

# Towards Universal Social Security in Emerging Economies

Across the world, many countries are cutting social security spending and rolling back commitments to universal coverage by restricting benefits, narrowly targeting policies and means-testing claimants. But some are bucking this trend. Despite decades of pressure for social policies to be used only as residual, marginal, palliative measures to protect those in dire need, many emerging economies are successfully extending social security coverage towards universal levels. What drives these universalizing forces? Are these moves towards universal coverage sustainable? Why have some countries had more success than others in implementing socially inclusive, economically viable social security programmes?

## Project Objectives

The project examines the efforts of selected emerging economies to move towards universal provision of social security, with a focus on health care and income support programmes.

It provides a comparative analysis of the political, economic and social drivers of, and constraints on, the extension of social security to all, and assesses the impacts of doing so in terms of poverty reduction, equity, growth and democracy.

The project improves understanding of how to enhance the accessibility, affordability and availability of social security. In particular, the research seeks to:

- ▶ identify the drivers of and constraints on extension of social security;
- ▶ understand how the political, economic and social factors behind extension have responded to the pressures of privatization and financialization; and
- ▶ identify the ways in which the extension of social security has influenced poverty, inequality and democracy.

## Needs Must: Social and Economic Policy Innovation

*Today's global context of crisis and uncertainty highlights the need for policies that promote productivity and growth and achieve greater inclusiveness, sustainability and empowerment*

Despite aggregate economic growth at the global level over the past two decades, more than half the world's population still suffers from severe insecurity. Economic growth has not trickled down: inequality has grown deeper and wider. As much as 80 percent of the world's population lives without access to meaningful cash benefits for ensuring a basic standard of living.

Targeting approaches are often advocated as a way to reach the most vulnerable. Conditional cash transfers and means-tested benefits have been rolled out in schemes supported by multi- and bilateral donors. But these schemes can be difficult and expensive to administer, carry a high incidence of error, often exclude those in need, and fail to meet their objectives.

A key factor in reducing poverty, growth alone is not sufficient to extend and codify social protections. Nor are narrowly targeted transfers or thin safety nets enough. Political will and sufficient state capacity must exist in order to craft and build context-appropriate, comprehensive social security solutions that aspire to universalism.

In developing countries where there is strong political will for social change, innovative social and economic policies appear to offer promising alternative approaches. A number of emerging economies are pursuing comprehensive social policies as integral parts of their development strategies, following paths that diverge from dominant development policy prescriptions.

## In Focus

**Brazil, China,  
Ecuador, India, Indonesia,  
Russia, South Africa,  
Thailand,  
Venezuela**



## Different paths towards universalism?

The countries examined in this research project together account for almost half the world's population and approximately one-fifth of global GDP. While their political contexts and growth trajectories vary greatly, they share a growing consensus about the values and benefits of universal social security. This is particularly evident in commitments to the provision of basic infrastructure, services and social protection for all, including water and sanitation, education and health care, and income security.

The countries being studied have made different institutional arrangements in order to extend coverage and enhance the affordability, accessibility and availability of social security and social services, leading to differing results.

In Brazil, China and Thailand there has been a successful extension of health care, with nearly universal coverage. Other countries are still struggling to provide health care to a large proportion of their populations.

Various forms of cash transfers—unconditional, conditional and cash-for-work schemes—in some countries, such as Brazil, India and South Africa, have reached a substantial proportion of the poor, leading to improvement in social indicators such as school attendance and vaccination, and impressive results in terms of poverty reduction. In other countries, such as Indonesia, the number of people receiving unconditional and conditional cash transfers has increased dramatically. This has significantly reduced income poverty but has not improved school attendance rates or health among the young.

What has driven these countries to choose different measures to extend social security coverage? What factors have influenced the different outcomes and degrees of success?

That the countries studied in this project have taken so many different paths in the extension of social security reaffirms that there is no single blueprint or one-size-fits-all solution. Varying degrees of success also suggest that there are lessons to be shared across country contexts.

Strategies to achieve universalism in emerging economies are as diverse as their respective historical experiences.

- ▶ Why have some countries succeeded in making universal social security a national policy priority?
- ▶ What drives processes of universalization?
- ▶ What has been achieved in the process of universalization?
- ▶ What lessons can we draw from the emerging paths to universal social security?

## About the Project

### *Building on Previous UNRISD Research*

- ▶ Financing Social Policy
- ▶ Social Pensions
- ▶ Combating Poverty and Inequality
- ▶ Making International Cooperation Effective

### *Methodology*

The project methodology is inspired by Amartya Sen's "realization-focused comparative approach". Its emphasis is not on the direct results of particular policies, but rather on *comprehensive outcomes*. The distinction suggests that the immediate consequences of specific programmes are insufficient to properly understand overall progress towards greater social justice. What is required instead is a broader exploration of outcomes that takes account of institutional frameworks, social contexts, processes of institutional and behavioural change, and the roles of social actors found within a particular country context.

### *Activities and Outputs*

- ▶ Methodological workshop, September 2012
- ▶ Four background papers
- ▶ 12 case studies (in nine countries)
- ▶ Special Panel Discussion at the 2nd World Conference on the Development of Universal Social Security Systems in Brazil, 2014

### *Research Team*

Research Coordinator Ilcheong Yi will be leading the project. For details of country researchers, please visit [www.unrisd.org/tussee](http://www.unrisd.org/tussee)

### *Funding*

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### *Research Beneficiaries*

The organizers of the 2nd World Conference on the Development of Universal Social Security Systems (Brazil, 2014) will be the primary direct beneficiaries, as the analysis and interim research findings will feed into shaping the conference agenda.

Governments, bilateral donors and multilateral institutions concerned with shaping social policy will find this work of particular interest.

