

Strengthening social development in the contemporary context: Lessons from Latin America and the Caribbean



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From residual social policies to the expansion of social protection

Structural adjustment model

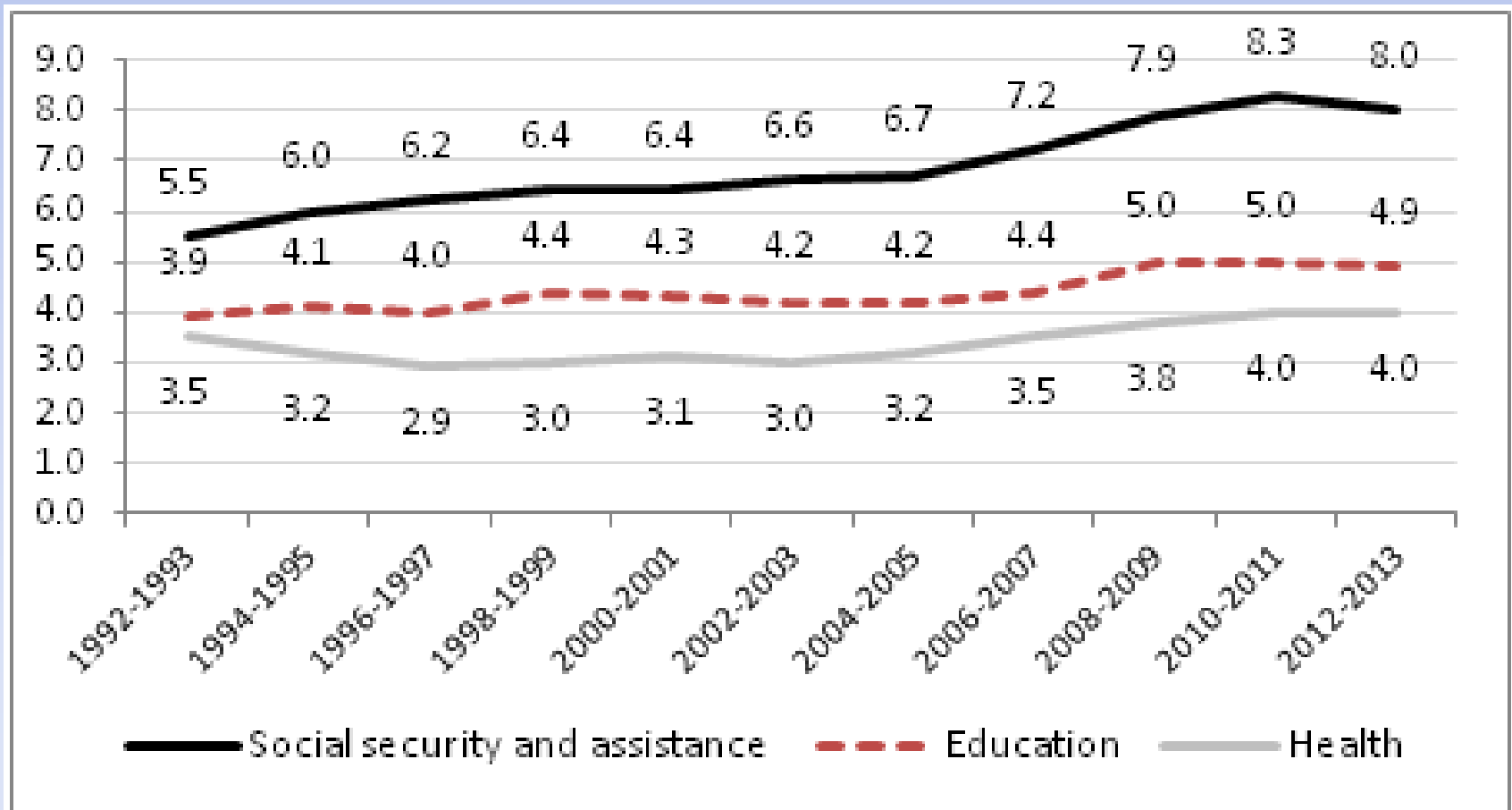
- Downscaling of State action
- Central role of markets in allocating goods and services
- Social transfers based on emergency criteria
- Social protection based on labour (male-breadwinner model)
- Informal mechanisms: lobbying and favouring

Current trends

- Broadening social expenditure
- The State has a regulating role to face market asymmetries
- Integral policies to face poverty: expanding assets and capabilities
- Social protection in a difficult labour scenario: from the contributive to the solidarity pillar
- Towards a covenant based on social rights

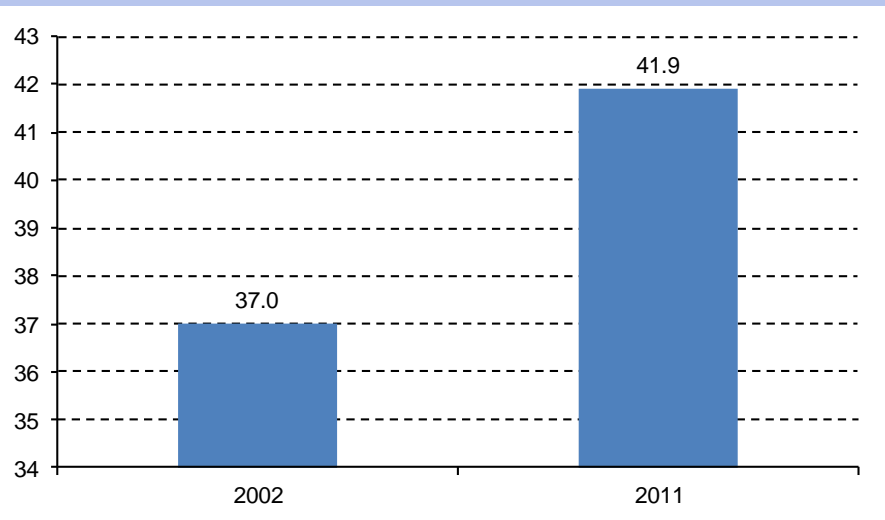
Expansion of social public expenditure over the last 20 years

PUBLIC EXPENDITURE ON SOCIAL SECURITY AND ASSISTANCE, EDUCATION AND HEALTH AS A PERCENTAGE OF GDP, 1992-1993 TO 2012-2013

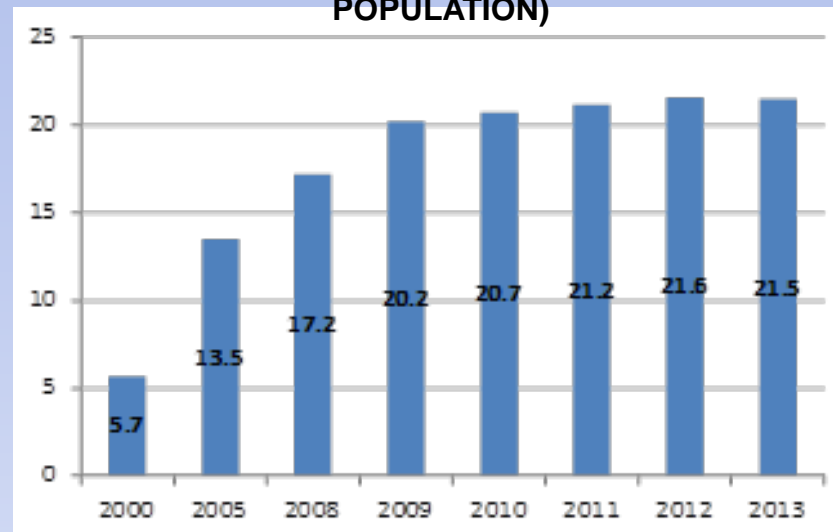


Social protection coverage has increased

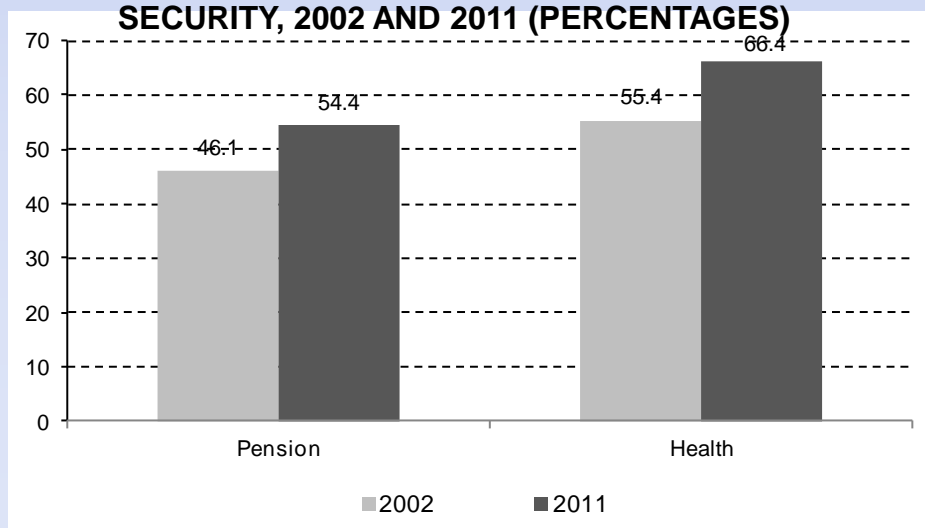
PERSONS 65 YEARS AND OLDER WHO RECEIVE PENSIONS, 2002 AND 2011 (PERCENTAGES)



COVERAGE OF CONDITIONAL CASH TRANSFER PROGRAMMES, 2000-2013 (PERCENTAGES OF TOTAL POPULATION)



EMPLOYED POPULATION AFFILIATED TO SOCIAL SECURITY, 2002 AND 2011 (PERCENTAGES)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), database on non-contributory social protection programmes in Latin America and the Caribbean, and Social Panorama of Latin America 2013.

The rights-based approach: from programmes to policies, from emergency to entitlements

- Shift from needs-based social policies to policies based on social rights has been a key turning point in LAC
- The State has primary responsibility to promote ESCRs
- Challenge: moving from rhetoric to practice
- Some examples: Unified Health System & Continuous Benefit Programme in Brazil; Explicit Health Guarantees in Chile; Universal Pension in the Federal District of Mexico

Rights-based approach and social guarantees in Latin America

Country	Constitutional recognition of social rights	Rights-based approach in social protection	Explicit guarantees
Argentina	Yes	Yes	
Bolivia (Plurinational State of)	Yes	Yes	Yes
Brazil	Yes	Yes	Yes
Chile		Yes	Yes
Colombia	Yes	Yes	Yes
Costa Rica	Yes	Yes	
Cuba	Yes	Yes	
Ecuador	Yes	Yes	
El Salvador	Yes	Yes	
Guatemala		Yes	Yes
Honduras	Yes		
Mexico	Yes	Yes	
Nicaragua	Yes		
Panama			
Paraguay	Yes	Yes	
Peru	Yes	Yes	
Dominican Republic	Yes		
Uruguay	Yes	Yes	
Venezuela (Bolivarian Rep. of)	Yes	Yes	

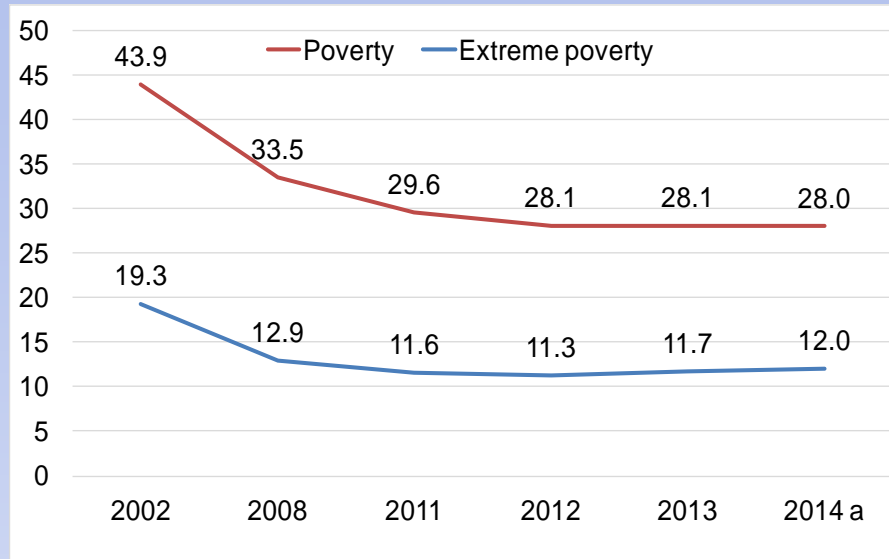
Source: Cecchini and Martínez (2011) and Cecchini and Vargas (2014).

Strengthening of social development institutions

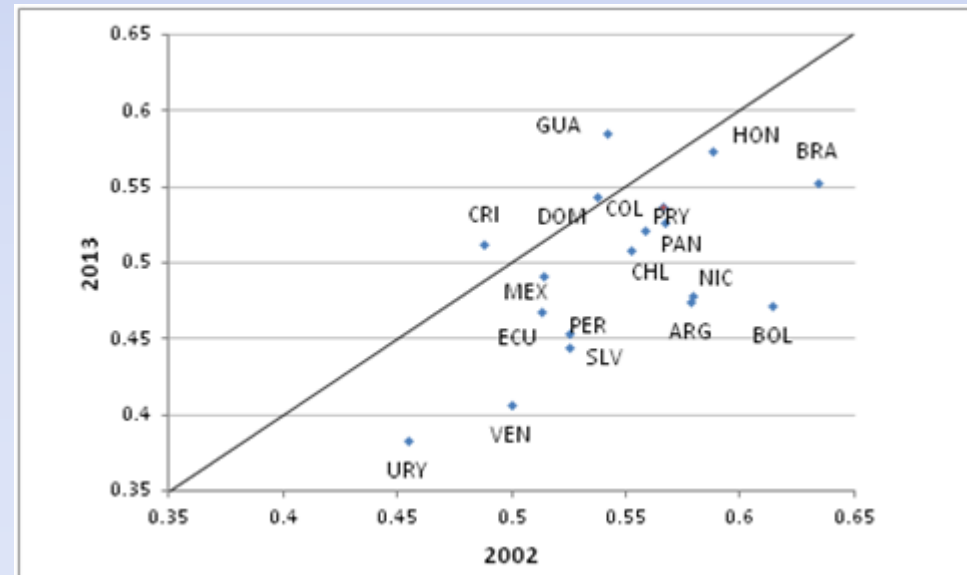
- Integral view of social policy entails growing complexity and need for coordination
 - Demand-side (life cycle & social groups) and supply-side (vertical & sectoral) dimensions of integration
- Creation of social development ministries and social cabinets
- Comprehensive policies and programmes
 - Brazil: *Bolsa família* & *Brasil sem Miséria*; Chile: *Chile Solidario*
- Social policy management progress and challenges
 - Information systems; monitoring and evaluation; coordination at the local level

Reduction of poverty and inequality

LATIN AMERICA: POVERTY AND EXTREME POVERTY RATES, 2002-2014



LATIN AMERICA: GINI COEFFICIENTS, 2002 AND 2013



Persistence of structural development problems and challenges to public policies

- Heterogeneity of productive structure is reproduced in labour markets (informality) and transmitted to the entire society (inequality)
 - Channels: distribution of profits and stratified access to contributory social protection for workers
- Quality of social services (education, health)
- Prevention and response to natural disasters

Facing a complex economic and political context

- Lower economic growth (1.0% in 2015)
- Social investment no longer growing
- Poverty reduction process stalled
- Continuing demands to increase coverage and improve quality of publicly-provided social services



- Establish fiscal and social protection covenants
- Most States are in a condition to collect greater amounts of fiscal resources