

Part II

INSTITUTIONAL FRAMEWORK: CONTINUITY AND CHANGE

1 The institutional framework has evolved in conjunction with the technological and socio-economic shifts analysed in part I. Families, generations, the roles ascribed to the market and the state and the organizations of civil society have responded in ways that are often country-specific. However, there are common trends in both the changes and responses to change that can be traced across several regions of the world. Families are withstanding many challenges such as shrinking size, greater physical distance among family members, family dissolution and, in some cases, exposure to armed conflict. New forms of interactions and relationships have challenged generations. Poverty among children and the elderly has been on the rise and fertility among adolescents has also increased. The middle generation has faced ambivalence; on the one hand, there is greater choice, flexibility and personal control, but on the other, there is the threat of increasing job and income insecurity.

2 Many have argued that increased reliance on markets has increased social polarization and that market failures have been left largely unresolved. The most fundamental change in the role of the state and the market was experienced in the transformation of the former centrally planned economies into market-oriented economies. In many countries, tighter control over public spending reduced and even eliminated public sector fiscal deficits and many publicly owned industries have been privatized.

3 Changes in institutional arrangements have created a new context for the establishment of partnerships among Governments, the private sector and civil society. The latter, if adequately organized and managed to ensure broad participation and representation, can render poverty alleviation policy-making and policy implementation more effective and can assist in the promotion of balanced economic growth.