate, 1997; Osteria, 1996). Social policy reforms in place suggest that structural social and political barriers often contribute to maintain rather than to change the remedial status of social policies. This is reinforced by development agendas and pre-set approaches to change public policies that are not culturally adapted to the environment where they are applied.

Obstacles to making social policy more effective in reaching equity goals are often associated with a lack of integration between social, and economic and growth policies. Although such imbalances do exist and must be corrected, limiting our analysis to these obstacles has important constraints.

We argue for a need to go further. Rethinking social policy in a development context requires a copernican revolution in social development thinking. We must question the values and core assumptions in our understanding of development, and the ways we go about in achieving it. Even at the risk of heresy, we need to step outside the institutional boundaries that set the dogma of the current development universe and seek a new development ethic (Buarque, 1993).

Current social policy thinking is instrumental in creating comfort zones for international organizations and financial institutions. It allows them to promote development schemes and definitions of progress that maintain the fundamental order of the development universe of the past fifty years. Adding a human face and a focus on poverty to the discourse is perhaps politically appealing, but practically insufficient. At best, it provides a fertile ground for development professionals to positioning their views and actions at the cutting edge of the known development order defined by the North. At worst, it creates the illusion that social development has taken a new turn driven by concerns other than those of the economy.

### **Opening New Paths**

Making social policy the thrust in development thinking implies to take steps to assess on going experiences empirically and critically. Such a starting point is likely to shed light on what the driving forces are; where the centers of power lie in practice; what the values are guiding these forces; and with what degree of success have they met social policy objectives.

Attempts in the 1990's by governments, donors, and International Financial Institutions (IFIs) to insulate the poor from disproportionately bearing the costs of economic shocks have limited effects in altering pre-existing conditions of inequality. Changing social policies in tandem with changes in macroeconomic conditions has fallen short of the desired goals. Missing from these efforts is the healthy scepticism of the belief in the correspondence between investments, growth and well-being. In a rush to apply prescriptions for reform, there has been failure in preventing or managing the negative impact of global forces acting upon local realities; and in finding culturally appropriate means to making institutions responsible for the public good more democratic, efficient and accountable.

A new vision of social policy in a development context must include but go beyond issues of efficiency and financing of public policy processes. Experiences to date teach us the need to position this new vision at the intersection of two axes. The first is an understanding of the systemic factors of class and power which can explain the contradictions of development and leave social inequality untouched. The second is the redefinition of the goals of social policy change to create accountable human and institutional capacities to learn, organize themselves, and articulate social demands.

This shift implies addressing four fundamental questions that underscore policy decisions and actions:

- What is the relevance to the poor of the value assumptions guiding development and the role social policy?
- What social and economic policies need to be designed which are relevant to the institutional and individual realities for development to occur?

- What institutional and human resource means are available or need to be built to make social, economic, and science and technology policies to work in tandem? and
- What is the type of society these policies intend to achieve given both the national ethos and the pressures from globalisation?

Answering these questions would provide a framework to move the conceptualisation of social policy from prescriptive to responsive. The former limits the design and implementation of social policies and programs to a supply approach subordinated to priorities driven by cost-efficiency considerations. The latter is a demand driven approach defined by local calls to build human and institutional capacities for growth.

### **From Short to Longer-term Concerns**

It is a well-known fact that poverty, social inequality and exclusion are threats to human security and obstacles to achieving sustainable human development. However, continuing emphases on short-term concerns focussed on economic growth and the role of the market reinforce rather than resolve the conditions that reproduce inequity in access, quality and use of public goods. The re-conceptualisation of the role of social policy requires a shift from short-term problem solving and crisis management to a longer-term, problem-prevention, development agenda.

Research suggests that attempts to change the ways to conceptualise and implement social policy in the 1990's had mixed results (Morales-Gómez et al., 2000). Reforming social policy systems to meet economic adjustment objectives, injecting a human face and a poverty focus to economic development, or experimenting with sector-wide approaches to poverty eradication (Jones, 2000; Foster, 2000), are insufficient. Expectations that decentralization, privatisation and targeting would make social services more readily available to the poor, for example, or their delivery more equitable and effective, have not been fully met. Shortcomings in the distribution, maintenance, quality, and coverage of services continue to hamper the gains in social indicators at the macro level. This is due largely to lack of attention to the values and the social development ethic guiding these efforts.

Changes in the role of social policy to date had unequal impact on the roles and responsibilities of the state across sectors. These changes also had limited success in strengthening the social management capacity of local and municipal governments. Involving private sector and civil society institutions in the provision of social goods remains a challenge. In part, this responds to structural inequalities that remain untouched and in part to a lack of means for monitoring impact and the collective accountability to deliver on the new tasks. Overall, there is a need to build stronger and more sustainable individual and institutional capacities among the poor to demand according to their needs.

Social policy as it is presently applied may help to soften the negative impact of market liberalization but ultimately it continues to favour mainstream efficiency and market considerations in social investments. In practice, reformed social policy brings greater

benefits to those sectors of society equipped to participate in policy decisions, to benefit from global and regional markets, to lobby politicians, and which have institutional representation in society.

The articulation of a comprehensive vision of the type of society social policies aim to build is increasingly dominated by extra national development priorities and reactions to manage crises (Morales-Gómez, 1999; Hunsley, 1992). Lessons from countries with ongoing reforms show that the implementation of social policy reforms is guided by efficiency considerations (Lustig and Arias, 2000). These types of concerns instil values and practices that weaken states abilities to reconcile social and economic demands. They also set standards of quality and frameworks for democratic participation that are not always rooted in local practices and traditions. Above all, they do not ensure an equitable distribution of social goods over the long-term. In many countries, public responsibility and universal access to social services such as primary health, basic education, social security, housing and welfare remain elusive goals or are undermined by international and local interest groups (Fleury et al., 2000; Martinic et al., 1999).

Top down reforms to provide social protection services have often been remedial and not grounded on democratic political agendas to build local capacities for participation in decision-making. Often, reforms have weakened rather than strengthened the capacity of the state to harmonize social, economic and political interests, provide legal frameworks, and respond to social demands through legitimate and representative institutions and democratic citizenship. Change to state institutions have not succeeded in empowering communities and making local authorities and civil society agencies more effective in articulating and acting on social demands, except in isolated cases.

Comparative research suggests that if distributional equity is a goal, strong states must ensure sustained economic growth, human resources development, productive efficiency, transparent markets, and international competitiveness. Research has yet to answer questions such as how to guide economic growth by social and human development consideration; how to make human resources development equitable and sustainable; how to raise productivity without a greater cost to the poor; how to design the legal frameworks and mechanisms needed to socially regulate markets; and how to define the scope and ends of international competitiveness.

### **Toward a New Social Policy Agenda**

Re-thinking social policy to work in tandem with other development policies poses tremendous challenges. The greatest of all is to defy the prevailing wisdom about development itself.

The new vision of social policy must encompass ethical values that define development objectives, the economic rationale serving them, and the means and capacities for their achievement. These must provide the framework within which prospective strategies, representative institutions and proposals to make social policy the engine of development can be drawn.

Defining such a framework is a prerequisite to knowing, for example, what kind of quality education, primary health care and social security to deliver, to whom, and how to do so effectively, democratically and equitably. Accordingly, a research agenda that contributes to rethinking social policy for development must assign priority to four interrelated sets of issues:

1. The intersection of political, cultural and economic factors affecting social policy choices (the political economy of social policy);
2. The conditions required to develop individual and institutional capacities to identify and advance social demands, promote public debate and manage social responses (the social management practices);
3. The means to generate, provide, finance, and monitor social services (social policy innovations); and
4. The identification of sustainable means to build the capacity of public, private, and civic institutions that will respond to and be accountable for addressing social needs (the social policy regimes).

• **The Political Economy of Social Policy. Making visible the invisible**

Social policies are often built on values-based assumptions about development, growth, needs, and human well-being. These assumptions, internal and external to the social policies they are intended to influence, respond to normative factors that define policy decisions both nationally and internationally. They are often invisible normative frameworks within which social policies are selected, designed, financed, implemented and evaluated by the different actors in the policy process.

A new conceptualization of social policy must begin by examining these assumptions, as they are often the foundation upon which policy agendas, strategies, programs and projects are built. Empirical research could identify and analyze aspects such as:

- The current normative factors of class interest, power relations, and social status influencing specific social policy choices;
- The assumptions about acceptable standards of well-being underlying the models and methodological approaches to design, monitor and assess social policy implementation;
- The relations of correspondence and contradiction between the normative assumptions of various development actors in social policy which prevent or facilitate policy impact;
- The cultural factors underpinning traditional social protection systems and the extent to which these are integrated into national and international social policy agendas; and
- The barriers and opportunities to carry out value-based social policy reform in the context of growth driven development models.

• **Social Management Practices. Creating basic development capacity**

It is increasingly evident that social policies will not achieve their intended objectives if they are conceptualized and implemented without a strong civil society base. Building such a base requires identifying and developing individual capacities and institutions that can articulate and put forward demands. This goes hand in hand with building national and local social management systems capable of leading to greater institutional efficiency, transparency and accountability in developing and delivering social services. However, the challenge is not only how to change institutions and management practices to improve efficiency but how to do so acknowledging the political context, power relations and incentive regimes in which individuals and institutions operate.

A new approach to social policy must examine the capacities of state, national and local government, and civil society organizations to introduce participatory forms of social management of social policy systems. Research could address issues such as:

- The feasibility of integrated approaches to reforming public administrations and building capacities of non-government actors to play effective roles in advocacy, delivery and monitoring of services;
- The effectiveness and relevance of new institutional arrangements for service provision between state, local governments, kinship and community-based networks, traditional structures, and/or the private sector;
- The institutional mechanisms and approaches most suitable to reconcile conflict while improving efficiency, transparency and accountability in the allocation of resources and delivery of basic services;
- The political, administrative and organizational incentives required to improve integration, coverage and quality in service provision;
- The means to monitor the allocation and management of resources.

• **Social Policy Innovations. Seeking new instruments**

A challenge in the current social policy climate is to set policies that lead to the provision of services and ensure equitable access and quality according to minimum standards based on users needs and demands. It has become clear that macro policy reforms not always contribute to this end.

A new vision of social policy must seek practices and innovations that build on the capacity of users to articulate and negotiate their demands; improve access to social services; and monitor results. Empirical research could examine issues such as:

- The type of new government-civil society-private sector partnerships most suitable to produce, finance and deliver services; to contribute to improving quality, access and coverage; and to meet users needs;
- Non-government innovations to extend social provision and complement government actions;
- Innovative means to strengthen the capacity of governments and civil society to monitor access, quality and equity of services;

- Innovations in political participation, regulatory governance structures, decision-making processes, financing arrangements, and management practices.

- **Social Policy Regimes. Generating social assets**

Improving social equity requires more than technical and managerial improvements in service delivery. Countries must also build representative systems and processes for governments and citizens to make choices and resolve differences in the broad realm of public policy. Social policy practices to date have been driven by macro economic policy reforms to change the administration and management of social services through decentralization and privatization. These changes, however, have significant political dimensions not fully addressed. Transferring administrative responsibility is insufficient to ensure equity or effectiveness of social policy systems. Decentralization per se, for example, does not improve service delivery, the capacity of local governments, private sector or communities to manage service delivery or their accountability.

The challenge for a new approach by which to integrate social policy into broader development goals is to identify and introduce representative systems and processes for governments and citizens to make choices, resolve differences and be accountable for decisions. Research could examine issues such as:

- The citizens expectations of the state, and the means by which their social needs can be articulated to influence decisions about priorities for services and resource allocation;
- The means to ensure transparency and accountability of national and local governments, civil society institutions and the private sector as social policy agents;
- The capacity of municipal councils, unions, cooperatives, parliamentary commissions, and community associations to negotiate and advance social service demands;
- The means to assist citizens and stakeholder groups, particularly those most marginalized, to influence decisions about priorities for services and resource allocation; and
- The factors defining people's identities, allegiances and views about citizenship as a basis to improve articulation of social demands and legitimacy of the state as guarantors of social policy.

The implementation of an agenda such as this is likely to face multiple challenges. Building social policies that enhance social and human capacities for economic development, prevent the erosion of fundamental social values, and move nations toward more equitable and sustainable social and human development will requires much more than bridging the gap between social and economic approaches. It will require changes yet to come to the current development paradigm. Re-thinking social policy in a development context requires a "Copernican" revolution in social development thinking.

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