REFORMING SOCIAL POLICY

CHANGING PERSPECTIVES ON SUSTAINABLE HUMAN DEVELOPMENT

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In the 1990s, social-policy reform has emerged as a critical area for development-policy research. A number of trends have led policymakers to reconsider social safety nets in both the North and the South. Globalization, human mobility, communications, trade, and capital flows have combined with fiscal conservatism and structural-adjustment strategies to fundamentally alter both the principles and the practice of social policy in key sectors. As the case studies on Ghana, Chile, and Canada in this volume have highlighted, decentralization, privatization, cost-sharing, and targeting measures are just some of the recent reforms affecting the ways social services are designed, financed, implemented, and delivered.

Recognition of the changing nature and importance of social policy is reflected in the recent emergence at the international level of a distinct discourse on social development. In the developing world, toward the end of the 1980s, mounting concern with the social impact of structural-adjustment policies culminated in 1990 with the publication of the United Nations Development Programme's first Human

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Development Report, which focused explicitly on the plight of the world's poorest people. A similar dynamic has emerged in the North, with the crisis of the welfare state. Growing pressure to revisit social issues has surfaced in the developed world in the 1990s as the governments of countries in the Organisation for Economic Co-operation and Development (OECD) have had to struggle with the challenges of competitiveness, persistent unemployment, and deficit management, together with growing public concern about the social costs of conservative socioeconomic reforms.

These changes have in the North and the South contributed to a significant shift in development thinking. Beginning in the early years of this decade and in large part driven by the backlash against narrowly defined economic reforms and perspectives, strong support has emerged for a more balanced approach to development, one that integrates both social and economic objectives without subordinating the one to the other. Opposition to the priority given to economic concerns has led to a renewed emphasis on social development, reflected in global conferences such as the 1990 Summit for Children, the 1990 Education Conference for All, the 1994 Cairo Conference on Population, the 1995 Beijing Conference on Women, and the 1995 Copenhagen Summit for Social Development. Moreover, as the 1997 Human Development Report made clear, some very sobering realities justify this renewed concern with social development. Following nearly two decades of adjustment, sub-Saharan Africa is currently home to 220 million people who suffer from income poverty, and the human poverty level is growing faster there than anywhere else in the world. In Latin America and the Caribbean, structural inequality is pervasive, and the level of income poverty stands at 110 million people and is rising. In the industrialized world, more than 100 million people now live below the income poverty line (UNDP 1997).

If social development now tops the global agenda and if the case studies included here have underlined real interest, in both the North and the South, in finding a socially sustainable approach to reform, important challenges remain concerning the way forward. This concluding chapter suggests that in recent years the development literature has tended to be polarized between the competing perspectives of mainstream neoliberals and their critics. The result is that much development thinking and debate on economic and social policy (and its reform) have tended to be fairly normative. However, as countries try
to find ways to address the social implications of neoliberal reforms to date and researchers and practitioners are encouraged by the possibility of a more balanced development strategy, there is a growing need to move beyond criticism of these policies to a more systematic and empirically informed examination of the factors influencing their design, articulation, and impacts. The three case studies in this volume have made an attempt to do this.

This chapter is therefore divided into two main sections. The first provides a brief sketch of the relevant debates in the recent development literature, outlining the different perspectives of the neoliberal school and its critics and the new integrationist alternative. The second section explores in detail some essential elements of a future agenda for research on social-policy reform. It contends that an emerging literature — including these studies of Ghana, Chile, and Canada — underlines that some of the key issues for future research will be found at the level of policy implementation, where the theory of social-policy reform is put into practice.

**Neoliberalism, its critics, and the integrationist alternative**

**Neoliberalism and its critics**

Over the past two decades, the development debate has been largely oriented by neoliberal theories and prescriptions for reform. In the developing world, in response to the economic downturn and debt crisis of the 1970s, the International Monetary Fund and the World Bank pressed for structural-adjustment packages premised on the theory and practice of neoliberalism. Core elements of these packages included deregulation of economies, trade liberalization, export promotion, currency devaluation, strengthening of the financial sector, and public-sector reform. Moreover, parallel to these trends, similar changes were under way in the industrialized OECD countries. Recession in the early 1980s, following the preceding oil shock, resulted in high inflation and unemployment, with consequent growth in demands for state assistance. The Keynesian approach to economic management had been discredited, and "confidence in the state's ability to manage a mixed economy" had collapsed (Mishra 1984, p. 190).
Theories therefore emerged from the right that, in addition to rejecting Keynesianism, championed policies to limit the scope of state interventionism and encourage market forces (Pulkingham and Ternowetsky 1998). Privatization, deregulation, promotion of freer trade, and fiscal conservatism have since emerged as dominant forces, with the aim of reconfiguring and, some assert, dismantling welfare states in the North.

As reflected in the case studies in this volume, neoliberal reforms have pervasively and definitively come to inform development strategies, including social policies, in many countries. In the developing world particularly, from Latin America to Africa, many have considered structural adjustment a blueprint for achieving both economic and social goals. It was initially expected that by promoting economic growth, structural-adjustment measures would produce a "trickle down" of benefits to the most vulnerable groups in society. Poverty, according to neoliberal theory, is a pathology, rather than a consequence of the economic system, and should be addressed primarily with measures aimed at economic recovery. Social policies, or state actions aimed at tailoring economic growth to serve explicitly social objectives and needs, have therefore remained implicitly separate and subordinate to overarching economic priorities.

More than just an economic theory, however, neoliberalism is also a political theory. Where neoliberals have called for economic conservatism and the preeminence of the market, they have also supported the theory of a minimal state. Structural adjustment in the South and post-Keynesian reform in the North have curtailed public expenditures, including social expenditures, to achieve deficit and inflation reduction. In addition, public agencies and bureaucracies have been cut back in the interest of efficiency, and state intervention in the economy has been minimized to prevent unwanted distortions and "crowding out" of private-sector investment. With market forces cast as the primary engine of development and the means of attaining social welfare (increasingly individualistic), a concurrent approach to social policy has been broadly perceived as inherently residual, or ex post facto, as suggested throughout this volume.

Not surprisingly, critical appraisals of neoliberal reforms have been extensive and diverse. In the development literature, some critics have challenged the technical premises of the reforms and have engaged in a range of debates concerning the causes of the initial
economic crisis and, by consequence, the appropriateness and adequacy of adjustment packages introduced in specific national contexts (for example, see Glover 1991; Sinha 1995). Other critical perspectives on neoliberal reform have been more overtly political or ideological. In both developed and developing countries, some of the most articulate criticism of mainstream reform models has come from the left, which has viewed neoliberal prescriptions and, particularly, the promotion of market-friendly states as favouring the interests of private capital over human well-being and as valuing efficiency and profit over social equity. Challenging neoliberal discourse, which characterizes economies as "self-regulating" and current adjustment strategies as "inevitable," these schools have highlighted the inherently political nature of the reforms and forwarded alternative theoretical perspectives on the state, the market, and the vested interests they each serve (for example, see Brodie 1994; Tsie 1996; Power 1997).

An element common throughout most of this critical literature in both the North and the South is its focus on the social costs of reform and on the dangers associated with the state's decreasing role in development, particularly in social spheres and commitments. In OECD countries, rising poverty levels, jobless growth, and stubborn structural unemployment have produced heightened levels of social need and fueled concern about the costs of government retrenchment, social-spending cuts, diminished labour protection, and trends away from universal, state-supported social policies toward programs perceived as more restrictive, exclusionary, and less generous (for example, see Geller and Joel 1997; Pulkingham and Ternowetsky 1997, 1998). The critical literature in the North has particularly emphasized the implications of welfare-state restructuring, or "erosion," for class- and gender-based political agency and inequality, and significant criticism has focused on the perceived abnegation of state responsibilities for public welfare and basic standards of social equity and access to services (Brodie 1994).

In non-OECD countries, the dismal economic record of structural-adjustment policies and the perception that they have had far-reaching negative social effects have fueled broad-based criticism of these policies. In the developing world, concerns about the social implications of the neoliberal agenda have been expressed through extensive research on the practical burden that economic reforms have placed on grassroots groups (for example, see Afshar 1992; Jolly et al. 1992; Bakker
1994; Sen 1996). Indeed, central to the critique of structural adjustment in the South has been the evidence, now generally accepted, that neoliberal packages have in fact seriously exacerbated poverty levels and distributional inequalities. Contrary to the early expectation that social development would materialize as a by-product of economic growth, 10–15 years of reform have seen much more dire results. Although debates persist concerning specific causal relationships — in particular, on whether the cause is the economic crisis or adjustment packages — persistent correlations between structural adjustment and social hardship have captured the attention of development analysts. In the 1980s, Africa and Latin America saw real per capital incomes, living standards, and investment levels drop. Today, Latin America has lower standards of living than in the 1970s, and in Africa, levels approximate those of the late 1960s (Karger 1996; Berry 1997).

Reflecting the unifying concern of all these perspectives and the social impact of the neoliberal reform packages, broad-based criticism of structural adjustment was initially and perhaps most prominently captured in the United Nations Children’s Fund’s call in the late 1980s for adjustment with “a human face.” Similar rejections of the market-as-magic-bullet approach to reform have also surfaced in industrialized countries, with growing public support for socially responsible fiscal reform and socially accountable government.

The integrationist alternative

Debates between neoliberals and their critics have constituted the principal poles of the debate in the development literature in recent years. However, the practical implications of this dialogue, particularly from a policy and research perspective, are considered somewhat tenuous in the literature. Whereas critics of the neoliberal school have highlighted real weaknesses of the dominant economic paradigm, others suggest that the strength of the critics’ perspective has been in their theoretical and social critique of neoliberalism, rather than in their articulation of a cogent and defensible alternative. Indeed, the predominant focus of this critical literature on the social failings of neoliberal reform has spurred charges that it has merely challenged imperfect mainstream models from the perspective of equally unsustainable interventionist or welfarist strategies that still leave too much in the hands of the state (Glover 1991; Patel 1992; Green 1996).
Scepticism about the contribution of the critics of neoliberalism has also been reinforced by recent historical trends: the dramatic and recent failure of socialist economies has undermined proposed alternatives to a market-oriented approach.

If something of a stalemate has developed along familiar ideological fault lines — that is, neoliberal versus welfarist-socialist approaches to development — a third school seeks to be more forward looking and prescriptive. As Green (1996, p. 118) observed,

The transformation of the world economy in the last 30 years may have destroyed full-blown central planning as a viable economic model, but [the social toll of structural adjustment means that] crude neoliberal dogma also offers little hope for long-term success ... . Although opponents of structural adjustment are routinely dismissed as economic dinosaurs bereft of alterative ideas, there is already a rich debate over the ingredients for building a more effective economic model.

Referred to by such labels as “post-welfarist,” “neostructuralist,” or (as here) “integrationist,” this alternative model puts emphasis on the need to simultaneously pursue and integrate economic and social-development objectives and strategies. The model is broadly distinguished by several basic tenets. These include the recognition of

- The validity of the adjustment challenge in the developed and developing worlds and the need to respond through economic and social-policy reforms to a range of real pressures arising from globalization, competitiveness, and interdependence;

- The importance of selective and regulative state interventions to counterbalance the effects of the market in the context of reform;

- The need to build synergies, or “partnerships,” between the public and private sectors to maximize efficiency and safeguard equity;

- The importance of having responsibilities for social welfare shared between states and societies in the context of limited state capacities and resources and persistent basic needs; and

- The importance of participatory, people-centred development strategies that promote the responsiveness and sustainability of policies by reinforcing democracy.
In short, in the North and in the South, this philosophy tends to be pragmatic concerning economic growth, fiscal responsibility, and economic adjustment but to combine this with a concern for collective welfare, civic responsibility, and the public good.

The integrationist perspective is surfacing more frequently in contributions to international-development literature and discourse. In the academic sphere, for instance, examples of the integrationist perspective can be found in an alternative economic literature that challenges long-standing assumptions about the relationship between economic growth, social investment, and equality. Furthermore, economists are questioning traditional theories premised on a contradictory relationship between economic growth and equality, which have generally viewed public social investment as an obstacle to growth. Revisionist analyses now argue that neither of these connections is inevitable and that far from being a drain on growth, public social expenditures in such areas as health, housing, and education may in fact enhance productivity and economic performance. This recent literature stresses that state and policy play a potentially critical role in facilitating growth with equity, and in support of this contention many analysts are pointing to the impressive economic- and social-development track records of the Asian newly industrialized countries (NICs) (Amsden 1989; Wade 1990; Sherraden 1995; Kelly 1997; McKay 1997).

Similar arguments also more popularly appear in current international-development forums and discourse. Thus, the final report of the World Conference on Social Development (United Nations 1995, p. 13) emphasized the need to

- promote dynamic, open, free markets, while recognizing the need to intervene in markets to the extent necessary to prevent or counteract market failure, promote stability and longterm investment ... and harmonize economic and social development.

Summit resolutions called for an "integrated approach to the transformation process, addressing the social consequences of reforms and human development needs" (United Nations 1995, p. 32). Moreover, echoing the views of a growing range of international bodies, including the United Nations Research Institute for Social Development (UNRISD) and the Economic Commission for Latin America and the Caribbean, similar prescriptions surfaced in the 1997 Human Development Report, which emphasized the importance of “pro-poor..."
economic growth," "people centred strategies," and an "activist," or "managerial," state, capable of engineering both economic growth and poverty eradication. Indeed, as development discourse increasingly problematizes social goals, as distinct from economic ones, some have observed that even the international financial institutions (IFIs) are "stealing the clothes" of the integrationist school by placing renewed emphasis on concepts such as education, poverty alleviation, and income redistribution, albeit within the context of market-oriented reform (WCSD 1995; Green 1996).

If the integrationist school proposes an alternative set of possibilities and objectives for socially responsive growth, it is not without its own detractors. Integrationism is considered by some to be a broad church, with weak analytic or policy content and prescriptions (Green 1996). However, it should also be recognized that, far from constituting a new theme, debates over the appropriate balance between the state and market in achieving development goals have in fact constituted a consistent thread in the development literature. For example, before the 1990s, the recommendation that development strategies should reflect a tempered approach, based on both social and economic objectives and values, was evident in a range of international documents: the 1979 United Nations International Development Strategy, the Brandt Report (of 1980), and the United Nations Declaration on the Right to Development (of 1986), to name but a few (Patel 1992).

From the perspective of those who are concerned with future development-policy research, the perennial nature of these reflections and the return of practitioners and scholars in the 1990s to the recognition of the value of mixed formulas suggest three general conclusions. First, the general ideological polarization of the development literature between neoliberalism and its critics may not be particularly useful or productive. It is now generally acknowledged that neither strict market nor state-dominated approaches to development are sustainable options and that continuing to invoke these as reference points in the development debate may obscure more than illuminate. Second, some combination of state, market, and civil-society efforts, together with some integration of social and economic policies, will likely be needed to enable development strategies to achieve their desired social and economic outcomes in real historical contexts. To acknowledge this, however, is still to leave a great many questions
unanswered about the sustainable and optimal linkages and divisions of responsibility between the actors and the factors that condition their roles in specific policy contexts. Third, and as a consequence, some of the most important questions for policy-planning and policy-development research are likely to lie at the operational level. In short, if a perspective on general principles for a more balanced development paradigm is emerging (a new model for social protection based on articulated social and economic policies and strengthened sociopolitical integration, as Raczynski suggests in this volume), a constructive approach to social and economic policies will have to move beyond normative debates and criticism of these policies to a more contextually informed analysis of how these policies are implemented in practice and why they take the forms they do.

The next section returns to the more specific focus of this book, the assessment of social-policy reform in the developing and developed worlds. Drawing selectively on the case studies, as well as on a wider literature, it considers some of the major changes in the nature and orientation of social policies in the 1990s. It suggests that the most important issues for research, particularly from the perspective of promoting a more economically and socially sustainable approach to development, are likely to involve empirical research on the design and implementation of recent reforms and on the political, social, and institutional contexts that shape their success or failure. The discussion is organized around four general themes: the decentralization, privatization, targeting, and democratization of social policies. They are common to all three of the case studies and are currently at the heart of policy agendas and public debate in the North and South.

**Social-policy reform: exploring issues for research**

**Decentralization of social policy**

Central to social-policy reform in the developed and developing world has been the sweeping trend to decentralize social policy. As the studies in this volume illustrate, movement away from state- or welfare-oriented models has been matched in the 1980s and 1990s by significant initiatives to redistribute responsibilities for social policy and social-service delivery to subnational actors, particularly local
governments, nongovernmental organizations (NGOs), and communities. Decentralization is occurring in the context of broader debates concerning sustainable and appropriate roles for the state versus other actors in social and economic development. From the neoliberal perspective, prescriptions for a noninterventionist state are closely tied to the devolution of authority and responsibility for social policy and services to local levels. Preoccupied with promoting "good governance," these advocates point to the expected windfalls of decentralization in terms of the efficiency, effectiveness, and responsiveness of social programs as designed and delivered by (smaller) organizations closer to the grass roots (Villas 1996; Stewart 1997). Neoliberals are not the only proponents of decentralization, however. In the 1980s and 1990s, an intellectual movement has emphasized development as empowerment, the need to go beyond the state and market to the community, and popular participation as the goal, means, and agency of development (Veltmeyer 1997). Thus, quite apart from its expected impacts on efficiency and costs, decentralization has also been viewed as a means to improve community-based involvement and enhance political accountability and democracy, issues of central concern to critics of the mainstream reform agenda.

Notwithstanding this wide support, however, a growing body of work, including the case studies in this volume, suggests that the potential of decentralization as an approach to the design, delivery, and financing of social services can be assessed most reliably through a greater understanding of those factors that motivate and affect the practical articulation of these reforms. What seems to be required is critical consideration of the fundamental assumptions underpinning decentralization strategies as measured against the conditions for, and experience of, their implementation.

An issue emphasized throughout this volume is the important and evolving role of NGOs in the field of social policy. In the context of recent economic- and social-policy reform, the number, budgets, and influence of NGOs in both the North and the South have increased remarkably. Some promote the role of NGOs as the new "miracle weapon" in the fight against poverty, and much greater levels of foreign aid are now transferred through the NGOs, rather than through public agencies (Post and Preuss 1997). Where concerns predominate about the capacity and effectiveness of states in the North and South, the expectation is widespread that NGOs will become a
feasible alternative to state agencies as agents of development. This faith in NGOs is largely based on the assumption that NGOs tend by nature to be more participatory, innovative, unbureaucratic, flexible, and inclusive than state structures (UNRISD 1995; Smillie 1997; Stewart 1997).

NGOs are far from constituting a magic solution, however, as important questions are beginning to be raised about the real nature and capacities of NGOs as measured against the roles and responsibilities given to them. Most generally, development analysts are increasingly warning that the advantages of NGOs can be overestimated, not because of what NGOs are, but because of what they are not, that is, the state. The assumption is too readily made that if states are deemed inefficient, elitist, and unresponsive, anything else — in particular, NGOs — must be better (Clark 1992). Assertions of this type are too often made without the support of empirical analysis. Moreover, this type of negative reasoning is too often compounded by tendencies to confuse the state with particular types of regime. As a result, especially in the developing world, state capacities or potential — whatever these might be — are mistakenly conflated and rejected along with authoritarian government (Allen 1997).

More central to the literature and studies presented here, however, are the critical assessments of the NGOs' institutional capacity to substitute for the state in welfare protection and social-service provision. For example, Post and Preuss (1997) pointed out that little real evidence supports the view that NGOs are more effective or efficient than alternative state agencies, and they may in fact be limited, rather than advantaged, by their size, capacity, and core missions. Post and Preuss argued that NGOs tend to be diverse, to focus on discrete rather than broad-reaching interventions or projects, and to work uncoordinatedly. This lack of harmonization, moreover, may be compounded by patterns of finance. As Stewart (1997) suggested, public-sector services can take the long view and thus risk fewer gaps, overlaps, and contradictions in their programing, whereas NGOs, because of their number and their short-term funding, possess less capacity for innovation and have a greater tendency to be repetitive in practice. Problems in coordination and in maintaining coherent social interventions are also exacerbated by the tendency of NGOs to scale up in response to enhanced responsibilities and availability of funds: if NGOs possess inherently positive qualities associated with their small size and
proximity to the constituencies they serve, these very qualities are undermined by the NGOs’ own tendency to become larger, more bureaucratic, and less accountable when the state retreats and the state and the donors place greater weight on the NGOs’ ability to deliver (Howes and Sattar 1992; Stewart 1997). Such risks seem to be borne out in the Ghanaian experience reported in this volume. As Aryeetey and Goldstein detail, the decentralization of responsibility for social policy to NGOs under the Economic Recovery Program and structural-adjustment plan in Ghana faltered precisely as a result of such factors as the uneven geographical distribution of NGOs, their small scale and diverse mandates, and their constrained ability to undertake coordinated activities. Moreover, echoing similar concerns in the literature, Aryeetey and Goldstein also suggest that as NGOs and donors increasingly collaborate to deliver social services the unfortunate unintended effect may be to weaken the capacity and commitment of states and NGOs to undertake the activities they are respectively best suited to provide.

A third set of critical issues for research on decentralization relates to process and implementation. As emphasized throughout this book, in both the North and the South, the motive and context for decentralization has largely been the perceived requisites of economic adjustment and deficit management. Rather than representing a rationalized or strategic approach to improving the management and delivery of social services, the decentralization of social policy from central levels to local government, NGOs, and communities has often been the result of public-expenditure cutbacks and resource constraints. With reference to Latin America, Vilas (1996, p. 24) summarized the problem as follows:

Up to now, decentralization ... has focussed on programme implementation, not program design. This amounts to functional decentralization, also referred to as “deconcentration” — but not political decentralization ... . Virtually overnight, for example, municipalities have found themselves responsible for providing a gamut of social services without the necessary financial, human, administrative and material resources. This often translates into inefficiency ... in service delivery, deterioration in the quality of services, and the emergence of multiple entities that perform functions that used to be the responsibility of a single institution.

Such obstacles to effective decentralization have resonance beyond Latin America and are reflected in all three studies in this volume. A
number of factors have hampered regionalization and municipalization initiatives in Chile and the sectoral-decentralization efforts under the National Development Planning Commission in Ghana. These factors include insufficient redistribution of authority and decision-making powers; ambiguous guidelines for reorganization and revised mandates; limited local capacities, human resources, and appropriate expertise; inadequate transfer of financial resources; and limited local capacities for revenue generation. In Canada, moreover, challenges have been similar. According to Hunsley, the decentralization of social policy and, particularly, the revised mechanisms for financing it have served to weaken national standards and federal influence over provincial programs. In addition, the devolution to provinces, municipalities, and communities of greater responsibilities, if not greater resources and institutional support, for social-service financing and delivery has placed the sustainability of the reform process into question. As in Ghana and Chile, in Canada decentralization appears not to have resulted in clear gains in cost, efficiency, or quality; rather, the tendency has been for it to redistribute costs within the system as a whole and fragment and deplete the available services. As both Hunsley and Raczynski suggest, this outcome underscores the importance of evaluation methods and indicators — currently lacking — to capture the real and sometimes obscured costs and benefits of such reforms.

To summarize, then, from the country studies, the appropriateness, benefits, and outcomes of decentralization are neither self-evident nor generalizable across contexts. In some cases, the state's retention of some essential commitments and functions may actually be more feasible and desirable than a diffused approach. Also, development-policy researchers and practitioners who seek better and more sustainable divisions of labour between the state and local entities should pay closer attention to the fundamental assumptions guiding decentralization reforms and the political, social, and institutional factors that influence them. More specifically, the record on decentralization thus far suggests that a future approach will require a focus on such issues as rational and coherent decentralization planning and implementation; strategic institutional-capacity assessment and capacity-building at local-government and nongovernment levels; human-resource training; comprehensive cost–benefit-evaluation frameworks that address the
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Social and economic aspects of the process; and new mechanisms to facilitate policy formulation, accountability, and service delivery in systems that comprise a growing number of actors.

Privatization of social policy

Privatization is another major focus in social-policy reform in the 1990s and is again a recurrent theme throughout this volume. Although privatization is a complex trend that may take several forms, ranging from selective deregulation and subcontracting to wholesale state disinvestiture, it is in general "the transfer of public sector activities to the private sector" (Nyong 1994). As with decentralization, privatization is currently unfolding in the context of wider debates on the appropriate role of the state in development and has been considered a key aspect of the mainstream agenda for economic adjustment. Consistent with commitments to downsize the state, achieve improved allocative efficiency, and alleviate fiscal crises, neoliberals have recommended the sale of state-owned enterprises (SOEs) and the privatization of social-service provision. Moreover, these prescriptions for reform have been embedded in a discourse in which business principles — for example, competitiveness, profit maximization, cost cutting, and individual, or "client," choice — displace traditional public-sector issues and performance yardsticks (Maxwell 1996; Dowbor 1998). Advocates of the privatization paradigm view the state as relatively passive and regulatory, the market as the main and optimal agent of development, and citizens as "consumers" of social services.

Opposition to the privatization of social policy and services has been quite pronounced, however, particularly from the detractors of structural adjustment. Much of the focus has been on the implications of privatization for the poor. As UNRISD (1995, p. 43) observed,

Neoliberal theory assumes that the market will produce the most efficient and equitable results; assumes that everyone has access to information; and underplays the role of social organization and institutions in shaping economic outcomes and the balance of power between winners and losers.

However, the empirical findings, including those in Ayeetey and Goldstein's study of the Ghanaian case, suggest that the capacity of different groups to benefit from privatization and other reform measures depends in large part on their prereform socioeconomic status. In
other words, the concern among critics is that the marketization of public goods previously provided for free may exacerbate existing patterns of inequality. This perspective is grounded more generally in a view that notions of profitability constitute inappropriate criteria for judging the performance of the public sector, which has important responsibilities to public welfare that supersede other goals.

Controversy is more pronounced over the privatization of social services than over their decentralization, largely because the latter is perceived as comprising technical changes in the administration of social policy, rather than changes in the fundamental principles governing provision and entitlement (that is, state provided versus market based). Still, as in the case of decentralization, the recognition is emerging that the conditions for implementation and approaches taken to it can importantly influence the potential for privatization to render social policies more socially and economically sustainable.

The literature on privatization, including the case studies in this volume, suggests some important issues for future investigation. Most prominently, where social-development objectives are a central and growing concern for governments undertaking reform, an obvious research topic is the impact of privatization on vulnerable or disadvantaged groups. As the studies of education- and health-sector reforms in Ghana and Chile in this volume clearly demonstrate, the privatization of services often tends to work to the disadvantage of vulnerable groups by polarizing access and quality of available services between the rich and poor, men and women, and rural and urban groups. Dual and inequitable systems of social-service provision have resulted from reforms that failed to address the impacts of the privatization of services on institutionalized systems of privilege and patterns of resource distribution and allocation. The introduction of fees for services, or user charges — measures that also commercialize or marketize services — has also had effects on these systems and patterns.

The correlation between privatization and inequality justifies specific research and policy attention but also underscores a more general requirement highlighted in the literature: the need for comparative case-study research on the relative benefits and costs of public versus private service provision (Glover 1991). As Cook and Kirkpatrick argued (1997) in their review of the World Bank's Bureaucrats in Business Report, no particular reason or empirical evidence suggests that private-sector alternatives are free from the constraints that
hinder public-sector performance. Reflecting on the possibility that privatization may or may not produce greater savings and efficiency, Cook and Kirkpatrick (1997, p. 845) contended that

The Washington consensus [on privatization] ... is a view that is based on some interesting, stimulating, but essentially speculative academic work — work that suggests possibilities, but by no means proves or even makes a compelling empirical case that those possible stories are the right ones.

Although Cook and Kirkpatrick's observations relate principally to the privatization of SOEs, they also have relevance to public social services. For example, MacKintosh (1995) argued that the benefits and risks of privatized social-service provision are context specific. Basing her findings on a review of the literature on health-care provision in the South, MacKintosh underscored that the empirical record on both public and private performance is varied. Arguing that the specific models of public–private partnership in place influence development implications and social outcomes, she and others have pointed to a range of factors as important determinants of social and economic outcomes, including the sequencing of reforms, structure of financing arrangements, power and political leverage of the private sector, and degree of detachment or linkage between public and private components of the system (MacKintosh 1995). Raczynski's review of privatization trends in Chile appears to validate this analysis. On the one hand, the partial privatization of some aspects of health and education services (that is, the provision of nonmedical services within the health sector and the administration of vocational schools) met with some success. Similarly, the privatization of Chile's social-security system may promise some improvement over the previous pay-as-you-go system, although this may be contingent on the ability of the state to encourage stable economic growth and to assert some essential control over such issues as coverage, investment, and access. Conversely and more negatively, a powerful medical lobby has significantly shaped health-care reforms in Chile, with the result that the system now has competition between the sectors for professional resources and links between the two sectors are on balance "detrimental to the former [public sector] and are socially regressive" (Raczynski, this volume, p. 63).

If the benefits and costs of privatization are contingent, a further influential factor concerns the transition from public to privatized
provision. In this regard, MacKintosh (1995) pointed out that a major determinant of the social-policy outcomes of privatization is the economic behaviour of public-interest providers, which she argued had been poorly modeled and poorly understood. MacIntosh defined the public-interest sector as including state agencies, NGOs, and commercial providers contracted by the state. The essential argument is that dominant reform models seek to combine centralized social policy-making with a system of service provision that is competitive and diverse in ownership and motivation. The weakness of this approach is its failure to adequately distinguish and anticipate the behaviour of the new public-interest providers. Thus, where states subcontract or devolve responsibility for social-service provision to NGOs, for example, the diversity and nature of these as "nonprofit maximizers" make it difficult to assume that they will demonstrate firm-like or predictable behaviour. Governments not only expect efficiency and cost-saving windfalls in the absence of reliable incentive structures to generate them but more broadly assume the existence of frameworks for coordination and competition between NGOs as public-service providers, rather than verifying or encouraging them. Where broad trends toward NGO-based provision of social services are evident in either the North or the South — as illustrated in the cases studies on Ghana, Chile, and Canada — issues of institutional behaviour and incentive structures have broad relevance across regions and warrant research and policy attention.

Finally, although MacKintosh’s analysis focused largely on the subcontracting of services to the nonprofit sector, similar concerns relate to the private sector and commercial providers. Among the most prominent research issues relates to partnerships between the state and the private sector. Analysts — particularly those concerned with social-development goals — point out that the extent to which the criteria of equity and accountability can be ensured under privatization largely depends on the regulatory capacity of the state. In practice, however, this capacity may not be strong or well developed. In Latin America, for example, some note that the state has abdicated or failed to adequately perform this role, with the result being imperfect markets vulnerable to special interests and a risk of oligopolies in sectors such as health, education, or social security (Vilas 1996). As Raczynski observed, moreover, difficult transitions to privatized service may be compounded by such factors as clashes between public and private
corporate cultures and — consistent with Aryeetey and Goldstein's findings in Ghana — by the state's giving insufficient attention to the need to attract private-sector interest and investment. Further concerns relate to the actual capacity of the private sector to function as a feasible partner to the state. With reference to Africa, Karger (1996, p. 13) contended that

The current debate around the privatization of social services has only limited relevance ... Specifically, this debate assumes the a priori existence of a ready and mature private welfare sector capable of relieving some of the welfare burden from government. However, the existence of a strong for-profit privatized social service sector depends on a well capitalized economic sector that is aggressively searching out new investment opportunities. Furthermore, a for profit sector usually occurs in nations where the social welfare system is underwritten by a longstanding public commitment to providing social services. These conditions are absent in most of Africa.

In sum, the articulation of socially and economically sustainable partnerships between the public and private sectors for the provision of social services appears to depend on a range of factors constructively explored at the implementation, or practical, level.

A priority issue highlighted in this volume, as well as in the wider literature, is the need to understand and address the elements that condition the impact of privatization on social equity. In some cases, a strong state role, rather than a minimalist one, in service provision may be critical because of factors such as the essential nature of the services at issue; the character, level, and distribution of poverty and social needs; and the degree of development of the market. Some important issues present themselves for study if future development trends are to build on the as yet undefined synergies between the public and private sectors, with a bias to exploring further the potential advantages of the market. Specifically, development-policy research will need to address, comparatively and in different national contexts, the relative advantages and disadvantages of different types and degrees of service privatization; the capacities of both public and private institutions and the incentives that govern them in service management and provision; the strengths and dynamism of the relevant markets; the mutual impact of public and private service systems on each other; and the determinants and strengths of the regulatory relationships and mechanisms of accountability between sectors.
Targeting of social policy

The targeting of social policies constitutes a third major element of current social-policy reforms in both the North and the South. The concept is generally understood in two senses: first, in the sense of a technical method of allocating resources strategically within sectors (for example, preventive versus curative health care, primary versus tertiary education); and, second, in the sense of the creation of specific programs or interventions directed at particular groups (for example, poverty-alleviation programs, income-support programs).

As with other aspects of social-policy reform, targeting has stimulated controversy in the literature. Depending on the national-policy context, neoliberals, particularly in the North, have viewed targeting as an appropriate alternative to universal programs, which they deem inefficient and unaffordable in times of fiscal constraint. In the developing world, this perspective is complemented by the view that targeting is an intermediary approach to poverty alleviation that concentrates resources on vulnerable populations during difficult, but transitional, phases of adjustment. By contrast, the critics of the neoliberal approach have argued that targeting represents a wholly insufficient response to poverty. Critics consider temporary or selective responses inadequate in the context of structural adjustment, in which very little evidence indicates any trickling down of benefits. More importantly, critics contend, the targeting of social policies and interventions does little for structurally disadvantaged peoples. As one author asked (Vilas 1996, p. 24) with regard to Latin America, “What does targeting mean when 60–80% of the population is poor?” These detractors tend to altogether discard analyses of the potential and the limits of targeting in favour of reformulating the basic concepts and strategies underpinning the dominant reform agenda.

Where targeting practices have — like other types of reform — been the focus of critical debate on the left and the right, these discussions are nevertheless unfolding in the context of the inevitable requirement of governments in both the North and the South to allocate finite resources in response to persistent and growing human needs. As the cases presented in this volume emphasize, finding a sustainable and effective approach to the allocation and management of social-sector resources stands out as a common preoccupation and commitment of countries across regions. It is again instructive that the
literature on targeting underscores a range of factors that may influence, for better or worse, the social and economic impacts of such strategies.

An important set of questions relates to the identification of optimal models for financing targeted programs. In a critical review of antipoverty programs in Latin America, for example, Stahl (1996) focused attention on the Social Investment Funds (SIFs), considered a key aspect of the IFIs' approach to social policy in the region. SIFs are generally externally funded programs aimed at alleviating the social costs of adjustment among the poorest groups. However, as Stahl's analysis suggests, SIFs' record is mixed. Being externally funded, SIFs tend to be vulnerable to funding cuts, tend to discourage domestic commitments to social welfare, and tend to encourage short- rather than long-term perspectives on social issues and social-sector planning. Stahl pointed out that an exception to this characterization was Fondo de Solidaridad e Inversión Social (FOSIS, social solidarity and investment fund), the SIF in Chile. FOSIS differs from other SIFs in the region in that it was established as a permanent feature of state social policy; it is integrated within, rather than isolated from, wider government antipoverty programs; and it places emphasis on long-term capacity- and employment-building projects, rather than on short-term or emergency interventions (Stahl 1996). Stahl's conclusions about SIFs echo Aryeetey and Goldstein's observations concerning the problematic role of foreign funding trends in the social sectors in Ghana. In general, if donor-funded, targeted programs serve to undermine or replace indigenous social-sector spending, the implications for social development may be negative.

Variations in the design and implementation of targeting strategies represent still another important area for investigation. Most generally, it is acknowledged that the success of targeting programs depends on the basic amount of funds available against the size of the population in need, together with the nature and scope of the intervention these funds are used to support. For example, UNRISD indicated that programs aimed at providing social infrastructure, such as schools or clinics, may spread benefits much more widely than more narrowly directed employment-creation schemes (UNRISD 1995).

A third issue that receives considerable attention in this volume is the technical prerequisites and capacities that inform effective targeting strategies. As both the Ghanaian and the Chilean case studies
illustrate, if targeted social policies are considered integral to current national development plans — particularly in the context of limited state resources and economic reform — a range of factors, largely associated with technical capacity and infrastructure, may hinder their implementation. As the authors of these case studies stress, public-sector agencies, particularly in the developing world, frequently have underdeveloped information systems; inadequately trained human resources; limited knowledge about the relative appropriateness of different targeting models (for example, based on income status, geographic area, specific needs, or attributes) in different situations; poor data-collection and data-analysis capacities; a lack of reliable screening instruments; and poor public awareness and education. Reflecting broader concerns in the field, Aryeetey and Goldstein and Raczynski underscore the need for greater capacity-building, training, and needs assessments in this area.

A fourth issue concerns the mechanisms for identifying and engaging target groups. Recent critical reviews of targeting strategies have underscored that these are frequently oriented by demand-driven models with unrealistic assumptions about the initiative and start-up resources of targeted groups. Thus, for example, Aryeetey and Goldstein emphasize that initiatives undertaken through the Program of Action to Mitigate the Social Costs of Adjustment in Ghana failed principally because they were demand oriented, and the poorest groups were consequently unable to meet qualifying requirements. Similarly, Hunsley notes that the introduction of copayment requirements, or user fees, in Canada may dissuade some groups from seeking necessary assistance. Finally, a related observation can be made in connection with the shift from supply- to demand-driven subsidies, as detailed in Raczynski’s discussion of reforms in the Chilean health and education sectors. In that instance, the failure to calibrate subsidies to real price and cost levels encouraged inflationary billing and accounting practices that resulted in unexpected efficiencies and distortions. Overall, these studies suggest that the social and economic objectives of targeting strategies must be articulated with the context, resources, and strategies that inform their implementation.

The nature and, more specifically, the complexity of the social-welfare system constitutes another challenge for targeting policies highlighted in the case studies of this book. The Canadian experience provides a case in point. In Canada, a country with an extensive and
highly institutionalized social safety net, social-policy reforms currently entail a shift away from universalist principles to more stringent means testing and tighter eligibility requirements, particularly in the area of income support and social assistance. As Hunsley explains, however, such changes are producing reduced benefits and increased social hardship, a trend that is equally evident in the developing world. In addition, the very complexity of the system and programs means that tightening the benefits in some areas entails greater efforts to access benefits and greater dependency in others. As Hunsley (this volume, p. 105) summarizes,

Program costs are ... being pushed from one source to another in a system that is becoming more complex. Because of the combinations of benefits and accessible services, removing candidates from one program may result in as many or more costs turning up elsewhere. For example, reductions in unemployment protection may trigger increases in social-assistance and disability-insurance costs. ... These risks increase when program benefits are narrowly targeted.

The result of targeting efforts in complex systems may be not so much the saving or targeting of resources as the unintended and unstrategic reallocation of them. This insight is interesting in light of Raczynski’s observation that preexisting universal programs may facilitate subsequent moves to a targeted approach. Although this may be so in some cases, the Canadian experience suggests that the transition may nevertheless be anything but straightforward and may present obstacles of particular relevance to other postwelfare states. Again, as Hunsley notes, this issue presents important challenges for monitoring and assessment.

Finally, political factors are among the most persistent obstacles to effective targeting strategies. Most of the literature on targeting in both the North and the South has emphasized that people generally do not like to have their privileges withdrawn through redistributive efforts, such as through the withdrawal of food subsidies or the introduction of fees for health or education. In the Canadian case, the movement away from comprehensive, or universalist, social programs and principles has tended to provoke negative reactions from constituencies reluctant to lose access to, or to have to pay for, benefits or services long considered an entitlement. Opposition has come particularly from the left, which contends that reform trends — especially, concerted efforts to target some benefits more narrowly — fail to address more fundamental economic problems and represent a
conservative willingness to stigmatize and shift blame to the poorest groups (Brodie 1994; Geller and Joel 1997; Pulkingham and Ternowetsky 1997, 1998). In the South, where the polarization of income-based poverty tends to be more pronounced and where universal social programs are less common or relevant, political obstacles to targeting are nevertheless also significant (UNRISD 1995). As we have seen in the cases of Chile and Ghana, efforts to redistribute resources within the health and education sectors have met with limited success, and the wealthiest strata have continued to benefit disproportionately from social expenditures.

Although the appropriate role of the state (versus the market or civil society) remains central to the current development debate and social-sector spending trends and levels continue to draw critical attention in the North and South, states everywhere retain an essential and inevitable responsibility for strategic resource allocation. As highlighted by the general record and the case studies in this volume, a number of conditions are likely to affect the success of efforts to achieve effective targeting and, especially, improved and more equitable social outcomes. These will include comparative examination and policy attention to various models for financing, designing, and implementing targeted programs; the technical needs and capacities that influence the practical articulation of these reforms; indicators and monitoring tools to comprehensively assess the social and economic benefits and costs of targeting measures; and the political factors that may facilitate or constrain the introduction and success of such strategies.

Democratization of social policy

A final, recurrent theme in the literature and in this volume concerns the democratization of social policy, or the articulation of participatory, responsive, and accountable approaches to social policy. Emphasis on the democratic nature of reforms derives from a number of factors. Particularly in the South, authoritarian governments have recently given way to new democracies with varying degrees of maturity and consolidation. Although support for democratic principles and practices is not as central to the neoliberal agenda as privatization, decentralization, or targeting efforts, it is nevertheless increasingly considered complementary to current reforms. Neoliberals concerned
with ensuring stable economic climates, successful adjustment, and limited state intervention seem also to view measures to enhance popular participation and strengthen civil society as pragmatic and consistent with the dominant philosophy (Marcussen 1996; Ndegwa 1996; Allen 1997). Not surprisingly, moreover, the democratic character and implications of social and economic policy (and reform) draw equal attention and support from the other end of the ideological spectrum. As we have seen, critics of neoliberal adjustment perceive increased governmental accountability and popular involvement in policy as prerequisites for more sustainable development strategies, particularly in the wake of adjustment experiments the critics perceive as externally imposed and socially costly.

If some degree of consensus exists about the value of democratically oriented reform, albeit differently premised in each case, the experience of adjustment in both the North and the South nevertheless underscores some important issues for consideration. Again, for those concerned with elaborating more socially and economically feasible models of development, attention to contradictions between the stated objectives of policy and the conditions for, and experience of, implementation appear critical. One area in which contradictions are of increasing concern is that of the decentralization of social policy, a theme addressed above. Both in the development literature and in Northern discourse, the concepts of decentralization and democratization have either explicitly or implicitly been invoked interchangeably and presumed to represent mutually reinforcing trends. As our case studies show, in Ghana, Chile, and to some extent Canada, the deconcentration of authority and responsibility for social policy from central to local levels has often been thought to be justified because it presents an opportunity to promote civic engagement, enhance program efficiency, and strengthen government responsiveness.

Despite such arguments, however, empirical analyses of decentralization show that its political implications are less clear. Current studies challenge the predominant assumption that decentralization strengthens democracy by more directly engaging nongovernmental actors in the processes of policy-making. These studies are instead deconstructing, or "unpacking," the concept of civil society, using analyses that underscore the fact that relations of power and privilege, rather than wholly egalitarian principles and practices, characterize and differentiate civil society. For example, particularly in the South,
those who observe that nongovernmental actors may in fact be elite oriented, urban based, male dominated, exclusionary, and vulnerable to corruption question the assumption that the decentralization of social policy will ensure equitable input and outcomes (UNRISD 1995; Stewart 1997).

As Aryeetey and Goldstein suggest in this volume, the new institutional arrangements for social policy in Ghana have presupposed the existence of local, representative political structures, rather than establishing them. Such local structures, particularly in the case of NGOs, often do not exist. Razcynski and other Latin American scholars have similarly pointed to the limits of decentralization, highlighting competing and persistent tendencies to centralize power and authority, clientelism, and co-optation (Oxhorn 1995; Veltmeyer 1997). Even in Canada, where democratic political institutions are well consolidated, the compatibility of decentralization with greater participation and responsiveness is not self-evident. Instead, as Hunsley argues, the rapidly expanding role of municipal and provincial governments, not to mention the “third sector,” raises unresolved questions about the implications of these trends for patterns of interest representation and political accountability. Such observations are reinforced by a substantial body of work that emphasizes the weak record and capacities of local entities, particularly NGOs, to undertake reliable and comprehensive evaluations of their own work and ensure basic degrees of transparency (Smillie 1997). As these and other studies emphasize, reforms such as decentralization are causing shifts in the institutional frameworks for state-society interactions on policy matters. A range of contextual factors determine whether the consequences of such shifts are particularly democratic, and these contextual factors constitute an important area for study.

A second set of democratization issues concerns the values or ethical determinants of approaches to social-policy reform and the degree to which these are compatible with democracy and equality. Along with the need to strengthen institutional mechanisms for political participation, an equally fundamental priority for those concerned with the democratic content of reforms is to ensure that they are empowering and redistributive and serve to redress trends to socioeconomic exclusion. As Raczynski emphasizes in the case of Chile, government aspirations to sociopolitical integration imply policies to
enhance the capabilities and resources of the poor and to ensure a basic level of welfare and citizenship for the population.

If notions of empowerment and redistribution are increasingly included as performance yardsticks for policy change and outcomes, the empirical record on reform to date again highlights some important questions for analysis. Most obviously — as we have seen in the cases of Ghana, Chile, and Canada — economic- and social-policy reforms to date have often served to exclude and disenfranchise vulnerable segments of society, rather than empowering them. In all three cases, poverty levels remained high and income polarization grew. Beyond such measurable or quantifiable indicators, however, some more abstract, but important, discursive trends have emerged that warrant consideration. As one analyst (Brodie 1994, p. 57) observed, the discourse of current reform trends is increasingly framed in terms of a new definition of citizenship which denies that the citizen can claim universal social rights from the state. The new common good is one which promotes efficiency and competition. In turn the good citizen is one who recognizes the limits and liabilities of state intervention and instead works longer and harder in order to become self-reliant. According to this vision, those who make group claims for compensatory justice ... are isolated as special interest groups who demand privileges that are unearned and which violate the new norms of citizenship.

Clearly, these reflections resonate most in the developed world: developing countries have historically been unable to provide universal social rights for their citizens. Still, as suggested implicitly throughout this volume, dominant reform philosophies in both the North and the South have not only accorded primacy to the market but also encouraged an erosion of the types of political and social claims that citizens can legitimately make on their states. By reducing public social spending and "offloading" greater responsibilities, particularly to nongovernmental groups and communities, societies in the developed and developing worlds are witnessing a greater privatization and individualization of risk and responsibility for social welfare.

For development-policy researchers in particular, these trends imply a need to illuminate and critically explore the values and assumptions underpinning developmental strategies and policy reforms in contrast to their stated aspirations to democratic and egalitarian social outcomes.
A broader, related type of research would build knowledge concerning competing views of social development and, by extension, various perceptions across countries and regions of the obligations of states and societies in the social realm. As Bhalla and Lapeyre (1997, p. 430) emphasized, “such notions as exclusion, well being, and welfare are society specific, and cannot be considered independently of the social and cultural norms and institutional context within which they are to be studied.” MacPherson (cited in Patel 1992) made a similar point, suggesting that social policies are fundamentally the mechanisms used to redistribute resources and promote social development. To be effective, however, he says they must be founded on a set of guiding principles, which would ideally emerge from a wider debate within a society on its goals and vision of development. A study of these cross-national and cross-regional differences in public attitudes would contribute to defining policy contexts and priorities and, ultimately, to the sustainability of various policy options.

A final set of observations related to democracy and social-policy reform is more historical. These concern the types of state, particularly in the developing world, that have succeeded in achieving impressive levels of social development. Relevant in this context are current prescriptions for more “developmental” states, a term recently coined by Leftwich. The concept refers to those states that have “concentrated sufficient power, autonomy and capacity at the centre to shape, pursue and encourage the achievement of explicit developmental objectives” (Leftwich 1995, p. 401). This notion appears to be interchangeable with, and implicit in, recent calls at national and international levels for more “managerial” and “activist” governments that would be able and willing to pursue social development and economic growth concurrently.

Although recommendations that states be more developmental foster easy consensus in current development discourse, in general the development literature has given scant attention to identifying the relevant historical and political factors underlying such developmentalism. One troubling paradox, for example, is that significant strides in social development (for example, in China, Cuba, and Viet Nam) have been achieved by governments willing and able to bypass popular consent. A similar observation tends to be true of the NICs, which are regularly touted as models or hopeful alternatives for countries struggling with persistent poverty, inequality, and economic crisis. As Leftwich (1994) emphasized, the developmental states and, in particular, the
NICs have tended to have a common regime type or troublesome political-institutional features. Much of the current development literature fails to address this issue. Leftwich (1994, p. 368) explained that

Uncomfortable as it may be to acknowledge, the model of the developmental state ... entails a strong and determined state which protects a powerful and competent bureaucracy that largely shapes and directs development policy, a dubious (and sometimes appalling) civil and human rights record, the suppression or control of civil society and a fusion — at least at the top — of the political direction of economic power. Above all, both the idea and practice of developmental states illustrate not simply the importance, but the primacy of politics and the state in development.

Pointing to one-party rule, insulated bureaucracies, and weak or controlled civil societies, Leftwich suggested that the states that have most successfully appeared to combine economic growth and social-development objectives have often tended to be less than democratic. Zuvekas (1997) complemented this analysis with other, cautionary observations, including the observation that the NICs began their own reform processes at much less pronounced levels of inequality than other developing areas, such as Latin America or Africa.

This is not meant to imply that democracy and higher levels of social development are intrinsically incompatible: the experience of OECD countries shows the contrary, as do the experiences of such countries as Chile, where some have observed that norms of political accountability have in fact prompted the newly democratic regime to court popular support to some degree through basic-needs strategies (Oxhorn 1995; IDRC-CIDA-UNRISD 1996). The suggestion here is more modest, that apolitical and ahistorical analyses should be avoided in future research, particularly comparative research, in the service of sustainable and balanced social and economic reform and that this research should pay attention to the real political-institutional factors that influence policy options, agendas, and development paths.

Conclusion

Deepening globalization and simultaneous adjustment of economies in the North and South have turned greater attention to the international and comparative dimensions of social policy. Reduced trade barriers, international capital flows and competitiveness, demographic
trends, and revolutions in information and technology are just some of the forces reshaping the state's role in its domestic affairs.

For social policy, the implications are far reaching. Global trends are diminishing traditional notions of sovereignty. But more so they are encouraging a convergence of public-policy problems and options for countries in the developed and developing worlds. This is a central conclusion of this volume. Although Ghana, Chile, and Canada are countries in different regions and at quite different levels of economic and social development, the overviews in this volume of their recent experiences with neoliberal social-policy reforms highlight a range of common philosophies, policy trends, and challenges. These provide a potentially rich basis for shared perspectives, information exchange, and collaborative learning. In the broadest sense, the studies illustrate how governments in the North and South are linked in their pursuit of more sustainable, if as yet undetermined, ways to engage the state, the market, and civil society in ensuring the welfare of their societies.

In addition to highlighting the international relevance of these trends and offering a selective discussion of some outstanding issues and challenges for research on the recent economic and social-policy reforms, I have tried in this chapter to suggest something about the focus and character of future research agendas in this field. Specifically, I have argued that future research would benefit from the contribution of context-specific but comparative perspectives. Reflecting on the character of contemporary social-policy analysis generally, one author (Hill 1997, p. 8) expressed the problem as follows:

The study of social policy [to date] ... has been concerned to examine the extent to which [states] meet people's needs. Often, indeed, studies of social policy go further, and explicitly analyze the extent to which they contribute to social equality. In this sense, an academic discipline has been built up with an explicitly political stance ... . [This] strong normative bias in the study of social policy has led at times to a greater pre-occupation with criticism of policies than with attempts to discover why they take the forms they do. In practice, if one believes that policies are wrong or ineffective, it is important to understand why this is so, particularly if one's objective is to change them.

These observations are salient to future approaches to social development and social-policy reform. Today, at international and national levels, theorists and practitioners are trying to articulate a new approach to development that particularly redresses the social costs of recent neoliberal reforms and embodies a more balanced and
integrated approach to development. Progress is likely to require researchers to move beyond the polarized debates about structural adjustment that have for so long dominated the development literature. An important conclusion to be drawn from this volume is that the constructive assessment of social-policy reform and, by extension, the introduction of more feasible policy alternatives are likely to require due attention to contextual factors that shape policy choices, implementation processes, and social and economic outcomes.