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Comprehensive Social Policies for Development in a Globalizing World

Comprehensive Social and Employment Polices for Development in a Globalizing World

Report based on an
Expert Meeting
at Kellokoski, Finland
November 1–3, 2006

Edited by
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TO THE READER

This document is based on the inputs and discussions at the Experts' Meeting on "Social policies for development in a globalizing world", held at the Baltic Sea Centre in Kellokoski, Finland, November 1–3, 2006. It also makes reference to the results of the Seminar on "Social Policy in Development Context" organized in Sweden by the Swedish International Development Agency, Sida and the United Nations Research Institute for Social Development, UNRISD. The seminar in Sweden on October 31st, 2006 examined the results of the five-year research programme of UNRISD, sponsored by Sida.

The purpose is to provide a broader and more detailed conceptual background to the Policy Note: **"New Consensus on Comprehensive Social and Employment Policies for Development"** that was drafted by the Kellokoski Expert's Meeting as an input to discussions to be held during the UN Commission for Social Development (CsocD), New York, February 2007. The document draws from the inputs, discussions and outputs of the Finland and Sweden events and aims to put the Policy Note in its conceptual, factual and policy context.

The first section of the document contains a foreword that places the report in its context. The second section presents the Policy Note that resulted from the Experts' meeting. The third section contains a background document for the Policy Note. This is derived from the inputs and discussions at the Finland and Sweden events. Its first chapter introduces briefly the path that led to the current dialogue on social policy and development at the global level. The second chapter maps the social policy challenges that have to be managed in the Global South as well as globally. This is done through the analyses by the Tanzanian, South African, Zambian, Indian, and Namibian partners, who provided concrete cases describing the social policy challenges and innovative responses in the Global South.

The third chapter describes some recent responses by international stakeholders to these challenges. This chapter then draws on inputs by a number of intergovernmental organizations, global NGOs, and donor governments.

The chapter on Research Perspectives refers to the results of the UNRISD research programme "Social Policy in a Development Context", which was reviewed at the Stockholm event, and the views of researchers in the partner countries as reflected in the inputs to the Finland event.

The chapter on Ways Forward is based on the group work and discussions at the Finland event. The outcome is elaborated in the Policy Note that was drafted by a small drafting team and circulated for comments among the participants of the Finland event. The last section describes the perspectives of Finland regarding social

policy for development.

The original inputs to the Experts' Meeting are available on the internet at **www.stakes.fi/social-policies-for-development**

The interpretations contained in this document are intended to reflect the spirit of the inputs. However, this is a "second generation" document rather than a traditional meeting report. It aims at taking the discussion one step further. Therefore, much additional material has also been used. The meeting was supported by the Ministry for Foreign Affairs, Ministry of Social Affairs and Health, and STAKES. The editors are responsible for eventual inaccuracies contained in this publication.

I. FOREWORD – REVITALIZING THE COPENHAGEN AGENDA

Finland, in close partnership with Sweden, invited a group of social and employment policy experts – including policy makers, practitioners and policy analysts from developing and developed countries – to an *Experts' Meeting on Social Policies for Development in a Globalizing World* in Kellokoski, Finland, 1–3 November, 2006.

The main goal of the Meeting was to support and contribute to the follow-up of the Copenhagen World Summit for Social Development (WSSD) and related processes. A specific task of the Meeting was to make sure that some well-informed voices from Africa are heard and listened to by Northern partners, and that the Southern and Northern partners then jointly prepare a Policy Note that might attract the attention of all country groups participating in the inter-governmental discussions during the next session of the UN Commission for Social Development (CSocD), 7–16 February, 2007 in New York.

The Kellokoski Experts' Meeting aimed at facilitating a global process to promote the design and implementation of appropriate approaches and models of comprehensive social and employment policies in Africa and in other parts of the 'Global South'. The event was one step in a multi-stakeholder partnership and dialogue of like-minded countries, agencies and experts. It built on the results achieved thus far by the partners. It was closely co-ordinated with two adjacent events organized in Sweden by the Nordic Africa Institute on 30 October and by Sida and UNRISD on 31 October on *Social Policy in a Development Context.* It was intended to also feed into similar brainstorming events organized by others still before the CSocD-Feb 2007.[1]

[1] E.g. The SADC/AU/Nepad/UN-DESA Conference *"Towards Regional Social Policies for Africa"*, the Helsinki Process Roundtable on Employment and Growth, and the World Social Forum in Nairobi, Jan-2007.

The Challenge of Balance and Coherence in Sustainable Development

Poverty eradication has been the primary and overarching objective of international development co-operation for almost 12 years, ever since the World Summit for Social Development (WSSD) in Copenhagen, in 1995. It is a noble goal, and the organisers had no reason or intention to deviate from this goal. However, like many partners worldwide, we had also become convinced about the need to revisit the outcomes of the UN Conference on Environment and Development of Rio de Janeiro (1992) and the Copenhagen Summit for Social Development (1995), respectively.

Rio introduced the concept of sustainable development, and emphasized the need for a balance between the social, economic and environmental dimensions of sustainable development. In Copenhagen the governments of the world agreed that poverty eradication, full productive employment and social integration are the three most important challenges of development in the world. The Copenhagen Declaration called for a people-centred and equity-oriented approach to meeting the challenges in all these areas.

Since then, the global development community has systematically focused on poverty. Now, in retrospect, we have started to ask ourselves – in all country groups and international organisations – whether we have isolated poverty too strictly from the other main goals of sustainable development: employment, social integration, sustainable consumption and production patterns, equity, empowerment and a people-centred approach.

Since Copenhagen, there has been a growing international consensus about the multi-dimensionality of the poverty challenge, and about the complementarities between social and economic development. However, the tension between the economic vs. social and environmental approaches to development and poverty eradication has remained a problem, especially as an economistic "growth first" thinking has continued to dominate in the World Bank and the other large development funding institutions, tacitly assuming that equity, gender equality, decent work and sustainability could be achieved only after economic growth has first been achieved. We are convinced that good social and employment policies are an essential ingredient of good economic policy, and vice versa.

Mainstreaming social policy involves recognizing, assessing and drawing on the social dimensions of all policies and programmes, not only on the national, but also on the regional and global levels. This had been the main message of the World Commission on the Social Dimension of Globalization, co-chaired by President Tarja Halonen of Finland and President Benjamim Mkapa of Tanzania. This had also been the main conclusion of the Arusha Conference on New Frontiers of Social Policy, organised in December 2005 by the World Bank, with funding from Finland,

Norway, Sweden and the UK.[2] The Kellokoski Experts' Meeting explicitly aimed at moving forward – as well as complementing in some crucially important ways – the agendas opened by the World Commission and the Arusha Conference.

The Comprehensive Social Policy Agenda

Social policy is not only about the basic social services (education, health and social protection), although they remain important in every society. Social policy is also about the – more or less socially sensitive – strategic orientations and impacts of macro-economic policies and infrastructure investments. The "3R" rule of thumb provides a good checklist for analyzing the *social dimensions* of all policies, i.e. what impact do the various policies and reforms have on the Social *Rights,* Social *Regulation* and Social *Redistribution* nationally, regionally or globally?

In various global fora and networks[3] a simultaneous interest has emerged to rethink the coherent conceptual frameworks and prioritized action plans for comprehensive social and 'Decent Work' policies, including the following elements in context-specific, tailored combinations:

1) *Employment,* including entrepreneurship and employability
2) *Basic social services:* social protection, education and health
3) The specific challenges of specific and disadvantaged population groups, e.g. women, youth, older people, people with disabilities, etc.
4) *Equity-orientation*, empowerment, social inclusion, social dialogue, social risk management and accountability in <u>all</u> policies and all governance, including pro-poor growth and taxation
5) Social and distributional *impact assessment* and risk/vulnerability analysis of <u>all</u> policies and all governance
6) *Multi-disciplinary* approach and methods to analysing society, economy, culture and environment.
7) Enhancing private – and public – sector *social responsibility*

[2] See: World Bank website

[3] E.g. the UN-ECOSOC, UN Commission for Social Development (CsocD), African Union/ NEPAD, EU, OECD-POVNET, etc.

Some of these elements have been high on the global normative development policy agenda (e.g. MDGs), in regional co-operation, in country-level poverty reduction – and other development – strategies and development co-operation funding, while others have been rather marginalized. In general, the ministries and agencies responsible for social and employment policies (and their broader constituencies) have been very inadequately funded by governments and development agencies, internationally, regionally, and also at national and local levels.

It should be explicitly underlined that in the view of the organisers of the Kellokoski Experts' Meeting the *'Decent Work'* themes (employment, rights, social protection and social dialogue) are essential pillars of *'Comprehensive Social Policy'*. Social Policy is thus an inter-ministerial and inter-organizational challenge that requires social sensitivity and coherent co-operation by several ministries and departments, including not only ministries of social affairs and labour but also of finance, education, health, community development and infrastructure, etc.. Therefore, it should be understood that reference to Comprehensive Social Policy in this report always includes also employment and the other themes of the Decent Work –framework.

Brainstorming at the Kellokoski Experts' Meeting resulted in a description of the strategic action lines, including the development of instruments and capacity needed to enable national champions of socially sensitive and employment-intensive policies to articulate these concerns more effectively in the national, regional and global policy-making processes in all sectors.

The outcome of this collaborative work is the Policy Note entitled '**New Consensus on Comprehensive Social and Employment Policies for Development**' that is presented in section II of this report.

Follow-up and Progress Since Kellokoski:

Both the Sida/UNRISD Seminar in Stockholm and the Kellokoski Experts' Meeting in Finland aimed at making a positive, constructive contribution to the inter-governmental dialogues, primarily during the UN-CSocD and thereafter.

The World Summit outcome of September 2005 emphasized the need for the global community to support the efforts of developing country governments to design "new, more ambitious National Development Strategies". The United Nations has drafted a series of Policy Guidance Notes to help governments in this challenge. One of the Guidance Notes, drafted by the UN Department of Economic ans Social Affaris (DESA), focuses on Comprehensive Social Policy.

Only three weeks after the Kellokoski meeting a closely related and highly productive conference was organised in Johannesburg by the Government of South Africa, the South African Development Community (SADC), the African Union (AU) and the

UN-DESA. At the Johannesburg Conference ministers and senior civil servants of 13 SADC governments approved a "Johannesburg Declaration" and a Draft Strategy "Towards African Regional Social Policies," which are both reproduced in Annex-1 of this report as an example of a comprehensive approach to social policies in the Global South.

We wish to thank all the participants and co-organisers of the events at Stockholm and Kellokoski for their inputs, and the Swedish Sida, Swedish International Development Cooperation Agency, the Finnish Ministry of Social Affairs and Health, the Ministry for Foreign Affairs of Finland as well as STAKES, the National Research and Development Centre for Social Welfare and Health, for sponsoring the various parts of the joint effort.

The latter half of 2006 was a busy period for Finnish government employees, because in addition to our routine duties, we had to perform duties related to the EU Presidency. That role involved a lot of hard work, but also highly interesting opportunities to co-ordinate broad inter-governmental networks and to enjoy a level of "convening power" that civil servants of a small government are normally not used to. We sincerely thank all of our European and non-European partners for supporting our efforts to drive an ambitious and constructive agenda during our Presidency.

We are glad to hand over the EU Presidency during 2007 to the Governments of Germany and Portugal, who are both well known for their strong will and skill in promoting Decent Work and Comprehensive Social Policy.

In the UN-CSocD, Finland continues as a full member until 2009. We hope that this report will turn out to be a useful tool in the work that remains to be done.

Helsinki, 29th January 2007
Ronald Wiman
Timo Voipio
Matti Ylönen

II. NEW CONSENSUS ON COMPREHENSIVE SOCIAL POLICIES FOR DEVELOPMENT

A Roundtable of social and employment policy experts from several governments, Civil Society Organizations (CSOs) and research institutes of the Global South and Global North, as well as from international organisations, gathered in Stockholm and Kellokoski in November 2006 upon the invitation of the Governments of Sweden and Finland. The Roundtable,

Recalling the international agreements reached at the Copenhagen Social Summit in 1995, and reaffirmed at the 2000 and 2005 World Summits,

Concerned at:

- The limited progress in achieving the main development goals of the Copenhagen Social Summit: poverty eradication, full productive employment, and social integration.
- The failure of current policies and fragmented projects to reduce poverty, global and national inequality, unemployment, informality, social exclusion, vulnerability, social conflict and the feminization of poverty as one of the striking indicators of failure.
- The imbalance of donor financing between the UN and development banks, and the proliferation of narrow mandates given to the UN by member states, with no matching funding to promote comprehensive social and employment policies at national, regional and global levels.
- The lack of a social dimension in the regional economic integration arrangements and processes.
- The marginalization of the social dimension in globalization.

Recommend that:

- Comprehensive social and employment policies should be given urgent priority as an essential part of balanced, socially, economically, and environmentally sustainable development.
- The mission towards 'a Society for All' should be adopted as a goal that creates a social compact between a competent government and people. 'A Society for All' - policy supports the coherent use of social, employment and economic policy instruments to generate jobs, to regulate economies and to provide social protection, to boost productivity and domestic demand, and to achieve pro-poor growth through the combined efforts of women and men of all ages enabled by equitable and empowering policies at the national, regional and global levels.

1. Comprehensive Social Policies in National Development Strategies

Given the urgency to achieve the MDGs and broader development goals and to redress poverty, inequality and conflict, comprehensive social policies must be brought to the forefront of the national development agenda. In the Copenhagen Summit, governments committed themselves to three inter-related priorities: poverty eradication, full productive employment and social integration. Since then poverty has been at the centre of development policies, but employment, inclusion and social protection have not received the attention that they deserve, e.g. in the MDGs and Poverty Reduction Strategies (PRSs). Finally, at the 2005 World Summit, governments called for more ambitious National Development Strategies – and for Decent Work Agendas including universal social rights, employment, social protection and social dialogue. Such strategies should be backed by increased donor aid. At the UN-ECOSOC in 2006 all country groups committed themselves to supporting Decent Work Country Programmes.

Building more ambitious equitable National Development Strategies requires an increased policy space, so that governments can integrate economic and social policies for optimal employment growth and redistribution of income, assets and agency of all people. All policies, including macroeconomic, infrastructure and sector policies, have different social and distributional impacts and these impacts have to be understood *ex ante*, and turned into equitable, participatory and non-discriminatory policies that provide more and better formal employment, that strengthen livelihoods, raise incomes, provide universal social protection and foster social inclusion. Gender equality and the empowerment of women is an essential element of socially, economically and environmentally sustainable policies.

Social policy must become the foundation of National Development Strategies, as part of the binding contract between the state and citizens, addressing the vision of a *Society for All*. Critical instruments of social policy operationalise decent work, human development and pro-poor growth. Economic growth and structural transformation support the attainment of social objectives, but not all growth is pro-poor: Employment intensive and equitably shared growth – which poor people and communities can participate in, contribute to and benefit equally from – reduces poverty much more effectively and sustainably than jobless, unequally distributed growth.

Mechanisms for effective implementation and enforcement of social legislation need to be strengthened. Social protection is not only good for pro-poor growth, it is also one of the Human Rights enshrined in Article 22 of the Universal Declaration of Human Rights. Therefore, it is intolerable that still today only less than a quarter of the world population has access to social protection. Reliable social protection can help families and societies prevent irreversible losses of human and social capital and break

the inter-generational cycle of poverty and exclusion. Universal policies, expanding coverage of social services, health insurance and social pensions are a crucial priority in efforts to achieve socially sustainable development.

The "liberalisation-privatisation-deregulation" approach that dominated development policies in the 1980s and 1990s favoured minimal state involvement and led to the marginalisation of social and employment policies and ministries, starving national capacity for comprehensive social policies. That capacity must be urgently re-built within government, social partners, the wider private sector, civil society organisations and research centres.

Comprehensive social policies must be based on a multi-disciplinary and inter-sectoral approach. This requires capacity building in the weakly resourced social, labour and community development ministries, as the urgent priority of donor support. Efforts to tailor and operationalize equitable development approaches in national contexts, including the Decent Work Agenda, the UN Policy Guidance Notes and the AU Social and Employment Policy Frameworks should be supported.

2. Regional Social Policies

National Development Strategies involving comprehensive social and employment policies must be complemented by various forms of regional cross-border co-operation as a stepping stone to a socially just globalisation. The UN, together with regional organisations such as MERCOSUR, AU, etc., must facilitate research and inter-regional multi-stakeholder dialogues on regional social policies, which could provide:

- protection from global market forces that might erode national social development;
- a stronger regional voice in global discussions about economic and social policies;
- mechanisms to handle the social consequences of regional trade agreements.

Potential *instruments* of regional social policy are:

- Regional social charters, human rights declarations, and councils;
- Regional *regulations* on migration policy, human trafficking, and labour standards, including the portability of employment and social protection rights.
- Regional *redistribution* mechanisms such as cross-border employment projects, social protection and disaster mitigation funds.
- Cross-border technical co-operation
- Best practice lesson-learning and peer-review mechanisms

Among the steps needed to enhance *capacity t*o achieve these objectives are:

- The strengthening of regional secretariats focussed upon social and employment policy and development
- The facilitation by the UN of meetings of the social and employment secretariats of regional groupings of countries (ASEAN, SAARC, SADC, ECOWAS, EAC, AU, MERCOSUR, etc), UN regional economic commissions and regional development banks, to compare best regional practice and to enable further development of regional social policies
- Efforts to tailor and operationalize the Decent Work Agenda, the UN Policy Guidance Notes and the AU Social and Employment Policy Frameworks should be supported
- Better co-ordination of the regional actions of the ILO, WHO, UNICEF, UNDP, UNESCO, regional development finance institutions, the World Bank and the IMF working with the UN Regional Economic Commissions and regional groupings of countries.
- Strengthening of the voice of social partners and the broader civil society and private sector at regional level
- Strengthening of regional social science research capacity, co-operation and co-ordination.
- Moves to utilise regional organisations as agencies to transfer and dispense donor funds for regional social and employment policy purposes.

3. Global Social Policies and Financing the UN

In Copenhagen, governments committed themselves to an improved and strengthened framework for international, regional and subregional co-operation for social development, in a spirit of partnership, through the United Nations and other multilateral institutions.

In practice, the imbalance of donor financing between the UN and multilateral development banks is worrisome at a time when more ambitious equitable National Development Strategies need to be designed. A greater balance of donor funding to the development banks and UN-bodies is needed.

The UN as a whole and the UN-DESA in particular suffer from a proliferation of narrow mandates given by member states at various UN-meetings. These decisions mandate the UN to work on important but isolated elements of the Comprehensive Social Policy agenda, with no matching resources to work properly on any of them. Neither the mandates nor resource allocations cover all aspects of the comprehensive social policy agenda of the Copenhagen Declaration and Plan of Action. The best

way for governments represented in the CSocD to promote comprehensive social and employment policies is to give a mandate and matching finances to UN-DESA, UN-agencies and UN research institutes like UNRISD, and to support governments and regional groupings in their efforts to implement the full comprehensive social policy agenda of the Copenhagen Summit.

A large number of UN-agencies can contribute to the various elements of the comprehensive social policy agenda. Plurality is the strength of the UN family, but innovative thinking is needed to avoid the risks of fragmentation and marginalisation, especially at the country level. A closer and more equal collaboration – *Disseminating as One* – between UN-agencies at all levels can enhance the capacity of the UN-system as a whole to contribute constructively to the development of comprehensive social and employment policies at national, regional and global levels.

Global social policies are much needed to ensure that the benefits of globalisation accrue to all. The existing instruments of the UN to advance social development need to be reviewed and put into effective use. The mandates require periodic review, and effective operationalization. The reform of the CSocD methods of work needs to be followed up in light of the concerns and recommendations raised above. The CSocD and ECOSOC can effectively facilitate the design and implementation of comprehensive social policies and decent work by providing a mandate on comprehensive social and employment policies, including a specific mandate on social protection, which is currently missing.

To enhance system-wide coherence in UN-work on all three dimensions of sustainable development – social, economic and environmental – the Member States should make available appropriate financial and human resources to UN-DESA to enable it to facilitate constructive interlinkages between the UN's normative, analytic and operational work on issues related to the World Social Summit.

Increased allocations of bilateral donor budgets to social and employment policy work are required to build capacity among the national champions of Comprehensive Social Policy and Decent Work for all. Better co-ordination and harmonisation between the UN, specialised agencies, development banks and bilateral agencies could free up the necessary financial resources.

Besides supporting the UN, the donors should support the Global South's own efforts to develop the analytic capacities of the permanent national, regional and independent institutions and multi-stakeholder networks of research and social dialogue.

It is important for development policy making to get away from the culture of short-term donor-driven projects and consultancies and to move into supporting existing institutions and national institution building with long-term perspectives. Institutional partnerships and twinning between government authorities and other

stakeholders (South-South and North-South) could be used for policy dialogue and mutual learning on social and employment policies in the context of globalisation. Enhanced policy ownership and autonomy is essential for democratic accountability and sustainability. Well-aligned and harmonised budget support should be used as the preferred financing instrument where feasible.

III. BACKGROUND REPORT ON SOCIAL POLICY CHALLENGES IN THE GLOBAL SOUTH, AND RESPONSES BY DONORS AND MULTILATERAL AGENCIES

1. The Road to the Current Policy Dialogue

The essential message of the UN Charter and all Human Rights instruments is actually that of equal worth, equal opportunity and equity of all people. The Copenhagen World Summit for Social Development endorsed that the primary goal of development should be well being for all. The UNDP Human Development framework has defined development as the enlarging of choices. Through development people gain a freedom to exercise their rights. The essence of social development is to improve social structures, institutions and processes so as to make this concretely true equally for all.

Since the Declaration on Social Progress and Development (1969)[4], the UN was not able – due to the ideological stalemate between the East and the West – to systematically discuss social policies in a comprehensive manner until 1987. Since the adoption of the Declaration on Social Progress and Development (1969), the UN had, however, difficulties in tackling social policies in a comprehensive manner because of the ideological stalemate between "Eastern and Western" blocks. In the late 1980s, following a period of academic networking and dialogue, the first UN Interregional Consultations on Developmental Social Welfare Policies took place in Warsaw, Poland, in 1987. One of the messages was that social welfare policies have a developmental function rather than being mere charity.[5]

The dialogue on developmental social welfare policies took place in an environment that was characterized by the rapid spread of neo-liberal economics. Its doctrines were put in practice in USA and Britain and experimented with in developing countries. Structural Adjustment Programmes (SAPs), free market economics, dismantling of government controls, cuts in social spending – and alarming evidence on the social effects of SAPs created both a challenge and an opportunity to launch a serious dialogue on social development and social policies. The President of Chile triggered a high level process by his statement at the General Assembly in 1990: without social justice, economic development and political stability would be endangered. Next year the Chilean Ambassador to the United Nations, Juan Somavia, proposed the convening of a Summit on social development that eventually materialized in 1995, in Copenhagen.

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4 UN Office of the High Commissioner for Human Rights 1969

5 The Finnish contribution to the Interregional Consultations, "From the Welfare State to a Welfare Society", called for international cooperation to initiate the preparation of "a long term strategy towards well-being for all" . Wiman 1988.

1.1. Balanced Development is Sustainable Development

In 1992, the Rio Conference on Environment and Development made explicit the interconnectedness of the economic, social and environmental dimensions of sustainable development. The social dimension was, however, understood rather narrowly and without the analytical insight of the connection of social development to the other dimensions.

The Copenhagen World Summit for Social Development (1995) endorsed that the primary goal of development should be well being-for all. The Summit did not define social development but reviewed widely the institutional prerequisites for more equitable and people-centered development. People were seen as agents of action for development rather than passive recipients or beneficiaries. Therefore, "enabling environments" was a central concept: "creating economic, political, social, cultural and legal environments that will enable people to achieve social development." This called for a comprehensive and multidimensional approach.

At the Copenhagen Summit for Social Development the two-way and complementary interaction of economic and social development was acknowledged but the environmental dimension did not receive sufficient attention. The three main pillars of the Copenhagen Agenda were poverty eradication, full employment and social integration. In actual fact, governments made there 10 commitments: [6]

1. Eradicating absolute poverty
2. Supporting full employment as a basic policy goal
3. Promoting social integration based on the enhancement and protection of all human rights
4. Achieving equality and equity between women and men
5. Accelerating development of Africa and the least developed countries
6. Ensuring that the structural adjustment programmes include social development goals
7. Increasing resources allocated for social development
8. Creating economic, political, social, cultural and legal environments that will enable people to achieve social development
9. Attaining universal and equitable access to education and primary health care
10. Strengthening co-operation for social development through the United Nations

[6] UN Department of Economic and Social Affairs (UN-DESA) 1995

The plan of action specifies a number of means and instruments toward these goals. For instance, the Bretton Woods Institutions (BWIs) were explicitly invited to partner with the UN and its specialized agencies.

The connection of the Social Development Summit process to that of the follow-up of Rio has been less clear and explicit than expected and desired. At the United Nations General Assembly Special Session (UN-GASS) on Sustainable Development in 1997, Finland pledged to study further the social dimension of sustainable development. An international Experts' Meeting was organized at Kellokoski, Finland, in 1988. The resulting publication "Putting People at the Centre of Sustainable Development" was distributed to the UN Commissions for Sustainable Development (CSD) and Social Development (CsocD).[7] The core message was that sustained growth and development is a product of simultaneous social, economic and ecological considerations. It was also concluded that enhancing of *social* development is the key instrument in building a more sustainable future. People, rather than economic or other institutions should be at the focus as beneficiaries and agents of action. Through active involvement they become owners and stakeholders of the development process.

The follow-up meeting of Copenhagen, the UN-GASS at Geneva in 2000, reiterated the Copenhagen commitments and defined some more specific targets to the general goals. It was, however, clear that a much narrower focus on poverty reduction had already taken over the global development agenda. The Millennium Development Goals (MDGs) that were endorsed by the Millennium Summit in 2000 presented a much narrower approach to the social dimension of development than what the Copenhagen agenda had contained.

The MDGs were anchored in the background work done by the OECD-DAC, and strongly impacted by the results-based management culture that had become fashionable in the OECD-countries at the time – with all focus centering on a small number of measurable indicators, rather than the sustainability and coherence of the comprehensive social, economic and environmental policy framework. At the same time, the World Bank's PRSP framework expanded from its original function to become a leading development framework also in countries that were not in the HIPC (Highly Indebted Poor Countries) group. These institutional connections strengthened the prevailing economistic and indicator-centered focus of development cooperation.

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[7] Wiman 1999a, 1999b

1.2. The two Agendas: Economic Growth and Human Development

During the last decades, two development policy agendas have been developed separately: the (Economic) Growth First Agenda and the Human Development Agenda.[8]

The 1980s and 1990s were dominated by the neo-liberally oriented Growth First Agenda. It was characterized by a tendency to put economic growth as a priority in the belief that the trickle-down effect would eventually bring the benefits of economic growth to all. The neoliberal choice of economic policies to promote growth included deregulation and free markets, privatization, minimizing of government interventions and lower taxation.[9]

However, recent research by UN-DESA shows that the supposed trickle-down effect has not occurred in any significant manner. Only 4.2% of world's growth reaches the poor bottom half of the world's population. Further, inequality has risen within and among countries. [10] Most surprisingly, the standard choice of neoliberal policies actually constrained economic growth in developing countries [11].

Responding to this critical evidence, the Human Development Approach builds on the complementary and mutually reinforcing relationships of economic and social development. Depending on the primacy of human development goals the development process could lead to "either an upward spiral of sustained growth and development or to a downward spiral of social inequality, unsustainable growth and poverty".[12]

The Human Development Approach is people-centered, developmental and supportive of pro-poor economic growth. It emerged first in the mid 1980s when the UN specialized agencies – and many others – started to strongly criticize the policies based on the neo-liberal free market doctrine. The Growth First Agenda was seen to ignore the social costs of economic reforms. Furthermore, growth did not in reality seem to trickle down in the way theoretically assumed. UNICEF (1987) came with the idea of "Adjustment with a Human Face" and UNDP introduced the "Human Development Report" in 1990.[13]

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8 UN Economic and Social Council (UN-ECOSOC) 2006
9 Ortiz 2006, pp. 6
10 UN-DESA, 2005 and Woodward and Simms, 2005
11 Ortiz 2006
12 UN-ECOSOC, 2006, pp.9
13 UNICEF 1987, UNDP 1990

The UNDP Human Development[14] framework defined development as the enlarging of people's choices. "These choices should include access to income and employment opportunities, education and health, and clean and safe physical environment." [15] People must have the opportunity to invest in their human capabilities (health, education, skills) as well as to put their capabilities to use. Human development requires economic growth but it is not enough; firm policy actions are required to translate growth into human development. But, on the other hand, human development is a prerequisite of growth. The Human Development framework challenged the Growth First Agenda and provided also a new, multi-dimensional development indicator, the Human Development Index (HDI). It merged income with life expectancy and education into one index to provide a more multidimensional measure of development.

The Human Development critique had an influence on the Growth First Agenda. In the World Bank's World Development Report (WDR) of 1990 the new prescription was to complement growth policies with employment opportunities and provision of social services for the poor. The report noted that even if this two part strategy was adopted, many were left to suffer deprivation. "A comprehensive approach to poverty reduction, therefore, calls for a program of well-targeted transfers and safety-nets as an essential complement to the basic strategy."[16] This approach reflected the more 'pragmatic neoliberalism'[17] that admitted the need for a public policy to support the work of the market.

Towards the end of the decade, the World Bank – under the leadership of James Wolfensohn – launched its new 'Comprehensive Development Framework'. It was still based on the Growth First Agenda but it explicitly expanded the agenda from macro-economics to social and political dimensions and aimed at providing a holistic approach to development. It also recognized the systemic nature of development as an interaction between those dimensions. It was also emphasized that there cannot be successful development in basic services without a strong role for the public sector and the government. The baseline was still, however, the "one-size-fits-all Washington Consensus" recipe of macroeconomic stability, deregulation, liberalization and privatization, but with increased investment in basic services.

The idea about poverty as a multi-dimensional challenge was successfully and influentially mainstreamed in the donor agencies by the Poverty Network (POVNET)

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[14] The Human Development approach has been built on the ideas and work of the "alternative development economists" Mahbub ul Haq and Amartya Sen.

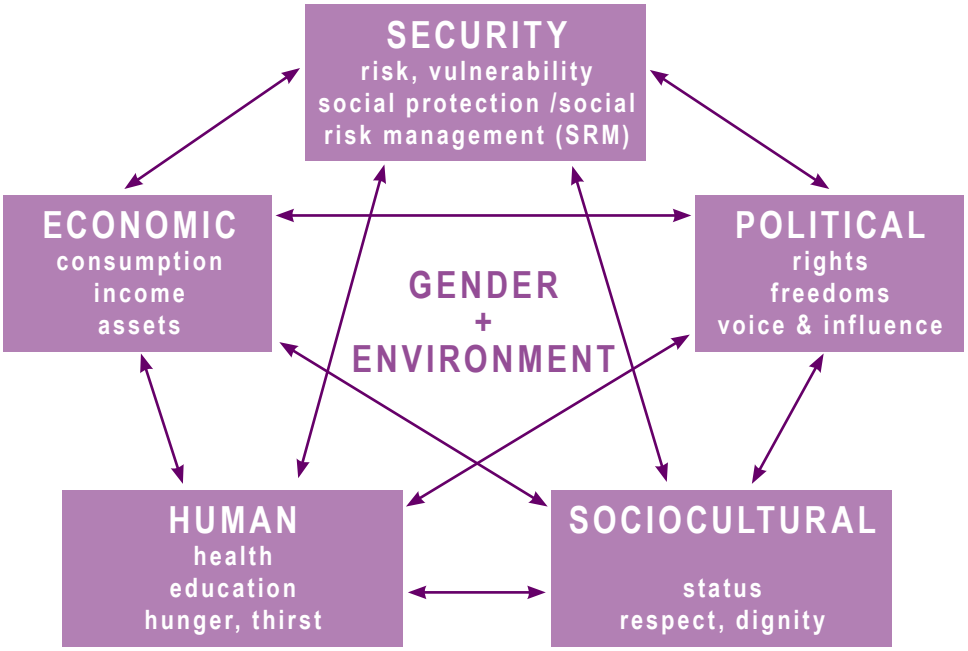
[15] UNDP 1991

[16] World Bank 1990, pp. 3

[17] Eyoh and Sandbrook 2001

of the OECD Development Assistance Committee DAC. The DAC Guidelines on Poverty Reduction[18] introduced a multi-dimensional poverty concept which is even today widely used in development policy dialogues. However, despite recognizing the multi-dimensionality of poverty in theory, the tendency among most economists – the leading profession in the International Development Finance Institutions (IFIs) and development agencies – is to focus on the "quantifiable" economic dimension and to take the rest of the dimensions less seriously as "soft, anecdotal evidence".

Figure 2. The multidimensional concept of poverty



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1.3. Imbalance Between Agendas and Agencies in the Field

The Millennium Development Goals widened the operationalization of poverty reduction. However, they were clearly an outcome of political struggle and thus an incomplete compromise. In political struggles with the dominating Growth First Agenda, the advocates of the Human Development Approach have often only managed to introduce their approach in its narrow, simplistic version. This is what happened

[18] OECD 2001

with the Millennium Development Goals (MDGs): they are a compromise between the comprehensive human and social development goals and the neoliberally oriented results-based management culture that prioritizes quantifiable indicators over the comprehensive, balanced approach of the socially, economically and environmentally sustainable development.

The MDG-based development approach has, thus, focused much more on the measurable targets than the institutional and political means for reaching them. Therefore, in spite of the good intentions of the world leaders at the UN Millennium Summit in 2000, the MDGs are today increasingly being criticized by proponents of comprehensive social policy and sustainable development for presenting a development policy agenda that is too narrow and misses the balance and comprehensiveness that characterized the agendas of the UN Copenhagen and Rio Summits.

As the UN Secretary General wrote in his 2004 annual report, "the MDGs have led to the narrowing of social development goals".[19] They do not make reference to the need "to build more inclusive, participatory, stable and just societies."[20] Neither is the centrality of decent work for economic and social development given enough weight. These shortcomings in the MDG-approach have emphasized the need to re-examine the broader Copenhagen and Rio messages.

In country level development work, the perspective and the language of the World Bank and the OECD driven donor community have been dominated by economists with a (pragmatic) neo-liberal flavour with emphasis on economic efficiency. It speaks well to Ministries of Finance but less clearly to Ministries responsible for social affairs and labour. The International Development Finance Institutions (IFIs) have a strong voice as they command the major flows of development finance. In the social sectors the focus of the World Bank has been on increasing cost-efficiency in the delivery of social services. Efficiency has been sought through effective targeting of services and safety nets. In the broader economic policies – focused primarily on GDP/capita growth and inflation – the social policy goals such as employment, social inclusion, social protection, equity and empowerment have been assumed to follow growth automatically, rather than to require an explicit rethinking of how the comprehensive social perspective could be integrated into the entire development framework.[21]

Until the 1990s most bilateral donors concentrated their country-level efforts on their "own" projects in selected sectors, while the IFIs were allowed freely prescribe and run the crude neo-liberal macro-economic reforms and structural adjustment programmes (SAP) as the cornerstones of the economic Growth First Agenda.

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[19] UN-ECOSOC 2004, pp. 7-8
[20] UN-ECOSOC 2005, pp. 8
[21] C.f. UN-ECOSOC 2006, pp. 9;

For social policy the narrow growth agenda implied a minimalist, residual safety-net approach targeted to the poor. User fees and cost recovery, at the extreme privatization of basic services (e.g. water, education, health etc), and social protection reforms were introduced.[22] The reforms of economic and social policies, the downsizing of governments, together with the pressures of the liberalized world economy and fiscal markets caused poverty, increased unemployment and inequality. Ultimately they created political instabilities.[23] While some new thinking has lately emerged also within the "growth first network", the marginalistic approach to social policies still tends to be a standard policy advice of the IFIs in the field.[24]

The United Nations Department of Economic and Social Affairs (UN-DESA), the Nordic governments and the entire EU, Japan, the OECD-POVNET, the UNDP, the ILO, and the other UN specialized agencies have been advocating for the more comprehensive Copenhagen agenda under a number of closely related themes: Human Development, A Society for All, Lisbon Strategy, Human Security, Pro-Poor Growth, Decent Work and Comprehensive Social Policy.

In country-level development cooperation the impact of this broader development philosophy has been relatively more marginal than in global normative discussions, e.g. at the UN. The reasons are many, e.g.:

(a) a lack of coherence between the positions governments (of the South and the North) stand for in the UN and in the country level policy dialogues;
(b the relative weakness of ministries of social affairs, labor, community development, and foreign affairs in the national budgetary processes (vis-à-vis the ministries of finance) compared to the role they play in defining national positions in global normative negotiations;
(c) the superiority of the World Bank's development lending budgets compared to the grant facilities of the UN-agencies and bilateral donors;
(d) the relative weakness of the social policy and sustainable development professionals within the World Bank compared to the economists and engineers;
(e) the under-representation of Africa and other low-income countries in the decision-making bodies of the World Bank;
(f) the tendency of the bilateral donors to line-up their budgetary assistance in support of the development agenda defined or at least dominated by the World Bank. However, in some countries the shift from projects to budget support has clearly increased the capacity of bilateral donors.

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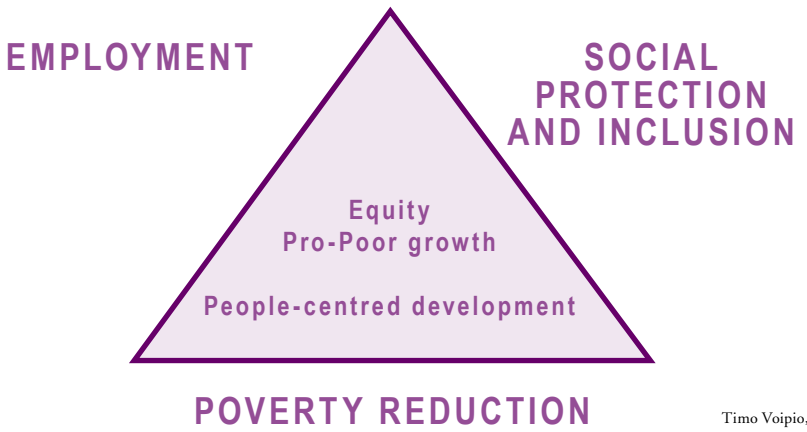
22 The presentation of Isabel Ortiz at Kellokoski

23 *ibid.*

24 The presentations of Isabel Ortiz and Jayati Gosh at Kellokoski

It should be admitted that the Copenhagen agenda was eventually too soft and unspecific to fit in the dominant economic development frameworks of the time. In retrospect, the biggest weakness of the Copenhagen process was, that *poverty eradication* was isolated from *full productive employment* and *social integration* (inclusion, protection, empowerment, equity) – as well as from the multi-dimensional framework of *sustainable development*. Then, what used to be "poverty eradication" was diluted into *poverty reduction* (or even *alleviation*), which then became the sole overarching goal for all development action and international aid. The Copenhagen perspective was, however, much wider than that. It saw the multi-dimensional spectrum of poverty as a consequence of social and economic processes. The vision of "a society for all" sums up the central message of the Summit "that every human being is entitled to participate in, contribute to and benefit from economic, social cultural and political development".[25]

Figure 3: The Copenhagen agenda revisited



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Several agencies, countries and collaborative processes have in the very recent past taken a new conscious decision to revisit the Copenhagen and Rio agendas, revitalize them to the extent possible and to adapt their main principles to the new situation of the rapidly globalizing world that is clearly increasingly vulnerable environmentally, socially and economically.

The Outcome Document of the UN World Summit of September 2005 requested the UN to assist the governments of the developing countries in their efforts to design "new, more ambitious national development strategies". The UN-DESA has been

[25] UN-ECOSOC 2004, pp. 5

working on a set of Policy Guidance Notes that are intended to provide governments with alternative policy advice. These Notes have been prepared in close collaboration with Nobel-laureate, professor Joseph Stiglitz and other experts.

The following matrix summarizes the "standard policy advice" of the 1980s and 1990s, and compares it with the alternative more comprehensive agenda drafted by the UN-DESA in the form of its forthcoming Social Policy Guidance Note.

Table: The two paradigms in policy advise [26]

Standard policy advice of 1980s and 1990s	Main assumptions of the new UN-DESA Policy Note
Growth (priority) through deregulation, free markets, supply side economics, minimalist governments, residual social policies	Winning "policy space", growth and equity through active promotion of national development, social and economic development integrated, need to bring a distribution and social perspective to all policy domains
Anti-inflationary measures as core monetary policy	Employment-generating growth as a priority, tolerance to limited inflation
Fiscal policies: Minimal direct taxation	Taxation for development and redistributive purposes
Financial liberalization, open capital accounts	Selective capital controls to avoid financial volatility, making finance work for real economic growth
Cuts in public expenditures, avoiding fiscal deficits	Public investment for development; need to expand governments' "fiscal space"
Privatization of public assets services, minimalist government (state as predatory, crowding out private sector)	Building state capacity to promote development, public investment, technology policy
Free trade	Free trade not priority, growth of domestic capacity prior to (selective) trade liberalization
Residual social policies (minimal, targeted to the poor), safety nets	Universal policies (for all), importance of social policies for development, equity, domestic market, nation building, political stability

[26] Ortiz 2006

Commercialization of public services	Expansion of coverage of services (health, education, social protection)
Cost recovery mechanisms (fees for services)	No user fees, except for upper income groups in tertiary services
Labor flexibility, productivity	Decent Work Agenda, distribution issues (e.g.. wage policies), employment as a result of adequate macro-economic and social policies
Social Protection: pension reform	Importance of expanding pension coverage (social pensions) and addressing community needs
No interest for culture and values (intangibles)	Culture and values important for tackling exclusion and building social cohesion
No attention at sources of conflict	Conflict prevention
Selective participatory processes	National coalitions and social pacts

Source: Ortiz 2006

Since mid- 1990s the World Bank experienced what many observers have called "mission creep". During the 10-year Presidency of Mr. James Wolfensohn the Bank shifted its focus from infrastructure to "social sectors" such as health and education. The more the various strands of NGOs, CSOs, researchers, politicians and UN-agencies criticized the Bank, the more new units, departments, 'anchors' and 'networks' the Bank established to respond to the shortcomings that it had been criticized for, e.g. in addressing environmental, minority, gender, corruption, disability and other issues. In 1997 it established the Networks for Environmentally and Socially Sustainable Development (ESSD), Human Development (HD) and Poverty and Economic Management (PREM).[27] These networks became the home for a great number of "cross-cutting" concerns in the Bank. The World Bank has widened and deepened its presence in various sectors and theme-specific expert networks and expanded its loan and grant financing of environmental and social development and other cross-cutting themes.

For instance, in Viet Nam, the WB office has grown from five professionals in 1996 to over 100 in 2005. Within one decade the Bank has taken the lead in many human development sectors where the UN has traditionally – and by mandates given by the

[27] World Bank 2004

governments of the world – played the key role.[28] Also there has been a tendency that the donors have directed an increasing flow of grants through the trust funds operated by the Bank rather than through the UN and its specialized agencies.

One reason for the imbalance at the country level is that the UN appears rather fragmented[29]. The alternatives to the "pragmatic liberalist" policy advice have thus not gained equal footing in the country level policy dialogue.

The fragmentation of the UN has led to a situation where there are many small, sector-specific and isolated UN-agency projects in each country. While there have been efforts at co-ordination, a comprehensive social policy framework has been difficult to establish.

The PRSPs have become the dominating development framework and most of them are still inclined to view development from the economistic perspective. Social policies are an afterthought or a targeted, corrective measure to ameliorate the undesired consequences of economic mainstream policies. The Millennium Development Goals (MDGs) are being incorporated into PRSPs. Thus, the MDGs establish a link between the PRSPs and globally agreed development targets that legitimizes the PRS approach further.

A further cause for the lack of a comprehensive social agenda has been the lack of demand. The mainstream development thinking has regarded social policy issues as non-productive welfare expenditures. Developing country governments themselves have not seen the social dimension of development as a high priority. One reason for this, however, is that the dominant development frameworks of the donors (e.g. the original PRSP framework) did not provide that option. The economistic Growth First Approach, the limited and sector specific interventions and the safety net approach to social protection did not elicit demand for a more comprehensive social policy approach.

1.4. The Widening Policy Dialogue

As requested by the Copenhagen Summit there has been an organized policy dialogue between the UN, the International Development Financing Institutions and major bilateral donors represented by the OECD Development Assistance Committee (DAC) and its networks like POVNET, GOVNET, GenderNet and EnviroNet.

[28] Ryan & Morch 2005. Mr. Ryan is the UN Resident Coordinator and UNDP Resident Representative in Viet Nam. Mr. Morch is the UNICEF Representative in Viet Nam.

[29] See e.g. UN ECOSOC 2006 and Ryan & Morch 2005

The dialogue has opened and widened perspectives and led to co-operation between the agencies. For instance, in 2000, the World Bank, the International Monetary Fund (IMF), the OECD and the UN issued a joint publication "A Better World for All.[30]

More recently the multi-stakeholder dialogue has expanded. A number of various multi-stakeholder networks have emerged and multi-stakeholder events are being organized. The Government of Finland has been an active supporter of the multi-stakeholder dialogue approach to global governance. Ms. Tarja Halonen, President of Finland co-chaired – with President Benjamin Mkapa of Tanzania – the World Commission for the Social Dimension of Globalization, an influential high level multi-stakeholder process facilitated by the International Labour Organization (ILO). Dr. Erkki Tuomioja, Finland's Minister for Foreign Affairs and his Tanzanian colleagues have been co-chairing the so called Helsinki-Process of Democratic Globalization.

Kellokoski was another multi-stakeholder event that provided a round table for various stakeholders to share views and to find common ground for action. It was one in a series of initiatives aiming at re-examining and revitalizing the social dimension of the development discourse in line with the Copenhagen commitments.

Finland and the other Nordic countries have traditionally emphasized the importance of the social sector and dimensions in development. This perspective has its roots in the historical experience of the Nordic countries. Social investments in universal provision of health care, education and social security, gender, taxation and regional policies that are proactive and aim for equality; and inclusion-enhancing labour market and disability policies have all yielded high returns in terms of human capital and social cohesion. Consequently they have supported economic development in the Nordic societies.

A new wave of Nordic co-operation has emerged recently. There has been a search for joint agendas in the social development field. One of the results was the joint programming exercise to synchronize the Kellokoski event in Finland with Sida's Stockholm seminar that reviewed the flagship five-year research project of UNRISD, the United Nations Research Institute for Social Development.

Finland has been involved on many fronts in the global social development, social protection and social policy dialogue. In 2001, an Adviser's post was established at the Ministry for Foreign Affairs for Social Development and Social Protection, to complement the Health Sector Adviser's post that already existed. The Adviser for Social Policy, as it is currently entitled, has had the mandate to promote dialogue and broader understanding about social policy and protection in development in international networks, as well as within the ministry.

[30] IMF, OECD, UN, World Bank 2000

Recent years have witnessed an activation of initiatives that have advocated for a broader and deeper social dimension in development to create a more balanced approach between economic and social values and paradigms. One of the key instruments in the promotion of social policies at the global arena has been the Social Development Advisors' Network (SDAN). It emerged from the cooperation of experts in similar functions in donor governments and agencies during the years of structural adjustment in 1980s and 1990s. The more socially oriented donor advisers felt a need for mutual networking and peer support in their efforts to convince donor agencies about the unsustainability of the purely economy driven development policies. Currently the SDAN involves also representatives of intergovernmental agencies like the World Bank, the other development financing institutions and UN-agencies.

At the OECD, Finland has been active in the Poverty Network (POVNET) of the Development Assistance Committee (DAC). In the first phase of the POVNET's work 1999-2001 Finland contributed to the evaluative research on the various European approaches to poverty reducing development cooperation, and actively promoted the usage and endorsement of the *multi-dimensional* framework of poverty and poverty reduction. In the next phase of POVNET's work 2003-2006 Finland took a particularly active role and facilitated the inclusion of pro-poor elements to the growth agenda i.e. the pro poor growth (PPG) agenda. Finland's representative also chaired the POVNET Task Team on Risk and Vulnerability 2004-2006, and continues to chair it during the work programme 2007-2008 – now under the name Task Team on Social Protection and Social Policy.

STAKES, the Finnish governmental Research and Development Centre for Welfare and Health, has during the past ten years played a very active role in promoting global dialogue on social development and social policy. Since 1997, STAKES has been funding and participating in the GASPP (Globalism and Social Policy Programme) which is a research, training and consultancy network of academic institutions (currently 4 in Finland, the UK, Canada and India) dealing with global social policy. The GASPP-Programme gave the birth to the *Global Social Policy Journal,* the world's leading academic journal dealing with social rights, social regulation and social redistribution.

The position of the Government of Finland has always been to support the role of the United Nations in global affairs as the central democratic entity at the global level. Consequently, the decision-making and norm-setting role of UN Economic and Social Council (ECOSOC) is supported. Finland has been active in the subsidiary bodies such as the Commission for Social Development (CSocD). There have been periods when Finland has financially supported the substantive work of the UN-Secretariat (UN-DESA) but the financial support has been neither systematic nor predictable.

Finland entered into a policy dialogue with the World Bank Social Protection Sector at an early phase in the late 1990s when the Social Risk Management (SRM) framework was still under development. [31] Finland's Trust Fund supported also the inclusion of disability issues into the PRS Sourcebook as part of the social dimension of the PRSP approach. Later in 2001 Finland joined Norway in supporting the development of World Bank's work on sustainable development through a joint Norwegian-Finnish Trust Fund on Environmentally and Socially Sustainable Development (TF-ESSD). It is a large fund that supports research and piloting work on new innovative approaches to environmental and social development, social protection and poverty analysis in all parts of the World Bank's work. Finland supports also the Social Protection Learning Programme of the World Bank Institute (WBI).

In June 2006, the UN-ECOSOC called for the donor governments to increase their funding to the Decent Work Country Programmes (DWCP) designed by the national labour and social affairs ministries, often with support from the ILO. This is a major challenge for the Finnish aid administration, because it has traditionally spent only a minimal fraction of Finland's development cooperation budgets on supporting the work of the ILO.

1.5. A New Opening

The trigger for the Kellokoski event was the World Bank Conference on New Frontiers of Social Policy, in Arusha, Tanzania.[32] It was organized in December 2005 with the support of Finland, Sweden, Norway and UK-DFID. The aim of the Arusha event was to focus attention to the fact that the "social objectives" of development can be promoted not only by investments and projects in the "social sectors", but also by analyzing and re-thinking the social quality of policies, interventions and their outcomes in the "non-social" sectors, e.g. infrastructure, macro-economic policy and governance.

The Arusha Conference was a historical and positive step to the right direction. The outcomes of the Arusha Conference were discussed in a World Bank sponsored Side Event during the UN CSocD-2006 in New York, and in a World Bank seminar during the First International Social Science/Social Policy Forum in Buenos Aires. [33]

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[31] See Wiman 1999 (b)

[32] See World Bank Social Policy website www.worldbank.org/socialpolicy

[33] See UNESCO International Social Science Forum website

However, the controversy about the achievements and shortcomings of the Arusha Conference and Declaration has continued among professionals, e.g. on the pages of the leading academic journal, the *Global Social Policy (GSP)*. As reported in the Editorial of the December 2006 issue[34]

"Readers should be aware that the production of the 'Arusha Statement' has been surrounded by considerable controversy, particularly as regards the involvement of African scholars and groups. Many African groups were either not included in its creation or have chosen to pursue a strategy of non-engagement with the Statement. As a result, our (GSP) Forum has not been able to include any African voices in this debate. We recognize that such non-engagement is part of a wider political response on the part of the African social development community (and others) to the 'Arusha Statement'.

The controversy should not be allowed to overshadow the common ground in the situation analyses of many professionals of social policy in various parts of the global system. The Arusha Conference, the Buenos Aires Social Science/Social Policy Forum, the Livingstone Conference on Social Protection in Africa, the Kellokoski Experts' Meeting, the Johannesburg Conference and the CSocD Side Events in 2006 and 2007 can all also be seen as mutually supportive and complementary bridging steps and milestones on a joint journey.

The **Arusha Statement*** recognized the Copenhagen Social Summit 1995 as an important historical moment, when the citizens and governments of the world agreed on the principles of equity and social justice as the objectives of development.

"Since then there had been a growing international consensus about the complementarity between social and economic development… Mainstreaming social policy involves recognizing and drawing on the social dimensions of all policies and programs… There are many paths to socially desirable outcomes, and social policy should not fall into the trap of one-size-fits-all prescriptions. The manifestation of social policy principles within countries will be the result of contestations among citizens and will invariably be a compromise between what is desirable, feasible and acceptable. This implies that policy formulation is, by definition, political."

With this in mind the Arusha Statement concluded that the three most important new frontiers of social policy are:

(a) the transformation of subjects and beneficiaries into citizens;
(b) the fostering of an enabling, accessible, responsive and accountable state.
(c) the strengthening of the capacity of states to mobilize revenue from their citizens

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* World Bank 2005 a

[34] Global Social Policy Journal. 2006

What many participants and observers of the Arusha event have considered very important is that in Arushait was jointly agreed that *the transformation of subjects and beneficiaries into citizens* implies policies that recognize and promote the universal rights and responsibilities of citizens, and strengthen the capacity of citizens to claim their rights.

In Arusha even the World Bank experts did not insist strongly on *targeting*, but acknowledged the value of *middle-class buy-in* in *universal* schemes, by saying: *"Some of the most effective examples of progress on citizens' rights have come from alliances between the poor and other segments of society, suggesting that targeting public resources at the poor alone is not always the most effective way of empowering and building their capabilities."*

The Arusha Declaration also concluded that Social Policy is not only about the basic social services (education, health and social protection) but also about the social conditions, public institutions, people's rights and the social impacts of macro-economic policies and infrastructure investments.

In this endeavor the approaches taken and the conceptual frameworks created by the UNRISD (Social Policy in a Development Context), the ILO (Decent Work for All), UN-ECOSOC (Full Productive Employment and Decent Work for All), the UN-DESA (draft Social Policy Guidance Note), the OECD-POVNET (Social Protection as a factor of Pro-Poor Growth) and the EU (Lisbon Strategy, European Consensus on Development and the Decent Work Communication) proved to be very helpful, and provided solid guidance for the planners of the Kellokoski/Stockholm "Twin Events".

The major push for organizing the Kellokoski Experts' Meeting on Comprehensive Social Policies came from Finland's partners in the Global South. The Tanzanian partners and International Council for Social Welfare (ICSW) representatives in Arusha requested Finland to organize a follow-up meeting to further explore the potential role of comprehensive approaches to social policy for development. A round of networking evidenced a wide interest in such a follow-up event. The Finnish national backup team for the UN-CSocD started preparing the event with the support by the Ministry for Foreign Affairs, Ministry for Social Affairs and Health and STAKES. The meeting was then organized at Kellokoski, Finland, in November 2006 and closely synchronized with the Sida/UNRISD seminar in Stockholm as the research focus of the Stockholm meeting and the policy-orientation of the Finland meeting were seen to complement each other well.

The meetings in Arusha, Stockholm and Kellokoski addressed the key issue in national policies: how could low and medium income countries of the 'Global South' and their partners design and implement social policies that support effectively social and economic development within the limits of ecological and fiscal constraints.

Poverty is a major development challenge. However, focusing the global development policy efforts on poverty reduction alone may have led to a too narrow approach that has

not adequately covered the broad social and economic transformation that are needed for sustainable and equitable improvement in people's lives. The MDGs broadened the understanding of poverty reduction but they alone are still yet benchmarks of a global minimum that do not include policy guidance regarding how to respond to the complex country-specific demographic, social, political, economic and ecological challenges , how to reach the necessary national social compacts and how to design the institutional transformations needed to achieve the targets.[35]

1.6. A Comprehensive Agenda

The United Nations' Department for Economic and Social Development (UN-DESA) has been advocating, according to its mandate, a comprehensive framework for social and economic development. The idea of a comprehensive approach to social policies is grounded in the understanding that economic growth is a necessary but not sufficient condition for socially just development. Economic and social development are interlinked and support each other. Both the economic and the social policies should promote employment, social and human security, inclusion, equity, empowerment and pro-poor growth, and create an enabling environment for people and communities to participate in and benefit from development.

The Report of the Secretary General to the 42nd session of the Commission for Social Development (2005)36 called for a broad and inclusive policy approach towards a ***Society for All*** instead of narrowing the focus on selected easy-to-measure goals. Also the road map for reaching the MDGs calls for institutional changes and the involvement of people themselves, as active agents of their own development. People centred development strategies require that Human Rights, equity, social and health considerations are integrated in all policies so as to empower people to participate in development.

Enabling people to be in charge of their own lives calls for policies that generate income as well as security. Until recently, the second pillar of Copenhagen, *employment*, has received much less attention than poverty eradication. In 2006 *Decent Work for All* was the main theme of ECOSOC and will be the lead theme of the UN Commission for Social Development (CSocD) in 2007.

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[35] On the misunderstanding of the relationship between the global MDGs and the national-level challenges, see Vander moortele 2007.

[36] UN-ECOSOC 2005

Figure 5: The Decent Work Agenda

Timo Voipio, MFAF-Finland

The Decent Work Agenda includes social rights, employment, social protection and democracy through social dialogue and gender equality. The concept of decent work implies a coherent combination of employment and social protection to enable people to materialize their rights and to safeguard their livelihoods against vulnerabilities. Social protection is on the rise on the national poverty reduction strategies (PRS) of Low income countries (LICs) and Middle income countries (MICs) as well as on donor priority action areas.

In summary: A rapidly growing number of global forums and networks[37] have emerged to rethink the coherent conceptual frameworks and prioritized action plans for comprehensive social – or 'Decent Work' – policies, including the following elements in context-specific, tailored combinations:

1) **Employment**, including entrepreneurship and employability
2) **Basic social services**: social protection, education and health
3) The specific challenges of **disadvantaged population groups**, e.g. women, youth, the aged, people with disabilities, etc.
4) **Equity-orientation**, social inclusion, dialogue, social risk management and accountability in <u>all</u> policies and all governance, including pro-poor growth and taxation.
5) Social and distributional **impact assessment** and risk/vulnerability analysis of <u>all</u> policies and all governance, including pro-poor growth and taxation.

[37] E.g. e.g. the UN-ECOSOC, UN Commission for Social Development (CsocD), African Union/NEPAD/SADC, EU, OECD-POVNET, Helsinki-process, Global Progressive Forum, World Social Forum, Network-IDEAs, Ethical Globalization/Realizing Rights, etc.

6) **Multi-disciplinary** approach and methods to analysing society, economy, culture and environment.
7) Enhancing social responsibility not only in the public sector, but also the private sector corporate social responsibility (CSR).

The 1995 Copenhagen commitments, reiterated in the International Development Targets and latterly the MDGs, emphasise people centred development outcomes. Achieving the commitments requires investment in and attention to the social sectors, as they are vital for human development. *Essential services* (health, education, water and sanitation and social protection) are key aspects to achieve international development goals as they provide the building blocks of human development for all. Besides constituting the core goals and targets of the MDGs they are the fundamental human right of all people of all ages. [38]

Ensuring that all people have access to appropriate and affordable services is the primary duty of governments. Too often the poorest people, including the older poor, disabled people and children are excluded from accessing services and can often be the last to benefit from public investments in these essential sectors. Evidence shows that social protection in the form of regular cash transfers in the form of social pension, child grants and disability allowances can give the poorest people in the poorest countries more equitable access to their right to basic services. [39]

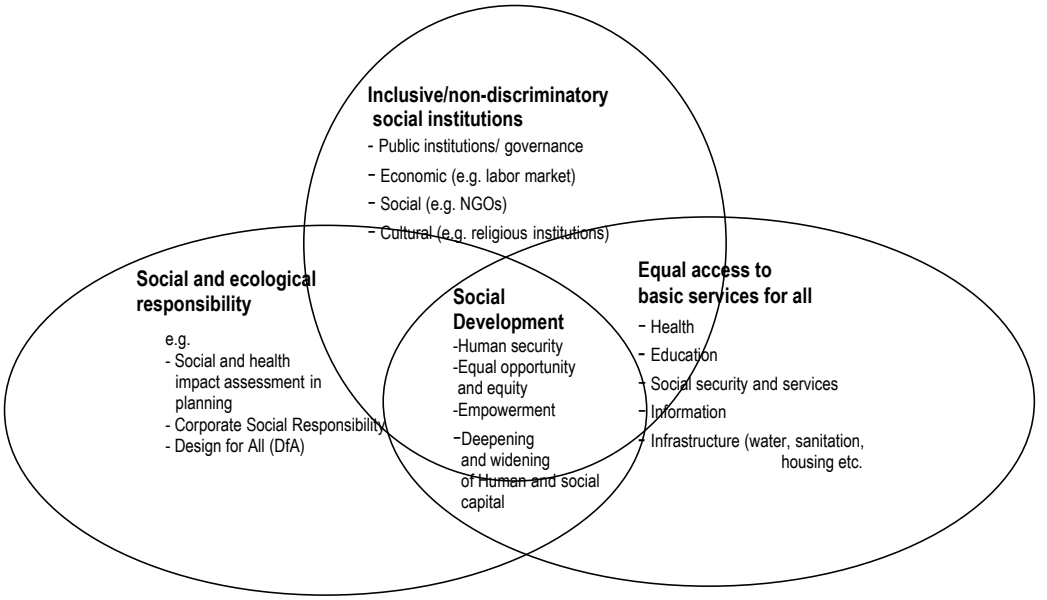
An inclusive society for all is the vision of social development. The goal of social development is to improve public and private social institutions and processes towards enabling and empowering *all people* and communities to live in security, to have equal opportunities to participation and to develop their human potentials in order to produce their well-being.

Such outcomes require e.g.
a) functioning social institutions: the formal, *statutory base* for the rule of law and governance practices that are transparent, accountable, equity-oriented and inclusive/ non-discriminatory;
b) access to basic services that enable all people to maintain and develop their own and their children's human capital;
c) the *voluntary* exercising of social and ecological responsibility by the private - and public - agents/ institutions e.g. by planning practices that take into account the social, health and ecological impacts and result in healthy and non-discriminatory environments, products, technology and services.

[38] Input by Sylvia Beales
[39] Input by Sylvia Beales

Social sustainability of development requires the balancing of various interests through democratic institutions and participatory praxis. A 'social contract' between the state and its citizens and a 'intergenerational contract' require a formal, institutionalized and legislative basis. However, such contracts must be complemented by a culture of responsibility and solidarity. Social policies have the potential of nurturing such a culture in society.

Figure 6: The social dimension of sustainable development



A prerequisite for comprehensive social policies is that all relevant stakeholders are involved in the planning, design, implementing and monitoring of policies. Segregating the work done in these areas is likely to result in poor or even counterproductive outcomes. Partnerships and multi-stakeholder platforms are needed in order to manage the multiple aspects of comprehensive policies that tend to be complex constructions.[40]

[40] Wiman 2006

1.7. Conceptualizations of Social Policy

There are many ways to define the term social policy. For some, it means not much more than charity. For others, it implies a broad, overarching goal of equity, security and empowerment in all policies. It can also be used to refer narrowly to social sector policies, i.e. education, health and social protection. Rather than trying to establish one single correct definition, it is more beneficial to realize that there are several perspectives to social policies. Consequently, different perspectives result also in different policy implications. It is helpful to discuss briefly some of the various perspectives that are present in the current dialogue.

Traditionally social policies have dealt with the protection of vulnerable population groups, social insurance and last resort social assistance The goal has been to secure basic livelihoods and to insure people and their families against illness, disability and old age.

The UNRISD Research Programme notes that "from a development perspective, the goal of social policy is to promote universal social protection and equity." [41] The modern approach to social protection includes, however, also an idea of supporting people as active agents of their own lives. The UNRISD paper notices this by defining social policy "as public policies and institutions that aim to protect citizens from social contingencies and poverty, and ultimately to enable them to strive for their own life goals." [42]

Helpful starting point is to look at social policies from the perspective or social, economic and health risks. For instance, the World Bank's Social Risk Management (SRM) framework defines SRM as public and private actions to minimize, mitigate and cope with risks. The OECD POVNET Task Team on Risk and Vulnerability commissioned an analysis to clarify the differences in the approaches of the member governments and international organisations.. The analysis resulted in a helpful differentiation between various concepts that are used in the dialogue.

The core elements of various approaches and conceptual frameworks for managing risks and vulnerability are described in the following "fish" diagram by Rachel Sabates Wheeler and Lawrence Haddad. [43]

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[41] UNRISD Research Programme 2003-2009
[42] See UNRISD Programmes website website
[43] Wheeler and Haddad 2005

Safety nets are at the core of social risk management as the guarantee that stops people falling below an accepted minimum. (C+J)

Basic social security refers usually to public or private measures that are intended to secure basic livelihoods to everybody. (A)

Social assistance, public or private, is support in cash or kind to people whose livelihoods are at risk and who cannot help themselves. (B+C+G+J)

Social insurance is traditionally a contributory system that secures livelihoods in case when a risk has materialized. Insurance systems can be private or public. (D+H)

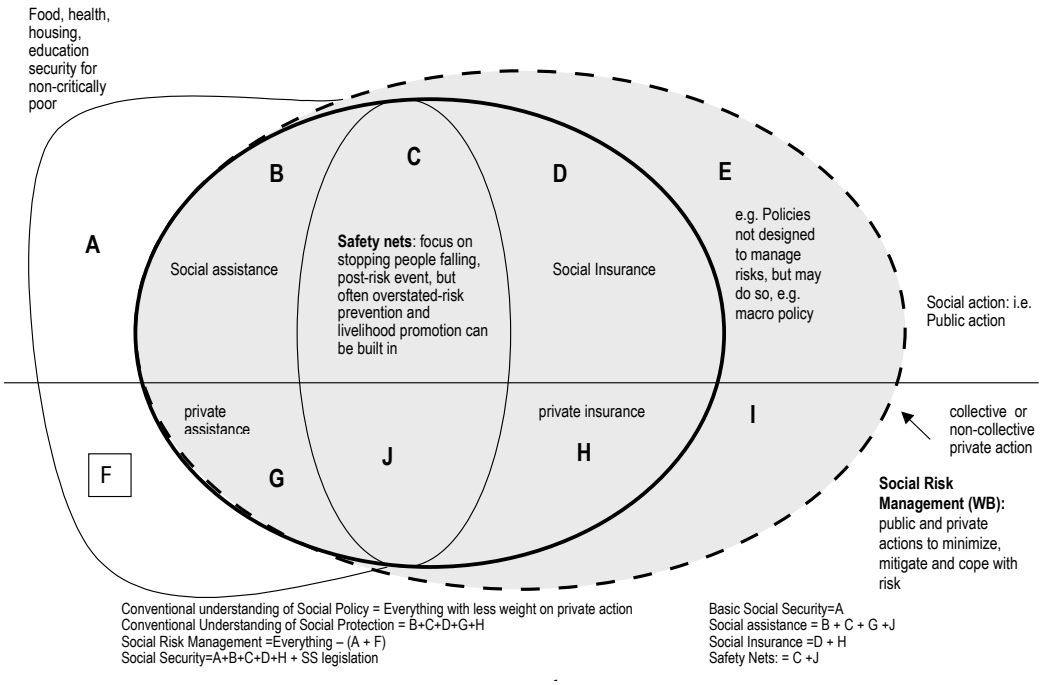
In the following graph the reference to traditional (e.g. Nordic) concept of *"Social Policy"* covers all the subsets with less weight on the private action. (A+B+C+D+E)

Conventional understanding of *"Social Protection"* is composed of social assistance to the poor, safety nets and social insurance. (B+C+D+G+H). Yet, in several OECD aid agencies (e.g. GTZ and DFID) the term *Social Protection* seems to be given a much broader interpretation, including also social rights, inclusion and empowerment, in other words, coming closer to the Nordic concept of comprehensive social policy.

"Social Risk Management" in the "Fish Diagramme" refers to the "full menu" of instruments but does not cover basic livelihood and services to those who are not critically poor or vulnerable. (All - (A+F)). Again, in Nordic discussions, the comprehensive social and employment policy framework is often conceived as proactive government action for *social risk management through comprehensive social policy*, agreed in tripartite negotiations with the social partners.

"Social security" refers to a wide range of public instruments aimed at managing risks and their consequences and it covers also the non-poor. Private assistance and safety nets are usually not included in this concept. (A+B+C+D+H)

Figure 7: The scope of various concepts of social risk management



For governments, the Comprehensive Social Policy Approach means that their social policy activities aim at empowering all people by reducing social exclusion and risks. In addition to that, the aim should also be to enhance all people's capacities to manage risks and to become active agents in the society and economy through ensuring the equal provision of education health and social services and social security/protection. This includes labour market policies and the empowerment of people to participate in development. Furthermore, a comprehensive approach includes societal policies that aim at equal opportunities, equity and social inclusion.

A review done by Sida on Sweden's development cooperation in the social sector[44] emphasizes the developmental role of social policies. "The goal of social development is sound and inclusive societies. … Social policies should primarily be regarded as a tool for social development, a key instrument for creating equality and socially sustainable development in economic policies."

Poverty reduction has not been the sole – and not event the primary – objective of social policies and transfers in those societies that have succeeded in substantially reducing poverty. During industrialization, social policies were instituted also in order

[44] Sida 200*

to ensure security, reduce social and labour conflicts and to generate prosperity for society at large.

The UNRISD research programme sees a developmental and comprehensive approach to social policies as a key element of sustainable development also in low income countries:

"A starting point is to re-think social policy and move away from its conception as a residual category of 'safety nets' that merely counteract policy failures or development disasters. Social policy should be conceived as involving overall and prior concerns with social development, and as a key instrument that works in tandem with economic policy to ensure equitable and socially sustainable development". [45]

For instance, ILO emphasizes that social policy instruments have both national and global functions in a globalizing world. More specifically, social policy instruments: [46]

- maintain the productivity of workforces (notably ageing workforces) through investments in health care that, inter alia, combat new global health risks;
- make adjustments in employment by, for instance, providing training, retraining and job search arrangements, as well as by facilitating the integration of migrants;
- achieve a fair distribution of the proceeds of globalization, hence increasing acceptance of the process of global change;
- help to maintain social peace and global security that are necessary for stable long term economic growth, thereby creating the material basis for enhanced welfare for all.

In sum, Comprehensive Social Policies have redistributive, regulatory and rights supporting functions. "In developmental contexts, social policy typically had a multiplicity of objectives that have included equity, social inclusion, nation building, conflict management and human capital formation. It was part of a broad agenda of economic development and social transformation."[47]

[45] Mkandawire 2004
[46] Input by Mr. Krzysztof Hagemejer for the Kellokoski Meetingt
[47] Mkandawire 2005, pp, 5

2. Country Cases: Challenges and Examples of New Strategic Solutions at National Level[48]

While an enabling international and global environment is vitally important for social development, the implementation challenge is at the national level. This chapter highlights selected development challenges and innovative responses by the partner countries who participated in the events at Sweden and Finland. Some regional initiatives are also described.

2.1. Tanzania: Aiming at Universal Access to Basic Services[49]

Social protection in Tanzania has historically been provided in response to economic and social crises. During implementation of structural adjustment measures in the 1980s, however, comprehensive social policy was ignored and replaced by safety nets. The aim of safety nets was to rescue particular categories of individuals or groups of people that had been struck by a disaster or a calamity.

In a condition of widespread poverty, however, targeting safety nets proves to be ineffective and administratively costly, if at all feasible.[50] The preference on universal access to basic services, as a guiding social policy, is in many countries dictated by underdevelopment. This has led Tanzania to adopt social policy as a key principle for economic and social development. Today it has become common thinking in Tanzania that social policy contributes to formation of human capital; improves the efficiency of labor market; and contributes to social capital by enhancing cohesion and resolving social conflicts.

Since the year 2000, Tanzania has been tackling poverty and vulnerability through Poverty Reduction Strategy (PRS). The new five-year strategy, the National Strategy for Growth and Reduction of Poverty (NSGRP), MKUKUTA[51] in its Swahili acronym, continues the earlier priority to improve human capabilities in addition it

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48 This item introduces some innovative approaches to social policy by the partners from the Global South. The cases focus on the innovative aspects and do not thus give a full account of the social challenges and social policies of the respective countries

49 This item is based on the presentations and inputs by Paschal Assey, Theofrida Kapinga, Servacius Likwelile and Masuma Mamdani.

50 See alsoThandika Mkandawire: Targeting and Universalism in Poverty Reduction. UNRISD. Social Policy and Development Paper No 23, 2005

51 "Mkakati wa Kukuza Umaskini"

puts emphasis on poverty-reducing growth. With a national development strategy that gives equal weight to growth and poverty reduction, social protection in Tanzania necessarily encompasses the dimension of economic empowerment and contribution through improved productivity to the country's growth. It is also a rights issue, to do with inclusiveness and participation, and it is promoted through principles underpinning the country's governance and democratic process. Particular emphasis is placed on the poorest and most vulnerable groups, and on inequality emerging from geographic, income, age, or gender distinction.

In light of poverty status and figures of social well-being, the task will not be an easy one. Even though the overall GDP grew by 6.7%, the extent to which this growth has reduced poverty is undermined by changes in inequality and may be affected by international and rural-urban terms of trade. Poverty is pervasive, with over a third (36%) of households living below a 'basic needs' poverty line. Nearly 20% live below the even lower 'food' poverty line. Rural poverty reduction needs to be accorded critical priority. Income poverty for small farming households results from various factors, including low levels of savings and investment; the limited access to land, capital and technology used in production; the frequently volatile and disadvantageous terms of internal and external trade; and the nature and impact of institutions including market regulation, taxation and poverty rights. Urban poverty is characterized by high levels of self-employment and employment in small-scale, undercapitalized manufacturing and service industries, together with high unemployment. [52]

In terms of non-income poverty, recent data indicate substantial reductions in infant and under-five mortality. However, there remain substantial urban-rural, regional and socio-economic differences. Rural poor children are more likely than their urban counterparts to die, and when they survive, they are more likely to be malnourished. Maternal mortality is unchanged, and continues to be very high, now estimated to be 578 (per 100,000 live births). The average life expectancy is about 51 years. The overall adult literacy rate (for 15 year-olds and older) is 69%, 78% for males and 62% for females. Primary school enrollment ratio is fairly high, being 90% for girls and 91% for boys, though some critical inputs to ensure sustained quality of education lag behind the increasing enrollment. Less than half of rural households have access to an improved source of drinking water.

The most recent nationally representative survey indicates an overall HIV prevalence rate in adults of 7 %. This implies that about a million adults in Tanzania are HIV positive. In the absence of strong organized support, there is increasing strain on affected individuals and their families, in the provision of care, both formally organized in the health and welfare systems, and informally provided by members

[52] See Cooksey, Mamdani 2004

of the household community. The impact is also felt by the many children who are orphaned, and whose numbers will increase rapidly.

As both income-related and non-income-related poverty are widespread, there are reasons to speak about "generalized insecurity" instead of focusing on merely those who are poor at the moment. Poverty is in continuous state of flux, and all people that are in danger to falling into poverty should be taken account. The difference between the two groups can be illustrated with terms 'shallow' and 'deep' poverty: shallow poverty includes those *liable to become poor* as deep poverty refers to those who *are* poor and live in destitution.[53]

There is a need to revisit and place MKUKUTA within a realistic nationally-driven development agenda. The challenge is to what extent can the international community refrain from influencing national development agendas and at the same time provide the necessary support needed to build national competencies?[54] Can Tanzania be given the space to define her own priorities and the means to implement them? What are the resource implications for attaining sustained economic growth and poverty reduction?

2.2. Zambia: Cash Transfers Work Against Poverty[55]

The economic growth rate of Zambia has recently averaged 4%. This growth has not, however, had much effect on poverty and this situation is expected to continue unless some major interventions are made.

The incidence of poverty is high (68%). HIV/AIDS prevalence is 16% and is estimated to reduce the GDP growth rate by 1% yearly. The majority of households are very vulnerable to shocks that may cause downward mobility, chronic poverty and destitution.

While the importance of economic growth is acknowledged, the government is aware of the fact that sustained economic growth is not possible without investments in social protection. Social protection has a direct effect in enabling households to access health, education and food. It is, however, also understood as a matter of human rights.

Given the resource limitations, social protection will focus on the most vulnerable 20% of households and their children. It is estimated that the target population is about 400 000. There are three target categories:

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53 Peter Brown in REPOA 2006

54 Professor Joseph Semboja, Draft Concept Note on Growth and Employment

55 This item is based on the Cash Transfers Concept Paper - Zambia

- "Low capacity households" (e.g. widows, people with disabilities, older persons, people in the informal sector etc.)
- "Incapacitated households" with no one able to work
- child-headed households)

Since 1952 the Government has implemented Public Welfare Assistance Schemes delivering assistance in kind. As it became evident that these schemes did not meet the needs of the people, more innovative approaches were studied and introduced. In partnership with the German GTZ a Cash Transfer Scheme was introduced in Kalomo, in 2003. It is a pilot to test the feasibility and impact of regular cash transfers in a country with weak administrative capacity and constrained financial resources.

The scheme delivers monthly some USD 10 to households with limited self-help potential in the Kalomo District. The recipients are identified by grass roots structures supported by the the Public Welfare Assistance Scheme (PWAS) of the Department of Public Welfare and are predominantly households headed by older women and men, with HIV/AIDS affected family members, children and orphans in them. The purpose of this pilot scheme is to test the impact, feasibility and affordability of cash transfer schemes. Results indicate that 30% of the transfer is spent on livestock, with

the rest spent on food, soap, blankets, school items, transport to health and education facilities, and support to others ('chilimba'). The Fifth National Development Plan (2006-211) envisages the extension of cash transfers to approximately 10% of the population and is considering the social pension as a key vehicle to do this. The main challenge will be the political support needed to the allocation of resources to social protection.[56]

2.3. India: Right to Work as Social Policy[57]

India is experiencing high growth particularly in the new service industries. Large parts of the economy still operate with very low labor productivity and subsistence level wages. Open and disguised unemployment and lack of opportunities for productive income generation activity persist particularly in rural areas. Unemployment has been on the increase while there is no unemployment insurance or social security in rural India.

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[56] For more, see: http://www.socialcashtransfers-zambia.org/

[57] This item is based on the presentation of Jayati Gosh at the Stockholm and Finland meetings. See also http://nrega.nic.in

In addition to the lack of quality employment there are a number of social and employment policy challenges in India:

1. Lack of high level political support based on the argument that social policy must wait. Economic growth must be a priority. Introducing social policy at early stages will work against economic development. Global competitiveness will suffer.
2. The IT sector is booming but does not generate much employment. However, educational investments focus on the global market needs while there are labor shortages e.g. in health care.
3. Very large wage inequalities and the social split between low income groups and the middle class that is oriented to the globalized world.
4. Obsession to public-private partnerships and user fees especially pushed by major donor countries and international development financing institutions (IFIs). Also private consulting groups push certain types of policies and privatization.
5. Macro disincentives, e.g. recent changes in VAT.
6. Food security and nutrition indexes are falling.

Employment generation has become a major socioeconomic and political issue. A new social innovation has been the National Rural Employment Guarantee Act (NREGA) that came into force in 2005. It offers 100 days of public works employment per rural household per year. It is operative in 200 districts. This novel intervention treats work as a right and the programme is demand driven. There is a strong element of local participation and control.

NREGA has the potential to generate significant amount of employment and incomes. It can also have strong impacts on the rural economy, in general. Additional wage employment revives local markets and rural industries. On the other hand, public works can be used to create durable rural assets, infrastructure and public services. Field surveys also indicate that NREGA programmes have increased the participation of women in employment. The challenges include the lack of recognition by some government officials, inadequate information and awareness as well as the lack of administrative capacity.

NREGA is probably the largest rights-based social policy exercise in the world at present. It is based on the analysis of local macroeconomic and social realities and is intended to address the income insecurities of the poor. It has direct positive effects to households such as access to productive and meaningful work, consumption smoothing, relief from excessive debt, reduced need for forced migration, and improved bargaining power for workers in the labor market. The programmes have also favorable macroeconomic and social effects both locally, regionally and nationally.

2.4. Republic of South Africa: Social and Employment Policies Must Go Together [58]

The minister of Social Development of the Republic of South Africa, Dr. Zst Skweyiya, has stated in his ministry's latest annual report that " ten years ago, in the context of the World Summit for Social Development in Copenhagen, in 1995, the Ministry of Social Development set itself the objective of creating 'an economic, political, social, cultural and legal environment that will enable people to achieve social development'."[59] The means for reaching this goal were articulated in "landmark policies laws and programmes to ensure that it [the Department of Social Development] could place the people of South Africa at the centre of their own development (as was done during the struggle against apartheid)."

The South Africa's government's input at Kellokoski described how some of the most important social and employment policies had succeeded during the recent years. Three key macro-economic policies covered at the Kellokoski experts' meeting were *Reconstruction and Development Programme* (RDP, 1994); *Growth, Employment and Redistribution* (GEAR, 1996); and *Accelerated and Shared Growth Initiative of South Africa* (ASGISA, 2005). The crucial challenges that need to be tackled are structural unemployment and the separation of social policies from economic policies.

The economy of South Africa has been growing. The real gross domestic product has been growing in the period of 2004-2006 at a rate between 4-5 percent. Differences between industries have nevertheless been high. In 2006, the GDP of agricultural sector showed 17,5 % negative growth, while the construction sector boomed with 13,5%. The mining industry's share of the GDP has been in decline for few years now, and it is far from the heights of the 1980s. Gross savings ratio as percentage of gross domestic product has been declining.

The labor and unemployment figures have been and are gender-related. The rate of discouraged female work-seekers as a percentage of the working-age population has grown from less than 12% of March 2001 to around 16% percents in March 2005, while for males the respective figures were less than 8% in 2000 and about 10% in 2005. The official unemployment trends have similar gender-based bias. The average unemployment rate rose between September 2000 and March 2003 from 25% to more than 30%, but has fallen to around 26% as for March 2006. Just as with GDP, the statistics disaggregate also employment figures: among some segments unemployment can be as high as 50%, whereas other segments are doing much better.

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[58] This item is based on the inputs by Wiseman Magasela, Past Naicker, Unathi Mguye and Nick Villiers at the Kelokoski Meeting

[59] Republic of South Africa 2006

Policies aimed at addressing joblessness and the creation of quality jobs include wage determinations in domestic workers, agricultural workers and non-state security services sector. The small and medium size enterprises, as well as micro enterprises, have also been supported. "From school to work" transition programs have been introduced.

The approach to poverty, unemployment and social policies aims to be multi-dimensional: i.e. inter-sectoral, inter-departmental and national issue. Examples of programmes building on this approach include e.g. the following schemes:

- Health: free health care for children from birth to seven years, free treatment for pregnant women;
- Education: school feeding scheme, early childhood development, non-fees paying schools
- Youth commission: youth fund for SMMEs and start-up capital
- Labor: SMMEs, wage determinations
- Social development: social security, funded anti-poverty programmes focusing on rural women, welfare services
- Water Affairs: free basic water and sanitation schemes
- Housing: free housing schemes

As a conclusion, RSA aims at moving towards comprehensive social policy but, for the time being, social policy remains incomprehensive. Social policies are often being separated from economic policies. Structural unemployment is also a big issue that needs to be tackled. There is also a group of working poor, whose wages are not sufficient for decent living. The social security has remained incomprehensive, and there are disagreements over poverty definition and measurement between income poverty measures vs. social wage.

2.5. Namibia: Social Welfare Sector Reform Implies Policy Reorientation [60]

This item describes the challenges of and lessons learned from a comprehensive reform programme of the social welfare sector in Namibia. The exercise was implemented through a flexible programme approach that was led by the Namibian Ministry for Health and Social Services and supported by Finnish development aid in 1995-2004.

[60] This item is based on the presentation by Petronella Masabane and Ronald Wiman for the Kellokoski event

Namibia has a population of about 2 million and most of its area is very scarcely populated. Income distribution is one of the most unequal in the world. Regional disparities are considerable. Income and wealth differences between ethnic groups are wide. There are also parallel large differences in the availability of and access to basic services.

Finland and Namibia have very long historical ties. Development cooperation with the independent Namibia has been intensive. The Health and Social Sector Support Programme (HSSSP) was launched in 1995. The focus was on management capacity building and improvement of service delivery in regions. One of the components addressed the Directorate of Social Services. This component was supposed to introduce "a challenging vision for a comprehensive approach to the promotion of health and well-being."[61].

From the start, the first challenge was that the Directorate of Social Services was rather marginalized within the Ministry. The other challenges to be addressed were:

- weak management capacity
- limited service delivery capacity
- great differences that existed in availability and access to social services and assistance between regions and population groups
- lack of a systematic management information system
- orientation of staff to case work rather than to a developmental approach
- need for restructuring of the Directorate of Social Services to support a preventive and developmental approach

The work was done through "a participatory process approach". This involved the empowerment of the leadership through leadership training, self-evaluation and analysis of the tasks of each manager. All staff participated in the situation analysis as well as in the designing of a vision, mission and development objectives of the sector. Then Logical Framework Approach (LFA) was used to derive yearly work plans form the overall objectives.

[61] Ministry of Health and Social Services, Namibia 1995, p.14

The New Mission of the Directorate of Social Services in Namibia
Our Mission

To contribute to the social and economic development of Namibia
by designing and implementing a developmental, community-centred and participatory social welfare policy;
which will promote the social well-being, mental and physical health, active participation and self-reliance of all inhabitants;
and promote the functioning of families and communities;
through empowerment, preventive and developmental community work;
and by measures that maintain and strengthen the coping capacities
of individuals and families;
especially advocating for people who have special needs, and those who are poor, disadvantaged or vulnerable.

The situation analysis led to choosing the following medium term objectives for the social welfare sector:

1. Upgrading the capacity of the focal point at ministry level;
2. Enhancing the functions of the social welfare sector in national development;
3. Improving the service delivery programmes and advocating for the protection and rights of children and women as the first medium term priority;
4. Poverty reduction.

The HSSSP programme resulted in upgraded capacity and restructuring of the Directorate, reorientation of staff, and improved intersectoral cooperation. Satisfactory progress was made also in review of legislation, the establishing of the Social Welfare Information System (SWIS), and the revision of the Social Assistance System (SAS). Social Welfare Policies were reviewed and both plans and operations were aligned toward a developmental approach. A formal approval of a policy document was not achieved as Government decided to divide the social welfare sector into several components, to restructure Ministries and shift e.g. women's and children's affairs to a ministry of its own. Social welfare issues related to veterans were also separated from the mainstream systems. Social security was transferred to the Ministry for Labor and Social Security.

While the social welfare sector developed and modernized itself in many ways during the programme, a breakthrough toward a comprehensive approach and system was not achieved. The main reason for this was, in the end, lack of high-level political support. The background for this was obviously that the process was anchored too low and the political decision-makers were not involved. The lesson is that Social

Policy is also politics. The coherence of Government policies can only be ensured if there is high-level political backing.

The other lessons included the following:

- Comprehensive reforms require a full revision of the policy orientation as well as that of the orientation of all staff;
- Intersectoral collaboration is necessary and must be structured (multi-stakeholder forums and structures);
- Intersectoral coherence needs to be secured, and that requires political high-level involvement;
- Post-conflict realities require special consideration in order to give appropriate attention to the needs of veterans;
- Participation is the key to ownership and motivation of staff;
- Twinning (South-North, South-South) and the building of institutional relationships support effectively systemic change, mutual learning and builds up capacities of both participants;
- Lack of qualified personnel is a major constraint particularly at district level;
- The Ministry of Health might not be the right place for developmentally oriented social policy;
- The time line for major reforms is usually far too short.

Frog leaping is a pipedream in social development but a participatory approach has a high power in building capacity and making a decisive turn in the long term development course

3. Responses by International Agencies and Donors

This chapter describes some of the most recent responses to social development challenges by global players. It is not intended to be a full account of the activities of the agencies. Rather the focus is on new, innovative approaches.

3.1. Regional Social Policies: Challenges and Opportunities[62]

3.1.1. The Evolving Scene

Global multilateral negotiations on policies are challenging. Regional formations can provide a functioning option for achieving feasible modes of collaboration and enhanced influence over policy developments. They can also broaden the available policy alternatives and can help to regionally 'lock in' internationalizing flows of finance, production and labor. One positive outcome can be achieved in softening the social consequences of regional trade agreements. At the same time, regional formations can help to transmit increased ODA or revenues from the envisioned global taxes.

The possibilities for regional progress and innovations in social policies have repeatedly been overshadowed by trade agreements and other economic concerns. The social policy dimension of existing regional organizations, such as Mercosur, ASEAN, African Union and SADC has in many cases been narrow. Social policy concerns have to 'compete' with more open trade agreements. However, recent years have brought some important progress. As for example, the social policy framework of the African Union is one remarkable step (see next chapter) towards regional social policies.

Mercosur has also a social dimension, but it remains to be seen whether that dimension can survive the creation of the free trade project of the FTAA. Mercosur aims at the free movement of production factors, whereas the FTAA is concerned with market access and seeks to internationalize the NAFTA model across the Americas.[63] The FTAA project has faced much resistance both nationally and internationally. Some of this work has been geared towards pursuing regionalist internationalization strategies that include also social policy.

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[62] This sub-chapter is based on the Working Paper from the High-Level Symposium on the Social Dimensions of Regionalism by Nicola Yeates and Bob Deacon (2006) and a presentation that Deacon gave at Kellokoski

[63] Vaz n.d.; Anderson 2001 in Yeates and Deacon 2006

The South Asian Association for Regional Cooperation (SAARC) has included integrated social issues on the agendas of its summits. In 1997, a regional food security reserve was established. In 2002, SAARC signed a regional convention for the promotion of child welfare and a regional convention on the prevention of trafficking of women and children for prostitution. At the same year, SAARC tuberculosis centre was established to coordinate national programmes.[64] The Summit Declaration of 2005 included several social policy initiatives: e.g. the SAARC Decade of Poverty Alleviation; a regional food bank, a Poverty Alleviation Fund, and new resolves to address natural disasters, pandemics, and the trafficking of women and children.[65]

There is a social policy dimension attached to several regional groupings, and this dimension should be fostered in order to address region-wide social problems and to maintain labor, social and health standards. At the moment this work is often conducted by regional civil society organizations and, to some extent, the regional secretariats of inter-governmental organizations, but not so much by governments themselves.

3.1.2. African Union: Towards Regional Social Policies [66]

Although each African country has a number of policies on some social issues, none has implemented a comprehensive and coherent social policy. In April 2005, the African Union published a draft Social Policy Framework (SPF) that aims at changing this situation.[67] It relies strongly on regional cooperation in the drafting, implementing and monitoring stages. The Framework complements recent initiatives such as the MDGs and the HIPC. In comparison to these, as well as to the New Partnership for Africa's Development (NEPAD), the action areas set out by the SPF are much broader. One particular reason is that SPF includes also the human resource development for the labor market.

The underlying principles of the SPF are to foster investments and social integration. Furthermore, the framework aims at combining employment *and* income distribution policies for poverty reduction. The objective is sustainable social development focusing on social integration with access to basic social services. Development process is seen as multi-dimensional; including social, economic, political and cultural aspects. Social integration is seen as prerequisite to growth and success. Employment is seen as a catalyst for economic growth and social well-being, not just a consequence of other policies.

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64 ICSW 2003 in Yeates and Deacon 2006

65 Yeates, Deacon 2006

66 This item is based on the presentation of Mr. Kamel Esseghairi and the African Union (2005) document "Social Policy Framework for Africa"

67 African Union 2005

The policy directions of the SPF encompass eight pillars:
1. Social protection
2. Basic infrastructure
3. Education (including vocational training)
4. Health (including endemic diseases)
5. Population and Development (including Gender)
6. Community participation
7. Agrarian reform and
8. Labour market

Each pillar embraces one policy area. With respect to this, the SPF includes fifteen core regional programmes. They are social protection; basic infrastructure; education; health; gender; community participation; agrarian reform; labor market and poverty monitoring; urbanization and habitat; food and nutrition; statistics system; governance; development research; capacity building; and inter-dependent Africa. After adoption of the SPF, each of the regional programmes (and their sub-programmes) will be developed by multi-disciplinary teams coordinated by the AU Social Affairs Department with support from its traditional partners. These include ECA, ADB, Specialized Agencies of the United Nations system etc. Implementation of the SPF calls for concerted action by the United Nations and the AU. A meaningful ownership by the countries requires that they are fully involved in formulation of the programmes.

The Framework calls for the mobilization of and the input from various national and international players. These include governments and parastatals; international, regional and sub-regional development bodies; donors; inter-governmental organizations; labor organizations; associations, NGOs and other groupings; private organizations; and universities and research centers. With respect to states, capacity building is a critical element. The potential of local universities and research centers to make input into development issues should be utilized. The same holds true with civil society NGOs and private sector organizations in Africa.

According to the SPF, capacity building should also be done at sub-regional and regional levels, embracing the following major activities:
- establishment of national networks and coordination with sub-regional and regional networks
- sub-regional surveys based on the network members' policy
- training programmes and experience sharing among the network members
- documentation service, particularly exchange programmes open to persons outside the network

The impact of the SPF policy will be evaluated through indirect, direct and final beneficiaries. In order to evaluate qualitatively the final beneficiaries there is a need to organize them better in the form of NGOs and national associations. The direct or final beneficiaries comprise of the African populace in general. Particular groups include women; youth; disabled persons; marginal populations; the unemployed seeking first employment; long time unemployed; persons in their third age; retired persons; HIV/AIDS infected and affected persons; migrant workers; refugees; and street children. Capacity building is an important issue also for beneficiaries.

3.1.3. Livingstone Call for Action

The Livingstone Call for Action[68] is an outcome statement of an intergovernmental conference held in March 2006. The conference was co-organized by HelpAge International and the Government of The Republic of Zambia, who hosted the conference with the support of the African Union. The title of the conference was "A Transformative Agenda for the 21st Century". The participants included ministers and senior representatives from 13 African countries (Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mozambique, Namibia, Rwanda, South Africa, Tanzania Uganda, Zambia and Zimbabwe) as well as Brazil, UN agencies and NGOs. Development partners from Finland, Germany, Ireland, Norway, Sweden and the UK participated as well.

In The Livingstone Call of Action the conference noted, among other issues, that:

- "Social protection is both a rights and an empowerment agenda;
- Considerable evidence exists that social transfers have played a key role in reducing poverty and promoting growth;
- Addressing generalized insecurity and inequality through social protection is proven to be an integral part of the growth agenda, particularly when provided alongside services promoting economic activity."

The delegates agreed on several major issues related to comprehensive social policies. The participating African governments will put together cost-estimated national social transfer plans within 2/3 years. These will be integrated within National Development Plans and within National Budgets, and it is expected that development

[68] See HelpAge International News website

partners can supplement them.[69] Social transfer programmes will be utilized more as a policy option. The participants also called for "reliable long term funding for social protection–both from national budgets and development partners."

The dialogue and exchange of experiences on social protection will be institutionalized with bi-annual conferences arranged by the African Union. Agreements of The Livingstone Call for Action will be taken forward by the AU; participating governments; and also by the donor countries. An outcome document and a full report is available from HelpAge International [70]

3.2. Global Civil Society Organizations and Networks

The number of world scale transnational non-governmental actors (NGA) has grown fast. Since 1990 the number of multinational corporations almost doubled (from 35 000 to 61 500 in 2003). The number of NGOs in consultative status with ECOSOC has also grown exponentially and all but tripled in the 1990s from 1000 to 2500. There are large global NGOs (World Vision, Oxfam, ICSW etc.). Additionally, there are foundations (Soros, Gates, Rockefeller etc.), global think tanks (Davos Economic Forum, World Social Forum etc.), universities with their development agencies etc.

The number of development agencies actually operating in the field in partner countries has grown very fast. Official development assistance has dropped. Private investment has grown past ODA. Non-Governmental Actors (NGAs), including the business sector, have gained an increasing role in national and international development. Partnership arrangements with various private and public agencies have also become common.

At Kellokoski meeting four globally operating Civil Society Organizations and semi-governmental networks were represented *The International Council on Social Welfare (ICSW), HelpAge International HAI), Network-IDEAs (International Development Economics Associates) and International Social Security Association (ISSA).*

[69] Government of the Republic of Zambia & African Union 2006 and HelpAge 2006
[70] HelpAge International HAI social protection

3.2.1. ICSW: Networking Globally for Rights-based Social Policy [71]

The International Council on Social Welfare (ICSW) is a global non-governmental organization. It represents a wide range of national and international member organizations. "ICSW's basic mission is to promote forms of social and economic development, which aim to reduce poverty, hardship, and vulnerability throughout the world, especially amongst disadvantaged people. It strives for recognition and protection of fundamental rights to food, shelter, education, health care, and security. It believes that these rights are an essential foundation for freedom, justice and peace. It seeks also to advance equality of opportunity, freedom of self-expression and access to human services "[72]

ICSW's Global Programme has seven components. They are related to leadership, advocacy and networking in social welfare and social development issues nationally, regionally and globally. The organization works, for instance, toward the universal access to health, socio-economic security and social provision in developing countries. The first major technique that ICSW uses to achieve its South objectives is through North-South cooperation and partnerships. ICSW believes that the South can be better served through ICSW's cooperation with research institutes with a global social policy focus. These arrangements include an agreement with the journal Global Social Policy.

ICSW provides financial assistance to the journal and makes the journal available to all ICSW members. The second technique is South-South policy dialogue and exchange of good practice. This is linked to the ICSW's focus on strengthening civil society's input into regional groupings of governments. Leverage can be gained by South actors learning from each other. Both North-South and South-South initiatives are carried out in long term. Civil society is not powerful in the context of political balance/decision-making. It will take many years of concerted effort for civil society to become a major contributor to the formulation of government budgets. ICSW is running programmes at regional level on strengthening national councils and increasing civil society influence on government budgets.

The International Council of Social Welfare has cooperated with Finland for a long time. During the preparations of the World Summit for Social Development, ICSW organized its World Conference in Tampere, Finland, in 1994. The Conference Declaration advocated strongly for an inclusive and broad social policy agenda towards 'A Society for All' and 'One World for All'.

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[71] This item is based on the presentation by Denys Corell

[72] International Council on Social Welfare -- Global Programme 2005 to 2008, rtf document).

ICSW-Finland had its representative in the official Finnish Government Delegation to the Copenhagen Social Summit, and has since then had its representative every year in Finland's Delegation to the UN-CSocD.

The ICSW was represented in the Arusha Conference by their Tanzanian and Finnish national committees, by their African regional president and their global office, located in the Netherlands. The Tanzanian and Finnish national committees launched, immediately after the Arusha conference, their mutual discussions with the aim of establishing a long-term twinning relationship between the two partners. The Global ICSW and the Finnish ICSW Committee also actively dialogued with the Finnish organizers during the organizing phase of the Kellokoski event. ICSW and the Finnish ICSW Committee were partnering also with the organizers in the organizing of the Kellokoski event.

The ICSW Global Conference in Brasilia, the capital of Brazil, in July-2006, provided an opportunity to move forward the discussions about the new frontiers of social policy, from a civil society organisations' perspective. [73]

3.2.2. HelpAge International: Making the Case for Social Transfers [74]

HelpAge International is a global network of over 200 affiliates and partners in over 60 countries. It has 10 international offices, four of which have a regional remit. Its mission is to work with and for disadvantaged older women and men worldwide to achieve a lasting improvement in the quality of their lives. It raises awareness on ageing, develops policy and practice to tackle poverty in old age and age related discrimination through programmes, participatory evidence, research and advocacy. HelpAge International has partnered with a range of development and UN agencies as well as national governments in the developing world in policy design and practical applications of social policy, including social protection schemes, HIV/AIDS responses and furthering human rights across the life course.

The challenge of ageing is growing fast in developing countries. Presently the proportion of the 60+ age group is 1:12. By the year 2050 it will rise to 1:5. About 80% of older women and men do not have regular income and often work in the informal sector until very old age. In families they are often the primary carers of children affected by HIV/AIDS and adult migration. They are seldom included in donor-supported development and emergency programmes. Even though the UN

[73] See ICSW Global Conference website

[74] This item is based on the presentation by Sylvia Beales

member states made a commitment in 2002 to halve the numbers of older people living in poverty by 2015, the numbers of older people in poverty continue to rise and they make up an increasing proportion of the poorest in the poorest countries.[75]

Social security in old age is a right enshrined in the international human rights framework. In developing countries investment in non-contributory social pension schemes has brought beneficial social and economic benefits for both recipients and their dependents. For instance, a non-contributory pension recipient in the household reduces the probability of household poverty by 21% in Brazil and 11% in South Africa. Girls in pension recipient households in South Africa are on average 3-4cm taller than girls of the same age in non-recipient households. Investment in the pension brings economic benefits through employment. In South Africa evidence shows that members of households with a pension are more likely to look for employment; preliminary research on the impact of the social pension in Lesotho show that 18% of recipients use their pension on creating cash jobs for others.

Social pensions have the potential to empower older women and men and support their capacity to contribute fully to family and community. Regular cash income enables families e.g. to educate their children, to access other basic services, to improve nutrition and reduce general vulnerability of the household, especially those struggling with the impact of HIV/AIDS. Pension schemes therefore contribute to the achievement of the MDGs on poverty and hunger, health and education. Older women in particular benefit, and women tend to live longer and also carry the burden of caring for dependants. Universal (as opposed to means tested and conditional) schemes are simpler to administer, they are transparent, do not stigmatize the recipients, do not create work disincentives, and are gender neutral. According to ILO estimates, social pension and disability allowance schemes are also affordable, absorbing less than 4% of GDP. A recent ILO study in Tanzania estimates that investment to social pension would in return reduce poverty nationwide by 40%.

Development partners can support dialogue on social protection, the dissemination of evidence on existing schemes, help build capacity at national level, and support the implementation and governance of social protection schemes through pilots and exchange programmes. The challenge is still to deal with impact assessment, evidence and the data gaps. Greater profiling of the effectiveness of social protection in aid dialogue is needed. Political will at developing country level will be enhanced by increased understanding on the impacts, costs and institutional arrangements for social transfers, as well as on partnerships that would work in particular contexts.

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[75] Ref. Madrid International Plan of Action on Ageing, UN April 2002

Opportunities for the enhanced profile of social protection present themselves through increased aid budgets following G8 decisions in 2005, and through renewed focus on effective aid modalities that deliver essential services and clearly target the poorest people in the poorest countries. Nevertheless the aid architecture's increasing focus on direct budget support requires recipient governments to prioritize social protection within national development programmes and budgets. This calls for advocacy and support to the beneficiaries to empower them to demand their right to social security. Social protection programmes need therefore to be a clear priority in mainstream development agendas and supported with long term, predictable aid.

HelpAge International organized – in close partnership with the Government of Zambia, the African Union Commission, the German aid agency GTZ and the British aid agency DFID – a major Conference on Social Protection in Africa in March-2006 in Livingstone, Zambia.[76] In the Livingstone Conference participants from 13 African (SADC) governments, 6 donor governments (Finland, Germany, Ireland, Norway, Sweden and the UK), the ILO, other UN-agencies and the AU Commission familiarized themselves with the Kalomo Pilot Cash Transfer Scheme[77], and discussed the broader challenges of systematic, institutionalized social protection and other aspects of comprehensive social policy. In order to ensure that the huge mobilisation of public opinion in 2005 against poverty and for the achievement of the MDGs is not lost, donor governments need to support the goal of access to essential services for all with resources and commitment to the universal provision of transfers to older people, people with disabilities and to children.

3.2.3. The Network-IDEAs, International Development Economics Associates: Rethinking Development Economics

IDEAs, the International Development Economics Associates is a pluralist network of progressive economists across the world, engaged in research, teaching, and dissemination of critical analyses of economic policy and development. Its members are motivated by the need to strengthen and develop alternatives to the current mainstream economic paradigm as formulated by the neo-liberal orthodoxy. The organisation is based in the South and led by economists based in several developing countries, but membership of the network is open to all those committed to developing and using alternative non-orthodox tools of economic analysis appropriate for meeting development challenges.

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[76] See Helpage website

[77] See: http://www.socialcashtransfers-zambia.org

IDEAs was established in September, 2001, following a conference in Cape Town, South Africa, on "Rethinking Development Economics" organised by UNRISD with the support of Ford Foundation. The current Executive Committee was chosen at that conference, with the mandate to establish and build the IDEAs network. With financial support from UNRISD, a secretariat was set up in New Delhi in October 2001.

Concern with the development process has been central to the study of economics from its inception. However, the study of development economics, which emphasized structural change and systemic processes, has been increasingly marginalized in the teaching and study of economics. Simultaneously, the policy approaches that emphasized market regulation and collective action (including government intervention) to promote sustainable growth with justice, human rights and democratic participation, have also lost ground in both developed and developing countries.

These processes have been associated with the rise to dominance of the neoliberal paradigm propagated by political establishments in some developed countries through powerful multilateral economic institutions. Such hegemony has been accompanied by efforts to dismiss, discredit and displace other theoretical and applied work in economics. And this is occurring in a context in which developing economies across the world are facing acute difficulties, partly induced (and often aggravated) by policies of adjustment, stabilization and liberalization derived from standard neoliberal premises.

Since the current mainstream economic paradigm, as formulated by neo-liberal orthodoxy, has failed to achieve sustainable, equitable and participatory growth, it is believed necessary to build an international network of progressive economists engaged in the teaching, research and utilization of development economics.

The Objectives of the Network-IDEAs (International Development Economics Associates) are:

1. Building a pluralistic network of committed researchers, teachers and other economists interested in advancing progressive heterodox approaches to critically analysing and addressing the problems of economic development processes.
2. Developing, consolidating and promoting such approaches and strengthening economists receptive to, and willing to collaborate in developing, such approaches.
3. Providing better facilities, access to information and analysis, and greater possibilities for interaction and co-operation among such economists and development practitioners.

4. Developing resources – ranging from basic theoretical methods and tools, to empirical analyses of concrete and specific situations - as well as related teaching and study materials, and widely disseminating such resources.
5. Facilitating closer cooperation with sympathetic and interested government, inter-governmental, non-governmental organizations and other social movements seeking to promote more sustainable and equitable economic development.
6. Recognizing, appreciating and promoting excellence in activities that advance these objectives.

During the World Social Forum in January-2007, in Nairobi, the Network-IDEAs organised two seminars under the theme *'Strategies for Economic Justice under Globalisation',* and a major conference on *'Sustainable Employment Generation in Developing Countries: Current constraints and alternative strategies'* . [78]

3.2.3. ISSA – International Social Security Association: Social Security for All[79]

ISSA is a network and umbrella organization of public and private social security institutions around the world. It has about 400 members. It promotes social security through dialogue, research and information dissemination. It encourages the incorporation of appropriate measures of social protection into financial and economic policies. Its objective is *"to co-operate, at the international level, in the promotion and development of social security throughout the world, primarily through its technical and administrative improvement, in order to advance the social and economic conditions of the population on the basis of social justice."*

One of ISSA's key aims is the **extension of social security coverage**, especially in the societies of the Global South where still today only very few people benefit from institutionalized social security. ISSA seeks to promote this objective by creating a global "Social Security Observatory" to serve as a user-friendly global portal for everything related to social security, social protection and broader social policy and social justice issue). ISSA is eager to be part of and to roaden/strengthen partnerships with likeminded partners all over the world, in both developing and donor countries.[80]

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[78] For more about Network-IDEAs, see: website

[79] This item is based on the ISSA website (http://www.issa.int/engl/domact/secsoc.htm) and the inputs by Mr. Alejandro Bonilla-Garcia

[80] For more about ISSA, see: website

ISSA has developed a Social Security Worldwide database[81] that covers six different databases on social protection:

- *Scheme Description*
- *Complementary and Private Pension*
- *Reforms*
- *Legislation*
- *Bibliography*
- *Thesaurus*

Recent conference themes have focused on e.g. "Social benefits and employment" and "Social security as an instrument for socials cohesion- possibilities and limitations". Technical expert's meetings have been organized for groups of countries. This arrangement allows for deeper analysis of specific social security issues.[82]

One of the great concerns in the social security field in developing countries are the pilots. Limited pilot projects, while possibly beneficial and successful, are not sustainable unless they become national projects.

The Secretary General and the Council of ISSA have formulated the following strategic visions for what they call the "New ISSA". These visions for ISSA are:

Vision 1: to improve the quality and positioning of social security services by providing the knowledge base that corresponds to the diverse and changing needs of its global membership.

Vision 2: to promote and defend the case of social security for all by developing actions that can lead to improved knowledge about new social security developments and to increase social security coverage of populations around the world.

Vision 3: to strengthen the representation and voice of its member organisations at international level by taking a leading role in the development of a social security partnership.

"Social security is the only way of to secure the social dimension of globalization. The question is therefore not if we can afford social security, but rather if we can afford not to invest in it. Countries with strong social security systems are also leaders in competitiveness and social peace." [83]

[81] http://www.issa.int/fsd4/infobases/engl/page1.htm
[82] http://www.issa.int/engl/domact/secsoc.htm
[83] Hans-Horst Konkolewsky, Secretary General of ISSA in ISSA 2005

3.3. The UN Department for Social And Economic Affairs: Guidelines on Social Policy [84]

The UN-DESA has observed that inequality has risen during the last decade both within countries and between countries. It has concluded that "the comprehensive vision of social development agreed upon at the World Summit for Social Development ought to dominate and shape the agendas of national Governments and international organizations so that the strategic benchmarks identified in the Millennium Development Goals and the larger objectives of sustainable and equitable social and economic development can be achieved." [85]

The UN-DESA identifies four areas that require attention in order to achieve social development:

- global asymmetries deriving from globalization need to be redressed;
- reduction of inequalities need to be incorporated in poverty reduction policies and programmes;
- expansion and improvement of opportunities for employment should be given priority;
- social integration and cohesion must be promoted as key to development of peace and security.

The UN-DESA has concluded that the rise of inequality has been a result of the choice of economic and social policies applied in the last two decades: economic growth, measured in terms of GDP/capita, has been the dominant goal in the 1980s and 1990s, while equity and redistribution have not been on the development agenda. This is the case despite their legitimacy as social goals and the positive impacts on economic success. UN-DESA refers to recent studies which show the negative impacts of inequality on growth and poverty reduction: redistribution is not antagonistic to growth. Similar views are shared by UNICEF, UNDP, WHO, UNCHR and ILO.

The standard policy advice of the 1980s and 1990s has often caused poverty and inequality, interrupted nation building processes, and sometimes led to political instability and conflict. Often, sustained growth occurred in countries that did not follow the standard economic policy advice of the Bretton Woods Institutions. For low-income countries, the approaches embedded in the PRS may not be enough –

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[84] This item is based on UN documentation and the inputs by Sergej Zelenew and Isable Ortiz to the Kellokoski Meeting

[85] UN Department of Economic and Social Affairs, 2005

more rigorous and goal-conscious policies are required to reverse the alarming growth of inequality. Additionally, the PRS process is not applied everywhere, only in low-income IDA countries, so middle-income countries also need to consider new policies to build more equitable societies.

At the 2005 World Summit, governments committed themselves to designing and supporting *more ambitious equitable National Development Strategies, in accordance with internationally agreed development goals,* backed by increased international support.[86]

Following this mandate, the UN-Secretariat – in collaboration with UNDP, Unicef and UNRISD – have been working on Policy Guidance Notes. A number of drafts on vital policy areas have been drafted in cooperation with economists and sector specialists e.g. on Macroeconomics and Growth; Finance; Technology; Public Investment Management; Trade and Social Policy. While acknowledging the need for context-specificity – i.e. that policy choices will always have to be tailored to the country-specific situations of each society – the Guidance Note drafts aim at providing analytic alternatives to the narrow "one-size-fits-all" approach that has dominated development discourse during the 1980s and 1990s. Planners and policy-makers who know the specific constraints and opportunities of their societies and regions will benefit from having a menu of coherent policy alternatives to choose from in order to promote robust domestic growth, employment, equity and social cohesion – integrating economic and social development.

The Draft Policy Note on Social Policy, gives insight to the functions of comprehensive social policies in national development strategies as well as step by step advice on how to prepare a development strategy for enhanced employment, social protection, education, health, social inclusion, equity and poverty reduction.

In the note, social policy is defined as an instrument applied by governments to regulate and supplement market institutions and social structures. It is a *social contract* between the state and its citizens. Social policies have both instrumental and intrinsic functions, such as the following:

Instrumental functions of social policy

- Enhancing human capital and productivity
- Boosting consumption and domestic demand, thus encouraging economic growth
- Securing political support of citizens to governments
- Preventing conflicts and creating stable and cohesive societies

[86] UN General Assembly 2005

Intrinsic functions of social policy

- Social justice, providing equal opportunities and equitable outcomes
- Enhancing accountability of public policies – bringing people into the centre of policy making and mainstreaming their needs and voice across the sectors.

The above quoted Draft Policy Guidance Note discusses also a number of social policy instruments for the promotion of inclusive societies e.g. in the sectors such as employment and labor, education, health, and social protection. It presents innovative approaches across the world, from high-impact programmes like Brazil's *Zero Hunger* to social pensions in Africa. Most importantly, the draft Policy Note shows how employment and equity are a result of a different choice of macroeconomic and social policies, focused on job creation and redistribution. The Draft Note also discusses the problems associated with targeting and supports adoption of universal policies in developing countries.

The document concludes that the current trends of increasing inequality need to be managed better to make globalization benefit all, instead of only a few. There is an urgent need for better global governance to reduce world's poverty and social inequities. The new instruments of development aid, such as Direct Budget Support (DBS) and Sector Wide Approaches (SWAPs), are good tools for international redistribution, adequate to achieve social development and more just and cohesive societies for all. For this, it is essential that SWAPs and DBS be used as instruments of redistribution, this is, that they reach people in communities, and are not utilized to sustain institutions (e.g. a Ministry) or development processes (e.g. completion of an MTEF or PRSP), or are simply fast and easy disbursing mechanisms of donors aid budgets.

Apart from the Social Policy Note, the UN-DESA is also pioneering support for *regional* social policies, assisting countries to tackle cross-border social issues, as a first, realistic step in individual governments' efforts to be part of and to influence global social policies. A highly successful regional social policy event was organized recently, in November 2006, in Johannesburg, South Africa: Ministers and Senior Officials from 13 SADC-countries of Southern Africa came together, discussed their country specific and common regional challenges of comprehensive social policy, and declared their support to increased regional cooperation in the fields of social and employment policies. The Ministerial Johannesburg Declaration and the draft regional strategy "Towards and African Regional Social Policy" were endorsed by the 13 SADC ministers and Senior Officers present in Johannesburg. They are both reproduced in Annex-1 of this publication.

3.4. The World Bank: Identifying New Frontiers of Social Policy [87]

The recent analytic work of the World Bank has re-examined also the perspectives of the Bank to social development. For instance, the approach of the World Development Reports (WDR) has evolved from the last resort safety nets approach to examine the broader institutional prerequisites for development. In the course of the 1990s, the WDR 1990 framework that emphasized labour-intensive growth and the provision of services was reviewed and revised. *The WDR 2000 "Attacking Poverty" adopted the multidimensional and dynamic approach to the concept and the causes of poverty. Poverty involves material deprivation, low human development, lack of voice and acute vulnerability to various shocks. Also "soft data", interviews of poor people themselves, were used to get a grip of the reality of poverty. The poor were seen as agents of action of their own lives. The role of institutions and inequalities were acknowledged. Poverty reduction strategies were built on the conceptual framework containing three mutually reinforcing pillars: opportunity – empowerment – security.[88] This multidimensional conceptualization set the stage for a more comprehensive approach to poverty reduction by the Bank.

The WDR of 2006 [89] focused on equity and development. It was noted that inequalities result in waste of human capital and that more equal opportunities boost growth and reduce poverty more effectively than economic growth alone. The Report called for levelling the playfields both in domestic and global arenas to create more equal opportunities for people and countries. At the same time, the WDR 2006 warns of the disincentive effects hidden in badly designed equity policies.

Recently, the traditional growth agenda has been challenged also by the World Bank's internal "Independent Evaluation Group" (IEG). The IEG concluded in December-2006 as follows:

> *"Strategies aimed only at boosting overall growth may miss opportunities to reduce poverty more effectively. High and sometimes worsening income inequality has dampened the poverty-reducing effect of growth. Growth delivers poverty reduction more effectively when it occurs in sectors and regions where most of the poor live and derive their incomes and when it results in strong job creation."* [90]

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[87] This item is based on the documents and websites of the World Bank and the inputs of Anis Dani and Jens Sjorslev at the Stockholm and Kellokoski meetings

[88] World Bank 2000

[89] World Bank 2006a

[90] World Bank 2006b

* Word Bank 1990

Social development had been rising on the Bank's agenda since 1995 when James Wolfensohn became President of the institution. The Bank also participated in the follow-up of Copenhagen and expanded its activities in the social sectors, social protection and social development. In 1997, President Wolfensohn, expressed an idea that had much insight in it. At the Annual Meeting in Hong Kong, he told about an incident in Rio de Janeiro. He was visiting a water project in the favelas, slum area of Rio, and wondered what were the white pieces of paper people were waving in front of him. They were water bills.

> *"As I walked back down the hill from that favela, I realized that this is what the challenge of development is all about – inclusion. Bringing people into society who have never been part of it before. This is why the World Bank Group exists. This is why we are all here today. To help make it happen for people.* [91]

The World Bank is a huge and somewhat fragmented organization. In order to understand the Bank's role and approaches to *comprehensive* social policy, it is useful to clarify that the key social policy areas of *social inclusion* and *social protection* have been artificially isolated from each other into completely separate departments and even separate "sectors" and "vice presidencies" in the Bank's organogram.

This means that professionals of *comprehensive* social and employment policy in all governments and other international organizations have to deal with two World Bank departments. The professionals of the World Bank's Social Protection sector tend to be economists, while the Social Development Department professionals are typically non-economist social scientists.

"Employment" issues belong to the Social Protection department in the World Bank, but rather than using the concept *"Decent Work"* that e.g. the UN-ECOSOC, the UN-CSocD, the ILO and the EU have recently emphasized, the World Bank seems to prefer the (more market-oriented) concept *"Labour Markets"* when talking about employment related issues.

The Bank has incorporated Social Protection in its area of work towards poverty reduction. The mission of the Social Protection sector[92] *is "to assist World Bank country clients to alleviate poverty and promote equitable and sustainable growth through:*

- *Expanding* ***Opportunities****: Helping the creation of good jobs through better labor market regulations, active and passive labor market policies, and wage setting processes;*

91 Wolfensohn 1997
92 World Bank Social Protection website

- *Providing **Security**: Assisting in better managing risks to reduce vulnerability, securing an asset-base and being able to engage in higher risk/higher return activities;*
- *Enhancing **Equity**: Providing minimum levels of subsistence and helping to correct market based distributive outcomes.* [93]

The theoretical framework to the Bank's current concept of social protection, the Social Risk Management (SRM) framework was developed in late 1990s. In fact, the Finnish Delegation to the UN-CsocD was already at that stage engaged in a close conceptual dialogue with the Bank's Social Protection Department, trying to argue in favour of the benefits of the *universalistic* principles in SRM. The concepts of *"risk"* and *"vulnerability"* that are embedded in the Social Risk Management framework provide a dynamic conceptualization for poverty. Social protection instruments can help people manage risks and prevent unacceptably large welfare losses. Credible social protection is seen as enhancing growth as it has the potential to unlock and mobilize people's human potentials.

The World Bank's current approach to S*ocial Development* focuses on "transforming social institutions", i.e. "empowering people by creating more inclusive, cohesive and accountable institutions". The Banks Social Development Strategy (2005) is an umbrella for the Bank's Social Policy Programme.[94] Social protection does not belong under that programme in the Bank's organization.

The Social Policy Programme organized the Conference on "New Frontiers of Social Policy", in Arusha Tanzania, in December 2005, with financial support from Finland, Great Britain, Norway and Sweden. The purpose of the Arusha Conference was to explore appropriate wider concepts of social policy that would suit in developing country context. The conference brought together policy makers, academics and development practitioners from all regions of the world.

The outcome document, the Arusha Statement[95], identified three new frontiers of social policy:

- promotion of the transformation of people from subjects and beneficiaries into citizens with universal rights and responsibilities
- fostering an enabling, accessible, responsive and accountable state
- strengthening the capacities of states to mobilize revenue from their citizens

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[93] World Bank Social Protection website
[94] World Bank Social Development website
[95] *ibid*

The Arusha Conference identified a number of new arenas beyond the traditional social policy sectors (education, health and social protection) where social policy principles should be applied. Such arenas are, for instance, market access for the poor, infrastructure, migration, empowerment of the poor by using legislative instruments, fiscal policies etc. The key message of Arusha was to expand social policies to all relevant arenas of life. It was further concluded that it is necessary to understand the country context as well as the relevance of sub-national and trans-national structures and processes.

In the context of the "external drivers", the new social development strategy and the recent World Development Reports, the Bank is exploring new operational challenges. These include e.g.

- Mainstreaming of social inclusion and addressing structural inequalities
- Governance and accountability
- Social cohesion and risk management
- Conflict prevention, managing disasters, mitigating development induced risks

In short, the challenge is to expand the understanding what social policy is or should be and what are the relevant instruments in developing country context.

3.5. ILO: the Decent Work Agenda and Social Protection as Affordable Investment in Economic and Social Development[96]

The International Labour Office (ILO) mandate, as expressed in the Declaration of Philadelphia, is to create the conditions of "freedom and dignity, of economic security and equal opportunity" in which "all human beings, irrespective of race, creed or sex, can pursue both their material well-being and their spiritual development"[97].

The pursuit of such a vision demands an array of programmes ranging from the promotion of rights at work to institutional development. It requires the scope of ILO activities to extend from the workplace – or the workspace – to the economy as a whole. Decent work is a powerful tool in selecting the path to the attainment of the interrelated goals and human development outcomes of the Millennium Declaration.

[96] This item is based on the input by Mr. Krzysztof Hagemejer
[97] See International Labour Organization 1999; 2001; 2003; 2004; 2006

Ensuring decent work. Poverty elimination is impossible unless the economy generates opportunities for investment, entrepreneurship, job creation and sustainable livelihoods. The principal route out of poverty is work. The goal is not, however, just the creation of jobs, but the creation of jobs of acceptable quality.

Rights. People in poverty need voice to obtain recognition of rights and demand respect. They need representation and participation. They also need good laws that are enforced and work for, not against, their interests. Without rights and empowerment, the poor will not get out of poverty.

Social dialogue as a means and an end. Social dialogue requires participation and freedom of association, and is therefore an end in itself in democratic societies. It is also a means of ensuring conflict resolution, social equity and effective policy implementation. It is the means by which rights are defended, employment promoted and work secured. It is a source of stability at all levels, from the enterprise to society at large. People in poverty understand the need to negotiate, and they know dialogue is the way to solve problems peacefully.

Protection against vulnerability and contingency. Poor people are unprotected people. The earning power of those living in poverty is suppressed by marginalization and lack of support systems. Society has the responsibility to address the vulnerabilities and contingencies which take people out of work, whether these arise from unemployment, and loss of livelihood, sickness, disability, family circumstances or old age.

Social protection has been a core element of the ILO's mandate, virtually since its creation in 1919. The ILO enshrined its recognition of the need to provide an adequate level of social protection in the Declaration of Philadelphia in 1944. The Organization has developed a series of Conventions and Recommendations concerned with social security and social protection. Over time, the notion of social security as a basic human right has gained wide acceptance, and has been progressively developed in many other forums and legal standards. Moreover, the central role of social security is evident in the light of increasingly structured approaches to poverty prevention and alleviation, such as the development by many countries of Poverty Reduction Strategy Papers (PRSPs), and the targets set by the relevant Millennium Development Goals (MDGs).

Following the "new consensus" on social security reached by the International Labour Conference in 2001 and the launching by the ILO in 2003 of the Global Campaign on Social Security and Coverage for All, the World Commission on the

Social Dimension of Globalization promoted the idea of a socio-economic floor[98] for the global economy and indicated that social security and wider social protection had to become an important component of such a set of minimum social standard.

The ILO has always maintained that social security, if properly managed, enhances productivity by providing health care, income security and social services. And it is an instrument for social and economic development. While social security is a cost to enterprises, it is also an investment in, or support for, people and becomes even more necessary in the context of globalization and structural adjustment policies, in order to:

- maintain the productivity of workforces (notably ageing workforces) through investments in health care that, inter alia, combat new global health risks;
- make adjustments in employment by, for instance, providing training, retraining and job search arrangements, as well as by facilitating the integration of migrants;
- achieve a fair distribution of the proceeds of globalization, hence increasing acceptance of the process of global change;
- help to maintain social peace and global security that are necessary for stable long term economic growth, thereby creating the material basis for enhanced welfare for all.

The ILO policy development vision[99] focuses on building country specific effective and efficient national social security systems, affordable to countries at different levels of development. Such an approach has thus to be flexible, to accommodate to national circumstances; progressive, i.e. it has to permit a gradual build up of more comprehensive systems as societies mature (in an economic sense); and normative, i.e. it has to accept the benefit levels and entitlements at least at the level defined by the relevant ILO conventions.

The principal objectives of the social security development approach are: the fastest possible achievement of universal access to basic benefits to combat poverty; the reduction of income insecurity to the extent possible and compatible with economic performance; the reduction of inequality; the provision of benefits as of right; ensuring the absence of discrimination on the basis of nationality, ethnicity or gender; and ensuring fiscal affordability, efficiency and sustainability. ILO research and development in many countries prove that universal access to the basic social protection package even in poorest countries is affordable.[100]

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98 Report of the World Commission on the Social Dimension of Globalization 2004

99 Cichon & Hagemejer 2006

100 Pal *et al.* 2005; Mizunoya *et al.* 2006; Gassmann,and Behrendt 2006

Attention should first be focused on building up benefits with a strong investment character. These might include: child benefits facilitating access to basic education to help break the poverty cycle; access to health care as a means to help families remain above the poverty line by relieving them of the financial burden of medical care; housing which stabilizes populations and their health; and, finally, income support that alleviates poverty and creates the security people need to live a dignified life. We Social security in the poorest countries can gradually start with basic elements such as:

- access to basic health care through pluralistic national systems that consist of public tax financed components, social and private insurance components, equity funds and community-based components that are linked to a strong central system;
- a system of family benefits that helps to combat child labor and permits children to attend school;
- a system of targeted basic cash transfers programmes of social assistance associated with public work programmes and similar labor market policies (like cash for work programmes) that helps to overcome abject poverty for the able bodied; and
- a system of basic universal pensions for old age, invalidity and survivorship that in effect support whole families.

From that basis, national social security systems may grow and provide progressively higher levels of income security and access to better health care as countries develop and national fiscal space grows accordingly.

3.6. UNICEF/ South Asia: Social Policy as a Transformative Agent [101]

The UNICEF Regional Office for South Asia (ROSA) has been doing much work for supporting a global dialogue on appropriate social policies. South Asia is among the worst performing regions globally in terms of performance on the MDGs. The efforts of UNICEF therefore include analysis of MDG data on the countries of the region, conceptual work on transformative social policy from a child rights perspective

[101] Unicef was represented by Ms. Mariana Stirbu from the UNICEF Regional Office for South Asia (UNICEF-ROSA). The material provided by the UNICEF-ROSA is available at the Kellokoski website

– which stresses universality, the need for special efforts to overcome social exclusion processes, and urgency – and in-depth work on education and health policies, among others. This is underpinned by UNICEF programmes in each of the countries of South Asia.

The UNICEF Regional Office of South Asia held a workshop on transformative social policy in Kathmandu, Nepal, in May 2006. The outcome analytical report of this event, "*Social Policy in South Asia: Towards Universal Coverage and Transformation for Achieving the Millennium Development Goals*", presents a strong case for comprehensive – or 'transformative' – social policy. It is critical for the well-being of children, the report states, and also for the achievement of the MDGs.[102]

According to the report transformative social policy means policies that affect people's well-being and comprise social protection measures. In addition, transformative social policy influences economic development, equity, social reproduction, social and national cohesion, and the fostering of democracy. If social policy addresses these multiple roles, it can be considered transformative. It addresses the root causes of poverty, inequality, and social exclusion. By doing this, it helps to foster an inclusive and cohesive society.

Transformative social policy improves the condition of children by ensuring that basic social services are universal in principle. This is important because academic literature and UNICEF's work suggest that social exclusion in its various forms is the underlying reason for the MDGs not being met. Transformative social policy also builds the capacity of civil society to hold the service providers accountable for provision of quality services. By increasing the well-being of families (health, unemployment, housing, access to food) it improves the situation of children. The needs of children cannot be "postponed". Therefore, in order to meet the MDGs, the time to renew attention to social policy is now.

Furthermore, addressing the socially excluded groups may require additional "special efforts" to confront the challenges they face in accessing services. This is critical for achieving universalism, equality and non-discrimination in practice. For example, the mere provision of schools may not lead to increase in female enrolments, as other factors impede girls' educational access. These kinds of "special efforts" need to be distinguished from targeting that has often proved to be politically unsustainable and in some cases divisive, because they exclude large segments of population. Conversely, policies that incorporate "special efforts" should be geared to promote universalism.

[102] UNICEF 2006

3.6. The UNDP : Towards One UN[103]

UNDP is the coordinating representative of the United Nations at the country level. UNDP advocates for nationally-owned solutions to reduce poverty and promote human development. It sponsors innovative pilot projects; connects countries to global good practices and resources; promotes the role of women in development; and brings governments, civil society and outside funders together to coordinate their efforts. Much of UNDP's work centers on achieving the Millennium Development Goals.

As such, UNDP does not have programs aiming at comprehensive, universal social policies. However, their work on MDGs, employment policies, capacity building, as well as their human development approaches, have aspects that are relevant from the viewpoint of comprehensive social policy measures.

UNDP activities promoting employment for poverty reduction are mostly carried out under a Joint ILO-UNDP Programme on Employment for Poverty Reduction. The activities concentrate on:

- analytical work on different issues of the employment/economic growth/poverty reduction nexus;
- country studies on integrating employment strategies in the macroeconomic policy framework;
- support to countries developing overall employment strategies; and
- help in disseminating knowledge within and across regions through synthesis papers.

The organization advocates for raising the effectiveness of nationally-owned solutions for meeting the MDG-based poverty eradication strategies and helps to make them effective through ensuring a greater voice for poor people, expanding access to productive assets and economic opportunities, and linking poverty programmes with countries' international economic and financial policies. UNDP's global development network on the ground in 166 countries is well positioned to help advocate for change, connect countries to knowledge and resources, and coordinate broader efforts at the country level. UNDP's work on the MDGs is guided by the **United Nations Core Strategy on MDGs** and focuses on:

- Campaigning and mobilization: Supporting **advocacy** for the MDGs and working with partners to mobilize the commitments and capabilities of broad segments of society to build awareness on the MDGs;

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[103] This item is largely based on the website of the UNDP

- Analysis: Researching and sharing best **strategies** for meeting the MDGs in terms of innovative practices, policy and institutional reforms, means of policy implementation, and evaluation of financing options;
- Monitoring: Helping countries report advancement towards the MDGs and **track progress**;
- Operational activities: Goal-driven assistance to support governments to tailor MDGs to local circumstances and challenges**;** address key constraints to progress on the MDGs.

The "narrow" conceptualization of the MDGs understands them as setting the global minimum agenda. The "broad" interpretation of the MDG agenda focuses on the national adaptation of that agenda and the use of it for coordination and joint programming and resource focusing. [104] The challenge is to create an inclusive, consensual, evidence based mechanism to measure, to set targets, to implement, to monitor to report and to revise policies. There is a great need for policy guidance and capacity building. [105]

3.7. UN Reform: Delivering as One UN at the Country Level

The United Nations is the most important – and most democratic – existing forum for normative debates and decision-making about global governance. In the UN-level inter-governmental discussions a fair balance normally exists between the social, economic and environmental perspectives of sustainable development.

Yet, in country level development work, the *economic* perspective clearly dominates over the *social* and *environmental* perspectives. Part of the reason is the *imbalance* between the World Bank (& the IMF) versus the UN country offices. In principle, both World Bank and the UN-agencies should promote a balanced sustainable development agenda based on human rights and social justice, but in reality the World Bank, an organization of thousands of economists, and relatively few social and environmental scientists tends to promote economistic policies, where employment and social impacts are often mere afterthoughts, assumed to follow GDP-growth more or less automatically.

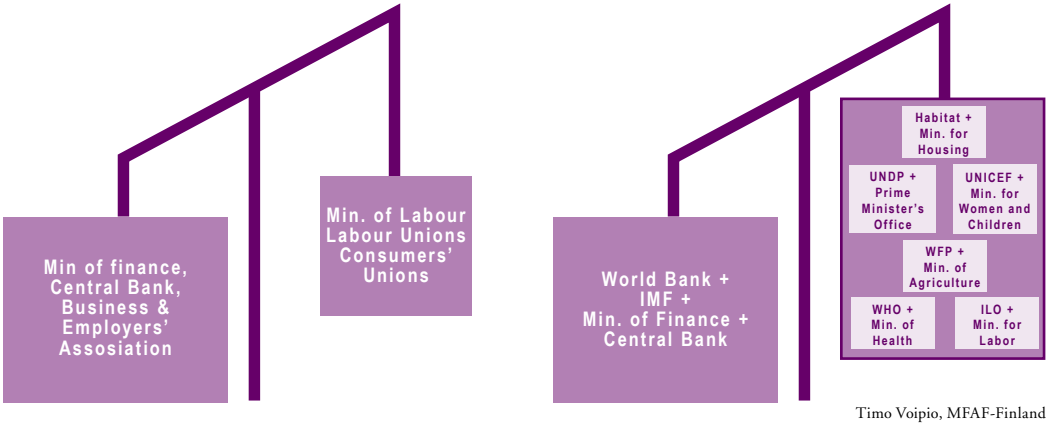
Equally, at the national level there should be a balance between the national ministries and authorities in charge of the *economic*, *social/employment* and

[104] See Vandermoortele 2007
[105] See the input by Ms. Dorothy Rosenberg at the Kellokoski event

environmental dimensions of national development. Yet the *economic* perspective gets a priority in national policy making. The ministries of finance, the central banks and the employers' associations and chambers of commerce tend to have more influence over national policy making processes than the ministries of labour, social affairs, community develoment, and the research institutes, trade unions and other civil society organizations and their constituencies.

This imbalance is often seriously exacerbated by the fragmentation of the UN country presence. The Ministry of Finance has access to the superior resources of the Bank as well as to the bilateral donors' budget support which often tends to be aligned with the development strategy dominated by the World Bank. In the contrary, each sector ministry has mostly access only to one relatively marginal UN-agency, and each UN-agency has a dialogue and partnership with only one (relatively marginal) sector ministry. The fragmentation of the UN-system at the country level is one important factor contributing to the fragmentation of the national social and employment policies. In the absence of a strong, broadly shared national social contract about "Comprehensive Social Policies", the conception about what are the key issues of national development policy tends to be defined in rather economistic terms in the negotiations between the Ministry of Finance and the Donors providing Direct Budget Support (DBS). Due to UN-rules (and due the small size of budgets that UN member states have made available for the UN-agencies), the UN-agencies cannot provide any budget support, and thus have no role to play in the budget support negotiations where the main lines of the national macro policies are often decided.

Figure 8: The imbalance between perspectives and agencies in the field



Timo Voipio, MFAF-Finland

This problem is well known within the UN family, and it has been discussed among all stakeholders for almost a decade. But quite recently the discussion has considerably intensified.

The responsibility is ultimately in the hands of the UN Member States' governments who year after year give new tasks and fragmented mandates to UN-agencies through varios forums such as the UN-ECOSOC, UN-CsocD, UN-CSD and the Executive Boards of the UN-agencies. However, no equivalent financial resources to implement these mandates are identified. There are many overlapping mandates regarding social development issues in the UN (e.g. DESA, UNRISD, UNDP, ILO, WHO, UNESCO, UNICEF etc.), and all the responsible agencies are poorly resourced. As a result, UN has been running an unsystematic mosaic of projects instead of a unified and comprehensive social development agenda. The UN has, however, introduced a number of coordinating mechanisms at the country level.

The UN has strived towards "One UN" at country level. In 1997, UN Development Group (UNDG) was introduced as a platform for coordinated action at country level. It is lead by the UNDP. In 1999 it issued guidelines on "Common Country Assessment (CCA)" and "UN Development Assistance Framework" (UNDAF). The purpose was to facilitate UN system-wide analysis and action taking into account national priorities and "focusing on MDGs and other international commitments".[106] UNDP is the coordinating agency and the UNDP Resident Representative is the main spokes person of the UN system in each country. For instance in Ethiopia the UN Country Team (UNTC) has 27 member organizations. In Tanzania there are 28 UN organizations in the team.

In Ethiopia, the bilateral and multilateral intergovernmental donor community has organized itself into a Donor Assistance Group (DAG). It has about 30 members. It does not include NGOs but has cooperation arrangements with the NGO community. The business community is not involved directly with donors. Aid harmonization task force was set up in 2002. The lead agency is the Ministry of Finance and Economic Development. In Tanzania, the OECD country aid agencies plus the World Bank, the UNDP, Unicef, ILO and a few other multilateral agencies have their Development Partners' Group (DPG) that aims at harmonizing the external partners' support to the implementation of the Tanzanian PRSP ("MKUKUTA"). The UN-agencies, thus, have two forums where they need to improve their harmonization: within the UN-family, and within the broader Development Partners/Donor Assistance Group.

Several highly committed staff members and "friends" of the UN have recently voiced their concern about the potential marginalization into insignificance of the fragmented UN-agencies at the country level. The Vietnam UN Resident Coordinator

[106] See e.g. the website UN-OHRLLS.

Mr. Jordan Ryan and the Unicef Representative Mr. Jesper Morch (Ryan and Morch, 2005) recently intervened in this discussion with a strong, alarming but very constructive message. In summary, the main points of what they said were:

> *"The combined financial contribution of the United Nations now accounts for only two percent of the total ODA to Vietnam. These resources are delivered by 11 separate United Nations agencies, each with their own representation, budgets, governance structures, plans and objectives. In an environment of abundant aid flows but heightened competition for policy influence, the UN-agencies have to compete amongst each other to attract co-financing and the attention of high level policymakers."*
>
> *"Competition for funds and visibility within Vietnam has had a negative impact on the political effectiveness and administrative efficiency of the UN-system. Agencies accept the priorities of their co-financiers and end up taking on functions that do not accord with their comparative advantage or the mandate of the UN… We are vulnerable to the charge of irrelevance as better-resourced multilateral (e.g. World Bank) and bilateral institutions move into our natural terrain of promoting human rights, democratic governance and pro-poor growth. We are vulnerable to the charge of incompetence as we concentrate our technical expertise in headquarters and regional centres while hollowing out our country offices which increasingly are staffed by Junior Professionals and UN Voluneers."*
>
> *"The time for incremental reform has long since passed, and… radical steps are needed to ensure that the UN remains relevant in the years to come… In order to achieve these objectives UN agencies must pool their resources and establish a unified management structure at the country level… Agencies shuld redirect technical capacity from agency headquarters and regional centres to country offices… In short, we need One United Nations at the country level."*

Or at least a UN-Family, that would be*"Delivering as One",* as the High Level Panel on the United Nations System-Wide Coherence titled its report[107] to the (outgoing and incoming) UN Secretaries General on 31 October, 2006. This high level panel, consisting of several current or former Presidents and Prime Ministers, Commissioners and Directors-General recommended the establishment of "One UN" at country level, with one leader (UNDP Resident Coordinator), one programme, one budget and, where appropriate, one office.

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[107] United Nations 2006

Such an arrangement would imply changes also at the headquarters level: The High Level Panel recommended the establishment of a *UN Sustainable Development Board* to replace the existing joint meetings of the Boards of UNDP/UNFPA/UNICEF, and to oversee the *One UN Country Programmes.*

From the point of view of social development/social policy professionals a potential source of concern is, however, that the High Level Panel mentioned neither *"social development",* nor *UN-CSocD* even once in its entire report. "Environment" and "gender" are discussed at length. There are two ways to react to this:

(a) Object the whole UN-reform, based on the fear that the *environmental* "lobby" may be eating up the breathing space from those who argue in favor of *socially* sustainable development (CsocD).
(b) Support the efforts to reform the UN, and argue strongly in favor of the *balance* between and *interdependency* of the *social, economic* and *environmental* dimensions of *sustainable* development. Without the balanced presence of all these four, perhaps together with a fourth: the *cultural* dimension, development cannot be truly sustainable. In many ways, it would make sense not to have discussions about (environmentally) sustainable development separately in the CSD, discussions about gender equality separately in the Commission for the Status of Women CSW, and discussions about social policy and social development in the Commission for Social Development CSocD.

In light of the aforementioned problems that the fragmented UN brings up, the latter option seems to be better and more constructive one.

3.8. The European Union: Striving Towards Policy Cohernece

The European Union has undergone a major expansion from an integrated market area to a significant global actor during the current decade. Today, the EU operates actively in many fields of foreign policy and international cooperation, including a wide range of development issues. The European Union itself is the largest donor in the world, even if its member states' aid budgets are not taken into account. Together the combined official development aid of the EU and its member states account for 55% of the world's ODA.

The development policy goals of the EU have been recently specified in a joint policy statement "*The European Consensus on Development*", published in February 2006.*

* European Council 2006

Its main importance lies in the fact that it is the first development policy document signed and approved together by The European Parliament, Council of the European Union, and the European Commission. Development aid decisions are made using the codecision procedure which involves both the EP and EC, which underlines the statement's significance. The document is significant also because it includes both the EU's vision of development and the European Community's Development Policy. The underlying theme is poverty reduction.

The development policy part defines nine areas of Community action:
1. trade and regional integration
2. the environment and the sustainable management of natural resources
3. infrastructure, communications and transport
4. water and energy
5. rural development, territorial planning, agriculture and food security
6. governance, democracy, human rights and support for economic and institutional reforms
7. conflict prevention and fragile states
8. human development
9. social cohesion and employment

In various other EU-documents a more comprehensive definition is used for the topics of the ninth area of EU action: Employment, social inclusion and protection (ESIP).

Each partner country of the EU in the Global South must focus its EU-cooperation funding onto two of these nine areas. It seems that employment, social inclusion and protection (ESIP) is currently not considered to be of top importance by many developing country governments. Nevertheless, increasing emhasis on direct budget support creates another opportunity for EU's Southern partner governments to channel EU development cooperation funds to comprehensive social policy purposes. Another welcomed feature is that budget support is increasingly linked to outcomes, not processes. There is, however, an urgent need to develop appropriate social policy outcome indicators, as the development indicators have a central role in aid targeting and evaluation.

During the Finnish EU-Presidency (the latter half of year 2006) the themes employment and social protection rose even higher on the EU's development agenda, and the next Presidencies during year 2007 (Germany and Portugal) have committed themselves to carrying the strong social and employment agenda forward. During the UN-ECOSOC in the very beginning of the Finnish EU-Presidency in July-2006 the EU reminded in its main statement to the Ministerial High-Level Segment of the ECOSOC as follows:

> *"In September 2005, when the World Leaders at the UN Summit resolved 'to support fair globalization and to make the goals of full and productive employment and decent work for all, including for women and young people, a central objective of [all] relevant national and international policies', the European Union willingly gave its full support to this paragraph 47 of the Summit Outcome Document."*

At the European Union level, the Lisbon strategy consists of a set of integrated and mutually reinforcing economic, employment and social policies aiming at meeting these challenges. It consists of economic performance, investment in human capital and social cohesion, the quality of work, a high level of social protection and the key role of social dialogue in policy making. A good *balance* between the *social, economic* and *environmental* dimensions is key to making development *sustainable*, not only in developing countries but within the EU-societies, as well. As summarized in the EU-statement to the Coordination Segment of the ECOSOC:

> *"The European Union has adopted a comprehensive strategy to meet the challenges of sustainable development to improve the quality of life and well-being for present and future generations. This includes reconciling economic growth and sound environmental management, promoting social equity and cohesion as well as economic prosperity with high-quality employment for its citizens. Investment in human, social and environmental capital as well as technological innovation are the prerequisites for long-term competitiveness and economic prosperity, social cohesion, quality employment and better environmental protection. We recognise that economic, social and environmental objectives can reinforce each other and should therefore be advanced together."*

The European Consensus on Development Policy emphasizes that the EU will contribute to strengthening the social dimension of globalisation, promoting employment and decent work for all, and making migration a positive factor for development. Combating poverty will be successful only if equal importance is given to investing in people, protecting natural resources, securing rural livelihoods, and investing in wealth creation.

At the ECOSOC the European Union indicated a strong commitment to supporting all processess, including the UN-CSocD, where the comprehensive Decent Work agenda can be promoted, (with always a good balance and coherence between its four pillars: Rights, Employment, Social Protection and Social Dialogue, with Gender Equality cutting across all these four areas. This agenda needs to be promoted on the global as well as the regional, national and local levels:

> *"The European Union is committed to paying greater attention to productive employment and decent work… for all women and men, in conditions of freedom, equity, security and human dignity. We will underline this commitment from a social development perspective through our engagement in next year's session of the* ***Commission on Social Development****, which will deal with the issue of "Promoting full employment and decent work for all. Now it is the time to implement these commitments, in all countries, especially in the poorest countries. In the European Union we believe that the Decent Work Country Programmes should be incorporated in national poverty reduction and growth strategies, as well as in development cooperation policies."*

There are obviously many challenges that still need to be addressed. From the viewpoint of the Global South the EU policies often seem to be contradictory. Even though development issues are outspokenly seen as an important, the EU's policies in some other fields (e.g. trade, agriculture, fisheries, energy, migration, etc.) may sometimes undermine development goals. The EU has been blamed for selective trade policies of its member states, as developing countries often find it difficult to sell their products to the EU markets because of high EU tariffs. Furthermore, the "brain drain" of skilled workforce from countries like South Africa to the EU creates obstacles to development.

A relatively strong and wide awareness has emerged within the EU about these serious and difficult-to-solve problems. The constructive response of the development policy authorities and constituencies within the EU has been the launching of a broad debate between the development authorities and other EU sectoral authorities on a theme called "Policy Coherence for Development" (PCD). The goal is to harmonize other EU policy areas so that they would not contradict, but rather support, the realization of the global development policy goals that the EU is committed to.

The EU Council Conclusions on Decent Work were drafted during the Finnish EU Presidency on the basis of a European Commission Communication (24 May, 2006), and finally endorsed by the EU Council of Ministers during on 1 Dec, 2006. A High Level Conference on Decent Work was organised in Brussels immediately thereafter, i.e. 4-5 Dec, 2006.[108]

The EU Conclusions declared that the Decent Work Agenda is in line with the EU values and principles, as well as its goal of achieving both economic competitiveness and social justice. In the Conclusions the EU also emphasized the close inter-dependence of social and economic policy goals: *"In order to strengthen competitiveness… in a socially sustainable way, it is important to improve productivity by promoting decent work*

[108] See: http://ec.europa.eu/employment_social/international_cooperation/decent_work_en.htm

and the quality of working life, including health and safety at work, combining flexibility and security, life-long learning, good working relations as well as better reconciliation of work and private life."

The European Conclusions also reminded that the promotion of decent work for all across the world was in line with the 2005 World Summit Outcome,… the ECOSOC Ministerial Declaration 2006 and the ILO Decent Work Country Programmes as one of the key means of fostering development, poverty eradication and social cohesion; The EU-Ministers recalled that the European Consensus on Development also called on the Community and the Member States to contribute to the strengthening of the social dimension of globalisation, the promotion of employment and decent work for all. The Ministers underlined the importance of supporting the integration of employment and decent work into national and regional poverty reduction strategies and other development strategies, and highlighted the importance of consultations with all relevant stakeholders, including the organised employers, workers as well as the broader civil society and the private sector.

In parallel with these ministerial level commitments the European Commission Directorate-General for Development (DG-DEV), in partnership with the EU Member States' representatives started during the Finnish Presidency to prepare a more practically oriented *EC Strategy for Employment and Social Protection in Development* which is expected to be discussed and completed during the German EU-Presidency in the first half of 2007.

3.9. OECD: The Pro-Poor Growth Agenda

In the period 2004-2006, the OECD/DAC POVNET focused on the theme of Pro-Poor Growth. In many countries it had become evident that growth alone did not trickle down to the poor. This challenged the prevailing donor approaches. The POVNET task teams took a self critical attitude and analyzed the weaknesses and opportunities for improvement – from the perspective of the poor – in the agricultural sector, infrastructure sector and private sector development. One crosscutting issue that emerged from the analysis was 'risk and vulnerability'. The poor were unable to participate in and contribute to and to benefit from growth because they were vulnerable to risks and unable to tolerate and manage such risks that active engagement in the market economy exposed them to. One of the common findings in the agriculture, infrastructure and private sector development (PSD) teams was that the lack of functioning and reliable social and entrepreneur risk management instruments was a major barrier to pro-poor economic growth and poverty reduction.

At the initiative of Finland, Germany and UK, the POVNET established a new Task Team on Risk, Vulnerability and Social Protection (TT-RV/SP). The Team commissioned a number of analyses on social protection concepts, instruments, policy linkages and cash transfers. A comparative analysis on the differences and communalities of the conceptualization of risk, vulnerability and SRM in the DAC Task Team member countries[109] work resulted in a clarifying understanding of the relations between various concepts and policy approaches. This also paved the way to further work. The Task Team continues to work on a wider mandate until 2008 under the name Task Team on Social Protection and Social Policy.

During this new phase 2007-08 the members are Canada, Finland, France, Germany, Japan, Norway, Sweden, Switzerland, United Kingdom and United States. Also UNDP, ILO, WFP, ISSA, World Bank, HelpAge International and UNICEF are participating actively. Increasingly partners from the Global South have been invited and included in the work. The goal is to draft – by the year 2008 – new DAC Guidelines and user-friendly web-based tools for donor agency staff and their partners in the Global South on Social Protection and broader Social Policy for development.

As was strongly emphasized in the Arusha Conference, the quality of growth is an important challenge and opportunity of *Comprehensive Social Policy.* The POVNET work on Pro-Poor Growth (PPG) in 2003-2006 has increasingly started to bear fruit, in that the basic messages are finding their ways into the policy statements of governments and influential country groupings in international negotiations. A good example of such an influence is in the EU statements to the Coordination Segment of the UN-ECOSOC. The EU stated:

"Economic growth is a powerful engine in pulling people out of poverty. But it is important to bear in mind that not just any growth is pro-poor. Unless governments take timely corrective action, economic growth can become lopsided and flawed. Determined efforts are needed to avoid growth that is jobless, ruthless, voiceless, rootless and futureless. Well-managed economic growth can create higher incomes, which help people save, invest and protect themselves when times are hard. Higher family incomes could mean that children can go to school rather than work. And with growth, governments could raise the money they need for public services. But macro-economic policy making has too often been based on the assumption that liberalization, deregulation and privatization alone will create growth, and this growth will somehow automatically generate social cohesion, employment and environmental protection. Experience shows, however, that growth can fail to engage and enhance the capacities and productivities of many of the economic actors, in other words, those of the poorest citizens. How can the pattern of growth be made sustainable and pro-poor?

[109] Sabates-Wheeler and Haddad 2005

"The EU believes that social development and equity are central to sustaining economic growth over the long term. Social policies cannot be conceived only as an afterthought or an add-on to macroeconomic reforms and growth policies. Economic growth is not an end in itself but a means to reach social goals, such as poverty eradication, that are the basis for its sustainability. Without explicit policies promoting economic and social inclusion, empowerment and social investment, growth and stability would not necessarily result in poverty reduction…For pro-poor growth policies to emerge, the poor need to be informed and empowered to participate in the Poverty Reduction Strategies and other policy making processes. These processes have to be accountable to the interests of the poor. The policies, on the other hand, need to create the conditions and remove the barriers to the participation of the poor in the growth process, e.g. by increasing access to land, labour, technology, information and financial and business services, and by investing in basic social services, social protection and infrastructure. Policies need to address the risks and vulnerabilities faced by poor people."

3.10. Innovative Approaches by Selected Donors

3.10.1. The United Kingdom [110]

The Department for International Development published a new White Paper in 2006, called 'Eliminating World Poverty: Making Governance Work for the Poor'.

The White Paper outlines the UK government's approach to social protection in development as being based on two considerations:

- access to social protection is a basic human right;
- social protection is an essential public service of the same kind as health, education, water and sanitation.

Social protection is seen as an investment in people rather than being a cost. It "gives poor people a future". Essential public services should be understood as complementary. They empower women, men and children to be in charge of their lives. Thus social protection must be seen as essential part of transformation and sustainable growth agenda.

[110] Based on the presentation of Rahul Malhotra: Social Policy in a Development Context', Stockholm, 31 October 2006

Social protection is an essential component in a market economy. Social protection can promote growth through several mechanisms:

- Helps people accumulate productive assets
- Allows people to take up higher risk and higher return economic activities
- Results in a healthier workforce
- Increases the number of people contributing to the economy
- Stimulates local markets

The UK will significantly increase spending in Africa and Asia, supporting national programmes and working with the UN and NGOs in fragile states. It will work with European partners and national governments in Africa in order to double to 16m the number of people moved from emergency relief to long-term social protection programmes by 2009. Furthermore, it will support partnerships between developing countries to share experiences of expanding social protection.

3.10.2. Germany[111]

The approach of a social market economy is one of the frames for reference of the German approach to social protection and development. The political agenda of a Social Market Economy has been presented as the third way between the "pure" liberalistic market orientation and the "pure" egalitarian welfare state orientation where the state has major controlling functions. The aim of the approach is to "promote social equity as a key objective".[112]

A social market economy strives at reconciling between the market order and the social order. The objective of the "market order" is to create an institutional frame to ensure the efficient performance of the market economy. The focus of the social order is on the needs of people and the equalizing of access and opportunities. This calls for the "securing of a basic social service package for all population groups… and the securing of stable financing of this package".[113] A healthy market economy is needed for creating conditions for stable financing. The social market economy approach, applied in the local context, may provide a framework for combining equity and efficiency also in a low income economy.

111 Based on the input by Dr. Rüediger Krech of GTZ
112 *ibid.*
113 *ibid.*

The market economy characterized by private property, rights to autonomous contracts, free pricing, monetary stability, free movement of labor, sound competition policy etc., are the corner stones of a healthy economy that can support appropriate social protection policies.

The objective of social protection is to "secure a basic package of social services for all population groups and a stable financing of this package". The elements of social protection systems include e.g. the following:

- Social Health Insurance
- Basic income support through transfer schemes (social assistance)
- Pension schemes
- Occupational disability insurance'
- Micro insurances
- Proactive labor market policies
- etc.

Social protection systems have the capacity to

- allocate public goods that are not marketable (preventive health, education etc.) and that cover basic needs
- Safeguard against consequences of individual risks (e.g. illness, disability, old age, unemployment)
- Provide social assistance to the needy groups (people with disabilities, the poor etc.)

In a developing countries, initiatives like Social Health Insurance (SHI) have the potential of contributing significantly to poverty reduction, social security and economic growth. Social Pension schemes, in turn, contribute both directly and indirectly to poverty reduction. The indirect impact is channeled through reduction of fertility.

The German government is supporting the development of social protection in a number of countries through financial support to social security schemes. For instance, the GTZ is involved in the Zambian Kalomo Cash Transfer project.

Another example of innovative initiatives is the supporting of the inclusion of disability dimension in PRSPs in Vietnam, Cambodia and Tanzania in collaboration with Cristoffel-Blindenmission and Handicap International.

3.10.3. The Nordic Countries

This item contains selected highlights of the responses by three Nordic Countries, namely Norway, Sweden and Finland.

Norway: Human Rights as the Anchor in the Fight Against Poverty*

The most important document guiding Norway's development cooperation is the White Paper number 35, Fighting Poverty.[114] The document takes a human rights approach and is particularly concerned with extreme poverty – which, it stresses, has been claimed by many to be "our time's largest human rights challenge". The document states that our development aid is founded on the UN declaration of HR and the international convention on civil, political, cultural and social rights. It is also founded on the Millennium Summit of 2000 and the MDGs, and on the Johannesburg Rio + 10 Summit on Sustainable Development two years later. This summit repeated and strengthened the promises of the MDGs and stressed the importance of sustainability. Most importantly, the Johannesburg summit confirmed the agenda from Rio/Copenhagen and its focus on the need for economic, social and environmental sustainability. The Norwegian development cooperation aid shall be guided by the principle of national responsibility.

Priorities of Norwegian Development Cooperation

- The new (since 2005) social/environmental Government still aims to increase development aid to 1% of GNI (currently at approximately 0.97%).
- The UN is seen as the most important forum for questions of international peace and reconciliation, but is also given increasingly more weight relatively to the World Bank.
- The Norwegian government has emphasized rights issues, social development, inclusion and redistribution of wealth and resources. The government also emphasizes using Norway's internal experiences and competencies. The Prime Minister addressed the ECOSOC meeting in July – pointing to the fact that the economic growth in Norway is a result of social security, gender and distributional policies together with economic growth policies. This is an opportunity for bringing welfare and social policy on the development cooperation agenda.

[114] Norwegian government 2004

* This item was contributed by Eva Klove.

- Some areas of particular importance to the government:
  - Peace-building
  - HR and humanitarian aid
  - Women and Gender
  - Environment and sustainable development
  - Oil and Energy
  - Good Governance, institution building and fight against corruption.

In addition there's a focus on health through the MDG 4 on reducing child mortality, and on vaccinations.

The previous government and Ministry of Development had a strong focus on Africa and low income countries. This government is increasing the support to South America. The focus will be on natural resource management and strengthening of democratic institutions, mainly in Bolivia and Brazil.

Norway's Approaches to Social Policy and Employment

Norway has no specific policies on either social policy or employment, but important elements of social development have been part of Norwegian agenda for a long time. Briefly, these include

- Support to traditional social sectors such as health and education
- Support to cross-cutting issues such as HIV/AIDS and gender
- Support to marginalized groups across sectors, including women, children, indigenous peoples and people with disabilities

However, Norad has recently focused on examining the issues of social policy including welfare policy, distribution and social security/ social protection. This work has been done in close collaboration with colleagues from Sweden and Finland. Although most development cooperation within this area is covered by Norwegian NGOs, some of the current bi- and multilateral support to relevant areas include:

- Norwegian/Finnish Trust Fund on Environmental, Social and Sustainable development in the World Bank
- Social Inclusion Trust Fund and gender funds in the Inter-American Development Bank.
- Gender funds in the Asia Development Bank
- Capacity-building programme in the AU within the areas of employment, social protection and welfare, together with Sida
- Various types of support to UNICEF and the ILO
- From 2007, support to the National Social Protection Strategy in Zambia

In the last year, a number of project groups have been established by the Ministry of Foreign Affairs (MFA) that are of great relevance to a social policy agenda.

- The 'social and sustainable development' group led by the UN section of the MFA. Aim to focus on the whole 'Decent work' agenda, but has so far had a more narrow focus on 'workers' rights'
- The 'food security and hunger group' led by the policy development section in the MFA. Here, we are examining the issue of social security as a mechanism to deal with long term food security
- Migration project
- Gender and women's project

Sweden: Long-Term Support to Social Development with Partners[115]

Social development continues to be well embedded within Sida. One of the most important contributions of Sida to global social policy has probably been Sida's support to the leading social policy research institute in the UN-system, the United Nations Research Institute for Social Development (UNRISD). Sida has over the years been, and continues to be, UNRISD's by far the largest donor.

Sida has played an important role as a skillful advocate of the social perspective(s) in the OECD-POVNET, in the process leading to the DAC-Guidelines on (multi-dimensional) Poverty Reduction, and in the POVNET work on Pro-Poor Growth. It supports also work of the ICSW.

In 2003, the Swedish Parliament adopted a new *Policy for Global Development (PGD).*[116] This is strong on social development. *'Social Development and Social Security'* is one of eight central elements that cut across the PDG. This policy contains two perspectives: (a) *Rights* perspective and (b) *Poor people's* perspective on development. Currently Sida is writing a position paper on Social Development and Social Security, to be finalized during year 2007.

A draft working paper has been produced on *Current thinking on the two perspectives*. A detailed *Mapping* of Sida's operational activities in the fields of social policy, social protection, social security and social development was commissioned to a consultant, and completed in 2006. A surprisingly large number of "social policy" projects and interventions could be identified, although this was the first time that they were categorized as "social policy".

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[115] Compiled by Timo Voipio, one of the editors, on the basis of various streams of information from Sweden.

[116] Swedish Parliament 2003

Sida has always had one or several *Social Development Advisors,* working closely together with professional colleagues in the Swedish Ministry of Foreign Affairs (UD). Sida is one of the few bilateral donor agencies with full-time adviser for "Disability and Development". In 2005, a new adviser's position was created in Sida for *Comprehensive Social Policy,* with a mandate to work in close partnership with the nearest Nordic neighbors, Finland and Norway, and other likeminded partners.

Sweden played an active and positive role in the Arusha Conference on New Frontiers of Social Policy and in the Buenos Aires Social Science/Policy Forum, Livingstone Conference on Social Protection for Africa, and has also always been an active member and discussant in the Social Development Advisers' Network (SDAN), in the UN Commission for Social Development (CSocD), in the EU Member States' meetings and in the OECD-POVNET including its Task Teams. Sida has been one of the active partners and facilitators of the *"Power Analysis"* discussions and method development processes.

Sida has some experienced Social Development Advisers also in its country offices in developing countries. The Sida office in Addis Abeba, Ethiopia, who have a special duty to support various African networks and integration arrangements, have indicated an interest and preparedness to play a role–in partnership with the African Union Commission and other development partners–in organizing a Joint Development Partners Regional Seminar on Regional Social Policy in the latter part of 2007 in Addis Abeba. Sida is the main sponsor of the Secretariat of the African Decade of Disabled Persons.

Increasing emphasis has been put on bottom-up participatory approaches. Ways of doing this include (a) qualitative assessments of two SWAPs in Bangladesh; (b) joint workshops in the field in partnership with the Sussex Institute of Development Studies.

Sida carried out a survey, published 2006, to describe activities financed by Sida within the social sector: *"Mapping Sida's activities, Swedish and international actors – Social Policy and Social Security"*. [117]

The survey shows that a large number of such activities are underway, especially in Eastern and Southeast Europe, where cooperation within this area is well developed and well documented for a considerable period of time. The development of social services in St Petersburg is one example, reaching six hundred professionals within the social sector with various educational activities, during a project period of ten years. Five model centres for social services have been established and developed.

In Latin America, in addition to long-term cooperation within this field, there is considerable current interest in how general Nordic welfare solutions could possibly

[117] Sida 2006

be adapted to a Latin American context. A study of the development of the Nordic welfare model and the possibility of transferring it to a Latin American context has been presented to the regional ECLAC conference and will form the basis of continued discussions in the search for alternative models for Latin Americas social sector systems.

Several major programmes in Africa are aimed at children and young people suffering the consequenses of HIV/AIDS and support is also designed as capacity building for relevant organisations. Support to the African Union in cooperation with Norway includes a component on social security.

Vulnerable children and young people form the dominating target group worldwide, followed by capacity enhancing activities aimed at professionals within the field. Programmes aimed at general measures such as development of legislation, social insurance systems and social services also form an important component.

Finland: Facilitating Global Dialogue on the Social Dimension of Globalization [118]

Chapters 4.3. and Section V provided insights into the evolution of Finnish thinking on *Comprehensive Social Policy*. This section describes in more practical terms how Finland promotes Comprehensive Social and Employment Policies as part of its development policy and development cooperation.

Three major areas of social sector are education, health and social protection. *Education* and *health* have traditionally been important areas in the Finnish development assistance to its partners in the Global South. On the other hand, s*ocial protection* has received only marginal attention in the development cooperation budgets of Finland. The current situation seems to be off balance, because in the domestic budgets of the Finnish government investments into social protection (in Finland) take an equally large share with other social sector areas.

Yet, it is fair to say that in the fields of education, health, *human rights, governance* and *rural development*, the focus of Finnish development cooperation has been socially sensitive over the years. From the viewpoint of organizations that use sectoral and thematic categories differently, nearly all of Finland's development cooperation could have been categorized as support to *social development*.

In the fields of *'Disability and Development'* and *'Inclusive Special Needs Education'* Finland has played a relatively important role. In most of the countries where Finland has supported development of the education sector, the assistance has been focused

[118] This item is based on the presentations of Timo Voipio at the Kellokoski and Stockholm events

entirely or partially on developing cost-effective and widely-accessible forms of special needs education for disabled children, mainly within the "normal" school system.[119]

Persons with Disabilities (PWD) and Disabled People's Organizations (DPOs) would often prefer *disability* to be treated not (only) as a social protection (care) issue but also, and primarily, as a *human rights* issue. This fits well into the thinking of the Government of Finland. It has explicitly stated in its Strategy for Disability and Development that Finland considers disability a Human Rights issue and an area where Finland has comparative strengths that it can and should share with partners internationally. Finland, together with Italy and Norway, has been active also in promoting the *"Global Partnership on Disability and Development, GPDD".*[120]

In the field of health, Finland's special focus has been on *reproductive health*. It aims at enhancing *social and gender equality* by equalizing the access to the essential health services by men and women. All of the work classified under *'gender'* could also be categorized as *social development.* The same applies, at least in some extent, to support given to water sector development and rural development. These measures usually focus on rural areas that are amongst the poorest and most disadvantaged ones in Finland's partner countries.

During the past decade, the social development/social protection advisers have found it quite difficult to persuade the country teams of Finland's bilateral cooperation to initiate new projects or programmes focusing directly on social policy, either in the form of employment, social protection, or social development. The multi-year capacity building support to the Namibian Ministry of Health and Social Services was just about the only good example of Finland's systematic and broad-based support to social development in its primary cooperation partner countries in the Global South. Regarding Finland's support to the countries of Eastern Europe, including the Balkans, the situation is different. Projects in the field of social policy have been relatively common: training of social workers and support for disability legislation in Bosnia-Herzegovina, and capacity building for DPOs in Kosovo are only few examples of ongoing work.

In spite of the relatively modest inputs through its own bilateral cooperation, Finland has played an active and constructive role in supporting and promoting the global dialogue and consensus-building in support of the idea that Comprehensive Social Policy – including social inclusion, equity and empowerment, as well as social protection and employment – is an important and expanding field of international development cooperation and policy.

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[119] See e.g. Savolainen *et al.* 2006

[120] See the GPDD website

Tarja Halonen, the president of Finland, co-chaired the ILO's *World Commission for the Social Dimension of Globalization,* together with her Tanzanian partner, President Benjamin Mkapa. This should be seen as an expression of the highest level of political support for Finland's active role in the developmentglobal social policy. The Commission's report *A Fair Globalization – Creating Opportunities for All* [121] covered a great range of key challenges of global social justice, in a realistic and feasible manner. It provides a good agenda for efforts for many years to come.

While the Presidents of Tanzania and Finland cooperated as chairs of the World Commission, the Ministers of Foreign Affairs of the two partner countries have taken the initiative to promote *Democratic Globalization* through the so called *Helsinki Process.* [122]

Finland has also been willing to play an active role in the UN-ECOSOC, UN-CSocD and in the ILO Governing Body – naturally always together with likeminded partners from Europe and Africa. As a small nation, there are many occasions where same people represent Finland not only in the normative dialogues at the UN-level, but also in interaction with the UN operational agencies (e.g. UNDP, Unicef); the UN research institutes (e.g. UNRISD and WIDER (World Institute for Development Economics Research), the World Bank; the OECD/DAC; and the EU, including dialogues with some of the bilateral partners in the Global South. This makes it easy for Finns to build bridges between the various organisations, processes and discourses, and to help to improve the coherence and linkages between Finnish-supported initiatives and activities in the various organizations and forums.

In the World Bank Finland, together with Norway, supports a large Trust Fund for Environmentally and Socially Sustainable Development (TF-ESSD) [123] which is one of the most important sources for new innovative research and piloting by the various World Bank units, departments, networks, regions and country-teams in four "windows":

(a) Social Development (inducing the Bank's Social Policy Programme),
(b) Social Protection (including the Bank's work on Employment, Labor Markets and Disability
(c) Environment
(d) Poverty analysis

[121] World Commission on the Social Dimension of Globalization 2004
[122] See the Helsinki Process website
[123] See TF-ESSD at the World Bank website

Finland also has a separate partnership Trust Fund with the World Bank Institute (WBI), where Finland has become the most important partner and sponsor for the *WBI Social Protection Learning Programme.* This programme – supported by Finland already for many years – has organized social protection and social risk management capacity building for African civil servants from several different ministries already for many years. The same learning programme also organized a major International Conference on Conditional Cash Transfers in June-2006 in Istanbul.[124]

Finland has played an active role in the OECD-POVNET discussions about the multi-dimensionality and context-specificity of poverty during POVNET's Phase-1 in 1999-2001, and on pro-poor growth (PPG) during POVNET's phase-2 of work in 2003-2006. Finland chairs the POVNET Task Team on Social Protection and Social Policy and participates actively in the Task Team on Employment.

The POVNET Task Team on Social Protection and Social Policy has decided to continue consultations with representatives of regional integration secretariats, such as the African Union Commission, the NEPAD-Secretariat and the SADC-Secretariat. The purpose is to find an agreement on the best ways for donor agencies to support regional cooperation in the fields of social and employment policies. Another highly important question on the agenda is to find the best ways to ensure a good balance between the economic and social considerations in the regional integration processes. Thus far only economic considerations have been taken into account.

Finland had a golden opportunity to promote *Comprehensive Social and Employment Policies* on the international development agenda during the six months of its Presidency of the European Union in the latter half of year 2006. The European Union (including the European Commission) gave its strong endorsement and support to the broad *Decent Work Agenda*. The agenda succeeds in combining the economic and social dimensions of development. The chapter on European Union elaborates this issue further.

The European Commission, ILO and the Government of Portugal organised an impressive "World Conference on Social Protection" on 2-4 October, 2006, in Lisbon.[125] The active and constructive role of the next EU-Presidencies (Germany and Portugal) in the Global Social Policy discussion gives reason for optimism about the EU's role in global discussions about *comprehensive* and *balanced* policy-making in the near future.

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[124] See the WBI website

[125] See the website of the EU/ILO/Portugal World Conference on Social Protection http://www.psi-conflisboa.com/portal/index.php?option=com_content&task)

The Finnish and Tanzanian national chapters of the ICSW (STKL and TACOSODE, respectively) have initiated a process that strives towards building a long term *twinning relationship* between these national umbrella organizations and civil society organizations working in the area of social work and social policy. A similar, careful dialogue has started between the clusters of ministries responsible for social and employment policy in Tanzania and in Finland.

4. The Research Perspective

The event in Kellokoski, Finland focused on policy making issues. The preceding events in Stockholm took stock of what is known on the basis of research on social policies and development. This chapter presents short reflections on the research oriented events based on the presentations in the Stockholm and Kellokoski events. A separate report of the Stockholm Sida/UNRISD seminar is forthcoming. The conclusions are presented below in the items 4.1. and 4.4.

4.1. United Nations Research Institute for Social Development (UNRISD)126

The United Nations Research Institute for Social Development (UNRISD) carried out a 'flagship' project "Social Policy in a Development Context" from year 2000 to 2005. The project's approach was both historical and comparative, and it involved over 100 researchers worldwide. Studies were carried out in East Asia, Latin America, the Middle East and North Africa, the Nordic countries, and sub-Saharan Africa, further themes included *pro-poor macroeconomics*, *gender dimensions*, *democratization*, *commercialization of health care*, *water privatization*, and *public sector reform*. Findings of this research program produced new understanding on the role of social policies for development in various contexts. It was supported financially by Sida. The results were discussed at the Stockholm Meeting[127] that preceded the Kellokoski event. A policy brief of UNRISD summarizes the results. [128]

The summary of the findings of the project underlines that there is a strong case for poor countries toward universalistic policies in coping with poverty issues. The "universalism" of social policy was in fact dictated by development in many of today's developed countries. Targeting was too demanding in terms of available skills and administrative capacity. Furthermore, public social spending was important for tying the middle class into socially inclusive development projects. There should also be strong focus on women in all development efforts. Empowerment of women to participate equally on various societal arenas has been central in socio-economic development.

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126 This items is based on the UNRISD Policy Note 2006 and the presentations of Thandika Mkandawire at the Stockholm and Kellokoski meetings

127 http://www.sida.se/sida/jsp/sida.jsp?d=251&a=25717

128 UNRISD 2006

While much can be learned from history, current good practices and successful examples of development, one-size-fits-all approach works neither in social policy nor with macroeconomic issues. To start with macroeconomics, it is evident that countries that have achieved rapid poverty reduction–China, India, Vietnam and a few others– have adopted policies in consonance with their local structures and institutions. These policies differed markedly, or at least in part, from those promoted by the neoliberal approach. The report notices also the dangers of reducing government commitments in social policy and simultaneously shifting responsibility to non-governmental organizations. Evidence suggests that NGOs often have difficulties in scaling up the activities that work on the micro level to the national level.

There are many social policy models that have proved to work between the two ends of the "distributionist" – "productivist" continuum. Social policy must deal with four major concerns: distribution, protection, production and reproduction. A sustainable balance that enjoys public support must be in consonance with local structures, institutions – and also with ideologies that determine the underlying motives and norms. They also "determine the weights attached to various costs and benefits of social interventions, that underpin the moral entitlements of individuals to social support and that shape the purpose of social policy to empower citizens or to pacify them."

Social policy as such is a broad concept. Social policies also affect many other institutions and processes. Social policy does not only contribute to the "supply side" of development; it also affects the demand side, thus having a great instrumental value. It can also be one of the "focusing devices of technological change by providing the human capital for technological innovation and adaptation, or by sanctioning certain harmful technologies. Challenge is "how to mobilize the instrumental value of social policies without undermining the intrinsic value of the goals being pursued". Labor markets are one field where the link between poverty and development has been intrinsic. Active labor market policy has been a keystone of all development success stories.

Global environment can set limits to social development. If also facilitates it by providing resources such as finance, ideas and standards. This means that it is important to design global economic and governance structures in such a way that the social values pursued by social policy actually matter. Social policy can also contribute to the consolidation of democracy and enhance its quality by improving the security of the overwhelming majority of citizens. This improves social solidarity, weakens clientelistic social relations, and enhances the capacity of citizens to participate autonomously in the public life. Social policies are also demanding in terms of the quality of social institutions they require, as well as in terms of financial resources, efficiency, transparency and integrity.

The UNRISD Africa Group project on *Social Policy in Late Industrializers: Sub-Saharan Africa and the Challenge of Social Policy*[129] highlighted six imperatives of rethinking social policy in sub-Saharan Africa. These are:

- improving the productive capacity of the economies by returning to the progressive nationalist conception of social policy;
- rethinking social policy in its nation-building functions;
- transcending the state vs. markets dichotomy by taking the community level better into account;
- reconstituting the state in its policymaking capacity, ability to run the state, administer society, and define the parameters of economic activities:
- making social policymaking profoundly sensitive to the gendered nature of labor market;
- there is a need for visionary leadership that is locally grounded in African realities.

The Africa Group understood social policies to be specific and deliberate policies that have positive impact on social wellbeing and security. The critical areas were education, health, sanitation, and social security. One presupposition was that gaps may exist between macroeconomic policies, social policies and social policy outcomes; between the intended and unintended outcomes of social policies and social forces that impact on this. The project paid attention to the exploration of the social and political contexts of social policies and their outcomes, requiring attention, on the one hand, to the 'elite' politics and its allied social forces and "civil society" contesting these forces on the other.

4.2. Tanzania: From Generalized Insecurity to Transformative Social Protection [130]

Tanzania's Research on Poverty Alleviation organization, REPOA, undertakes and facilitates research, conducts and coordinates training, and promotes dialogue and development on policy for pro-poor growth and poverty reduction. REPOA's interdisciplinary proposal for a research programme on social protection has been organized around the theme of "*from generalised insecurity to transformative social protection*". It presents a conceptual framework that guides all research in this area. The social protection research programme is part of an implementation of REPOA's Strategic Plan that spans over the years 2005-2009.

129 Based on Jimi Adesina's presentation in Stockholm

130 This item is based on the presentations byAzaweli Lwaitama and Masuma Mamdani

The working hypothesis for the research programme is as follows:

> The prevalence of generalized insecurity is detrimental, first and foremost to people's livelihoods by engendering widespread poverty and vulnerability to impoverishment, but also to economic performance, in general, and sustained broad-based productivity growth, in particular. In other words, social protection matters not only for equity, but also for efficiency, and, as such, should come to be seen as an integral part of the pro-poor growth story, rather than as peripheral or residual to it. Social policy, including social protection, therefore, is not something to be done after a country is sufficiently developed, but instead of having a productive role to play in achieving development: directly in terms of its immediate impact on people's standards of living and indirectly in terms of raising productivity in society.

- The programme underscores the macro dimensions of generalized insecurity as a principal cross-cutting theme that runs along the following three research sub-themes:
- protecting income against impoverishment through income transfers and consumption smoothing;
- preventing capability deprivation by enhancing human capabilities through social provisioning; and
- social protection and the development of productive capabilities.

These sub-themes seek to address the multiple dimensions of social protection.

The challenge is to better understand prerequisites and potential for 'transformative social protection' in Tanzania. How best to refine and operationalize REPOA's research agenda and ensure that research undertaken is comprehensive in nature and holds relevance to the overall process of social protection in the country? Bring economic and social policies face-to-face?

Tanzania's major challenge is how to tackle mass poverty by increasing productive capacities of individuals and society. Special focus should be paid on rural areas. Fulfilling this task requires

- Finding effective and efficient ways of addressing impediments to growth
- Integration of majority of the population into the mainstream economic activities
- Addressing generalized insecurity (that impede investments) so as to minimize risks to societies and individuals
- Greater access to markets

- Ex-ante and ex- post social protection measures that aim to increase individual capabilities to deal with their vulnerability to impoverishment
- Ex-post social protection measures to address the chronic poor

The core premises of the research program are, as the working hypotheses hints, that social policy matters for equity and equality; and that social policy has a productive role to play in achieving development: improving people's well-being, and raising productivity. The program stresses also strongly that all groups that are vulnerable to become impoverished should be taken into account when social policy programs are being drafted.

4.3. Finland: Historical Combination of Equity and Efficiency

In the history of economic thought, equity and efficiency have often been seen as conflicting aims. The policy dialogue between those who emphasize efficiency and those focusing on equity is only partly based on evidence, and that evidence is often conflicting, incomplete and subject to multiple interpretations. In essence, the dialogue is political in nature. It is an issue of differing world views and interests. It is an issue of relative winners and relative losers. Recently it has become also an issue that can, at least to some extent – be uncovered and discussed on the basis of research and evidence.

For instance, studies on the Finnish social and economic history have described how social policies for equity were successfully combined with economic growth policies already when the country was predominantly agricultural with a large share of the population relying on subsistence agriculture. Even though today Finland is ranking high on several international economic and social indexes, in historical view it is a late arrival among the economically advanced nations.

One of the last major famines in Europe hit Finland during 1867-1868, killing more than 100,000 people from hunger and disease. Finland was a highly divided nation in the beginning of the 20th century, leading to a civil war in 1918. Virtually all of the social reforms and economic policies that have united the nation and led to the path of development have been carried out after that.[131] It should also be noted that Finland has gained its independence as late as in 1917, after more than 1000 years of colonial rule by Sweden and Russia.

The balance between social and economic policies in Finland is strongly grounded on the Nordic welfare state model, with universalism as its cornerstone. The contents

[131] Jäntti *et al* 2005, 2006 and the presentation by Mikko Mäntysaari at the Kellokoski website

of universalism have included equal, even constitutional rights of access to health care, social care and education. The universal welfare services have been complemented with targeted services. The first important social policies geared towards universalism included

- occupational insurance (1895)
- primary schooling subsidies for municipalities (1866)
- universal suffrage, including women (1906)
- land reform (1919, 1922)
- general obligatory education for all (1926)
- programme to finance public and private productive investment (after the Second World War)
- various welfare state arrangements (after the Second World War)

These reforms took place in a time of rapid state-led industrialization. In the 1930s, the economy was predominantly agrarian. Even in the 1950s more than half of the population was employed in the primary sector. In terms of its Keynesian investment-oriented economic policies, Jäntti, Saari and Vartiainen compare the Finnish economic model to a pragmatic 'Asian' interventionism: "In Korea, Taiwan as well as in Finland, a pragmatic co-operation between organized private agents like bankers and business leaders, on the one hand, and government officials and civil servants, on the other, has played a key role in enhancing economic growth."

The evaluation team of UNRISD composed of researchers representing partner countries from the Global South sought insight on the Finnish development cooperation from the history of the country. They concluded, inter alia: "The combination of welfare society, popular participation, neutrality and private sector development are systems that have enabled Finland to maintain social cohesiveness and device an extremely successful national and international project that is based on its history, culture and ethos…. Finland is a young and successful society that was affected by poverty, hunger and wars in the recent past. The country has been able to experience a profound transformation from a survival society to a post-survival 'information society'. This suggests that Finland has a lot to share with the rest of the world, particularly with countries in the South." [132]

[132] Saasa et al, 2003, p168

4.4. Conclusion by the Sida-UNRISD Seminar on Social Policy in Development Context: Translating Research in Practice [133]

The purpose of the Sida – UNRISD Seminar was to take stock of the outcome of the Sida funded UNRISD research programme. The reports and presentations at the

Seminar focused on the research evidence of the potential, the functions and impacts of social policy in the development process of low income countries. A summary of conclusions based on the presentations and discussions are provided below by Dr. Bob Deacon:

Remarkable synergy materialized around emerging Social Policy Consensus.

Consensus emerged with respect to:

- The ideal role of social policy in a development context
- The centrality of public spending by governments to secure equitable social development
- Some specific affordable social protection policies including social pensions to be encouraged to achieve the broader development goals. The importance of both national fiscal policies and long term ODA commitments to support these policies
- The need to rethink aspects of the architecture of aid in the current context.

The factual contents of this consensus are elaborated beow.

1. Role and function of social policy in a development context
   a) Social Policy should be comprehensive and combine job creation, social sector investments for human capital formation and social development as well as social protection.
   b) Social Policy should be a social transformational project supporting social cohesion, the interdependence between citizen and the state; facilitating the empowerment and agency of the poor, and providing for social integration.
   c) Improved social policies can be one route to the needed reconstitution of the public realm weakened by structural adjustment in many developing countries.

[133] This item is contributed by Bob Deacon. The summary uses also the summary prepared b y Sylvia Beales at the Stockholm event.

2. Centrality of public spending to secure equity:
   a) Universal social provision is important to tie the middle class into a socially inclusive development project.
   b) Public sector investments create jobs that facilitate female employment and a labour market routes to citizenship
   c) The most effective policies to reduce poverty may not be the anti-poverty policies. Better might be policies facilitating cross class political alliances for equitable development.
   d) The commercialization of services especially in the absence of state regulatory capacity reduces equity and disadvantages women.

3. Specific affordable policies including social pensions:
   a) There is evidence that cash in the hands of poor people changes lives, reduces poverty, provides security, supports employment, supports increased access to education and health services, improves nutrition and an improved satisfaction levels of life. Even in poor countries the evidence /From ILO studies and e3lsewhere) is that a minimum Package of social protection is affordable.
   b) Universal social pensions help families and children.
   c) Categorical cash transfers to children (whether conditional or not) can ensure equity now not just equality of opportunity.

4. The importance of using the law to advance social rights:
   a) The mandate for social protection and decent work for all exists in the rights provisions of the UN and ILO, in the policies of development partners, in the strategies and declarations of regional bodies, and in national policies in developing countries.
   b It is therefore possible to use the legal frameworks to contain unlawful government activity and to support the expansion and improvement of social protection implementation.
   c) South Africa provides examples of the use of law and constitution to ensure that 'developmental' rights are delivered in practice to very poor people. India provides an example of the same process to ensure the implementation of the rural employment guarantees programme.
   d) The African Union sponsored "Livingstone Call for Action" is another vehicle to be used to advance policy.

5. The importance of sound fiscal policies and long term ODA commitments:
   a) Sound and sustainable national fiscal policies are a necessary foundation for social policy.
   b) Longer term planning cycles are needed from donors and from national governments to deliver social protection over the long term.
   c) The parallel development of International Non-Governmental Organizations (INGOs) managed and project based social provision must give way to Government budget support.
   d) Development partners need to support national actions and investments to implement schemes that will include support form increased spending.

6. Rethinking aspects of the architecture of aid:
   a) The need is to move from projects to budgets; short term to long term; from bilateral to multilateral and to greater percentage of budgets allocated to social protection instruments.
   b) In a globalizing world the social policy concern to reconstitute fractured social bonds between social groups need to be addressed at supranational as well as national level.
   c) Social policies to tax and regulate business to secure social rights are needed at regional and global level.
   d) Cross border co-operation in sector investments and comparative lesson learning will require increased donor focus on the supra-national regional levels of governance.

IV. THE WAY FORWARD – A CALL FOR STRATEGIC ACTION [134]

"The central challenge we face today is to ensure that globalization becomes a positive force for all", stated the Millennium Declaration. Much evidence shows that, until now, globalization has not fulfilled this expectation. Poverty remains widespread, and inequalities have deepened both globally that the discrimination against women perpetuates poverty over generations nationally. There is a vast evidence. Such a process perpetuates poverty over generations. The empowerment of women and gender equality are essential elements in social and economic development.

Poverty reduction has been raised as the overarching goal. Poverty reduction strategies are essential, but to be effective and sustainable they require a strengthened focus on employment, social protection and social inclusion policies that are rights-based and have universal coverage. On the other hand, there are also a number of successful historical and current examples of societies where broader social policies have had a key role in the reduction of poverty and inequality. Social policy has played a crucial developmental role.

The importance of sound, equity-oriented macroeconomic policies and fiscal discipline cannot be overemphasized. Economic growth and structural change are important for the attainment of social objectives at the national and international levels, but not all growth is pro-poor: Employment-intensive and equitably shared growth, which the poor people and communities can participate in, contribute to and benefit equally from, reduces poverty more effectively and sustainably than jobless, unequally distributed "blind" growth.

Decent work – including rights, employment, social protection and social dialogue – is an important goal, means, as well as a key indicator of economic progress. For most working age people of the world, decent work is the most reliable mechanism for poverty reduction. A great proportion of the world's people are, however, at any moment of time too young, old, sick, disabled or pregnant to work themselves out of poverty. It is, therefore, highly disturbing, that twelve years after Copenhagen only less than a quarter of the world population has access to social protection.

Social security is a human right, enshrined in the article 22 of the Declaration of Human Rights. Social protection is important for everybody. It is an essential component of economic growth; it can unlock human entrepreneurship by enabling a majority of people to engage in higher-risk and higher-productivity businesses and livelihoods. Reliable social protection can help societies avoid serious and irreversible

[134] This chapter is based on the final group discussions of the Kellokoski Meeting

losses of human capital that occur if families have to take children out of school to earn income for the families in cases of unforeseen income losses.

Social policy has multiple functions in promoting entrepreneurship, production, reproduction, social inclusion and protection, redistribution of wealth and political stability. One-size-fits-all macroeconomic doctrines and policies have failed to take true cognizance of the social and ecological consequences of economic change. The diversity of national contexts calls for more room and instruments for socially responsible economic policies, tailored to the specific needs and opportunities of each context. Important social policy decisions are made at all levels and in all sectors of government, including infrastructure, utility governance, and macro-economic policy-making. Therefore, coherence and synergy among policies and governance arrangements in all parts of the economy have a crucial impact on social policy outcomes.

The main purpose of social policy is to create an enabling environment for balanced, inclusive and sustainable development conducive to fulfilling the three main Copenhagen commitments: eradication of poverty, full productive employment, and social integration. The civil society organizations, employers' federations and trade unions can play an important positive and mobilizing role as facilitators of people-centered development.

Achieving the internationally agreed development goals, including those contained in the Millennium Declaration, as well as the implementation of the outcomes of the major UN Conferences and Summits is essential in the fight to reduce poverty and inequality and to ensure socially, economically and ecologically sustainable development.

Rich historical and contemporary evidence demonstrates that comprehensive social policies are needed to achieve the development objectives of the international community. Achieving the goal of A *Society for All* calls for a holistic approach that utilizes the potentials of social and employment policy instruments that enable people and communities to participate in, contribute to and benefit from development and to achieve well-being.

Pro-poor growth policies, full productive employment and sustainable livelihoods that are supported by appropriate social protection instruments are essential elements of a broader, rights-based social policy.

Comprehensive social and employment policies are needed to achieve social and economic development and environmental sustainability. Implementation of context-specific, comprehensive and coherent national development policies requires more policy ownership and autonomy at the national level, a participatory approach to policy design as well as inclusive and equitable global governance.

National Development Strategies involving comprehensive social and employment policies must be strengthened by various forms of regional cross-border cooperation as a stepping stone to a socially more just globalization.

The UN as a whole and the UN-DESA in particular suffer from a proliferation of narrow mandates given by member states at various UN-meetings, without matching funding. The need to rely on extra-budgetary resources endangers the long term planning perspectives that are vitally important for sustainable development. The international community can best promote comprehensive social and employment policies – at global, regional and national levels – by giving a clear mandate and matching finances for the UN-DESA, UN-agencies and UN research institutes to work on the full comprehensive social policy agenda of the Copenhagen Summit.

There is a need to upgrade joint efforts to create an enabling environment – nationally, regionally and globally – that is conducive to inclusive, equitable and empowering social and economic development that would lead to the elimination of poverty. An essential element in these efforts is a better coherence of development cooperation. Platforms for multistakeholder policy dialogue are needed to bring together the relevant agencies and countries into an innovative and fruitful policy dialogue.

V. SOCIAL POLICIES FOR DEVELOPMENT – A FINNISH PERSPECTIVE [135]

The European Union has concluded that it is high time to re-examine the messages of the Rio Summit on Environment and Development and of the Copenhagen Summit for Social Development. The Rio Summit introduced the concept of sustainable development, and the need for a balance between the social, economic and environmental dimensions of sustainable development. In Copenhagen, governments agreed that poverty eradication, full productive employment and social inclusion are the three most important development challenges of the world. The Copenhagen Declaration called for a people centered and equity oriented approach to development.

The Kellokoski event was one step in a process that supports the implementation of the outcome of the World Summit for Social Development and its follow-up events. In partnership with likeminded governments, intergovernmental organizations and global civil cociety organizations (CSOs), Finland has been supporting a comprehensive social development agenda within the context of sustainable and balanced development.

The promotion of development is a multistakeholder issue. The same applies to social policy. The Kellokoski event was organized as a multistakeholder exercise. Participants represented a great number of relevant organizations and agencies. Also from partner countries there was a representation of various agencies. The Finnish Ministry of Social Affairs and Health, the Ministry for Foreign Affairs and The National Research and Development Centre for Welfare and Health (STAKES) hosted the event. The Ministries of Labor and Education, as well as the Finnish Federation of Social Welfare were closely involved in the preparations as members of the preparatory body for Finnish participation in the UN CSocD.

Furthermore, this event was closely connected with the UNRISD and Sida seminar on *Social Policies in Development Context* that summarized the results of a five year research programme of UNRISD, the main sponsor of which was the Sida. The presentations and conclusions of that seminar provided a solid research-based foundation for this more policy-oriented event in Finland. This series of joint work and resulting "New Consensus" Policy Note were intended to support our learning from each other, the sharing of experiences on what works and why and, most importantly, to build coherence in our respective actions in the near future.

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[135] This chapter is based on the statement by the Deputy Director General of the Ministry for Social Affairs and Health, Ms. Aino-Inkeri Hansson at the Kellokoski Meeting, and some additional material.

Finland has supported the broad and multisectoral approach to development for decades. In 1987, the Finnish Report to the Interregional Consultations on Developmental Social Policies called for establishing a process that would lead to a strategy towards well-being for all[136]. Such a strategy emerged through international collaboration in Copenhagen, in 1995. The then Finnish President Mr. Martti Ahtisaari, in his speech at the Summit suggested that the mission of social development should be a society for all.

In 1997, at the UNGASS of Sustainable Development (Rio +5), Finland pledged to study further the social dimension of sustainable development. An International Experts' Meeting was held at Kellokoski in 1997. The report[137] called for putting people at the center of sustainable development as agents of action and beneficiaries. This document was also made available for the CSocD meeting in 1998. It emphasized the role of social development as *a necessary condition* for sustained and ecologically sustainable economic development.

The most recent expression of Finland's concern for social development was Finland's high level involvement in the *ILO World Commission on the Social Dimension of Globalization* that was chaired by the presidents of Tanzania and Finland. Today the track is being followed in many ways. The idea of the event was developed in discussions with Tanzanian partners and the ICSW. This small gathering decided to try to put together an event that would strengthen the voice of the Global South in the policy dialogue. The Kellokoski event turned out to attract a surprising number of most relevant like-minded organizations, countries and experts.

Universal Access to Basic Social and Health Services Reduces Poverty

The background to Finland's thinking comes from its historical experience. Actually, the relevance of Finnish history to the current development debate was learned from the UNRISD team that was invited to evaluate Finnish development cooperation. [138]

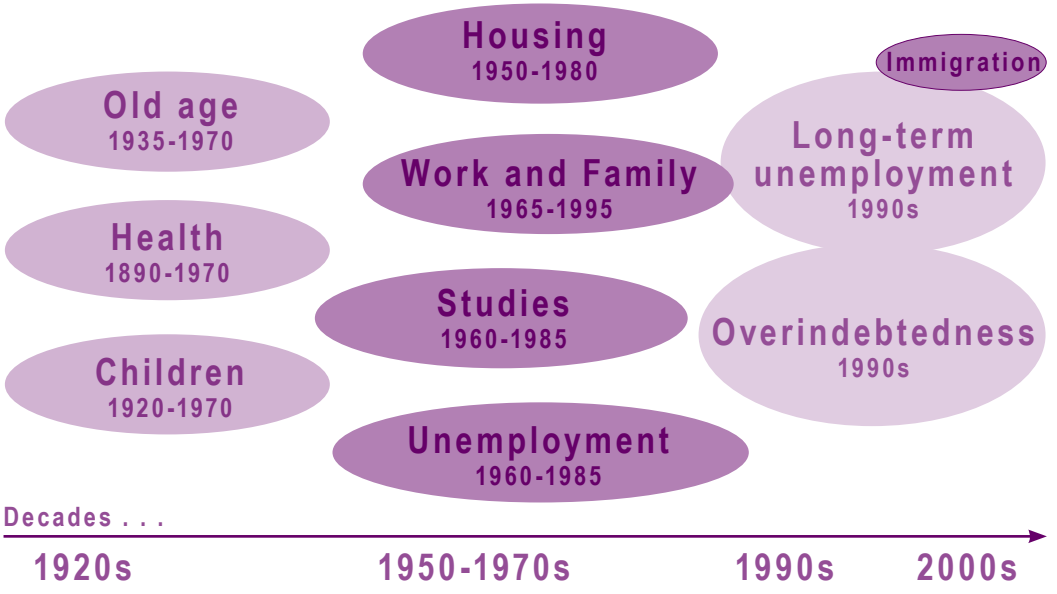
Finland started investing in universal and equal basic services and social security at the time the country was poor and a large part of the population still derived its livelihood from subsistence agriculture. For instance, the idea of free basic education for all was introduced as early as in 1921. This took place just after the civil war and started leveling off the dangerous class differences that had led to the civil war. Land reform was another necessary measure to stabilize the new independent nation.

[136] Wiman 1988
[137] Wiman 1999
[138] Saasa, Oliver S. & al 2003

The idea of basic social security for all was introduced in 1937 when the basic non-contributory pension system was legislated. Universal, flat-rate child allowances were also introduced as a population policy and social policy measure. Basic health services for all children were guaranteed already before World War II, when the Mother and Child Clinic system with nationwide coverage was established. Furthermore, in the 1970s, the Public Health Act widened this Health for All principle to encompass the whole population.

A decisive step towards gender equality was taken already in 1906 when women received the right to vote. Social policy has been used to promote gender equality. Public support measures to enable women – and men – to combine active working life with bearing and raising children have been instituted during the past decades. One of the most important measures is the long parental leave, part of which can be taken by either parent. Right to municipal child care or, alternatively, home care allowance covers all children until the child reaches three years of age, and can be continued as partial allowance until the age of seven. Despite substantial decentralization, state subsidies to poorer regions have made relatively equal access to basic services a reality in both wealthy and less wealthy regions.

Figure 9: The Phases of the Evolution of Finnish Social Policy



Jäntti, Saari, Vartiainen 2005; Saari 2005

The synchronized development of the economy and basic social security and services, with emphasis on regional balance, is seen as the driving force that eradicated extreme poverty, increased social cohesion, improved health and longevity for all, and enabled both women and men to take an active role in the labor market. The combination of economic, social and regional policies has enabled Finland to achieve one of the most rapid, pro-poor – and "pro-equity" – growth processes in Europe since World War II. [139] During the lifetime of one generation, Finland has developed from a relatively poor country into one of the most competitive information societies in the world. There is a strong atmosphere of social cohesion and consensus.

Social Development Calls for Investment in Human and Social Capital

The lessons from her own history make Finland a very strong supporter of the United Nations, particularly its work in the areas of human rights, equity and social development.

While social systems and structures cannot and should not be exported, the appropriate application of certain universal values supports social and economic development in harmony with nature. Freedom from poverty, access to basic services and security for all, health for all, equality of opportunity, the right to participate, human dignity, human security and self-determination are values that the international community has decided to promote.

While it is not easy to organize and finance universal access to basic services and security, a poor country cannot afford the deterioration of its human capacities and social fabric that result from inadequate investment in social development and basic services. Poverty and social disintegration are serious threats both locally and globally. Therefore wealthier nations should share this concern and should direct their support to the social development efforts of their less wealthy partner countries. There is a serious need to invest in social development.

Social development and poverty eradication are global issues and challenges. Poverty, vulnerability and exclusion are "public bads". Their existence affects the global community as a whole. Not only are they phenomena that cannot be accepted as the humankind has endorsed Human Rights as its very fundamental pillars. The public bads travel without passports and threaten the well-being and security of all people. Illnesses, epidemics and environmental degradation are similar global threats no one can escape. Development, in turn, is a common good. Lack of development affects all. Development benefits all. We are all involved. We all are stakeholders.

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[139] Jäntti *et al* 2005, 2006

Public goods are not produced in sufficient quantity and quality by the "invisible hand" of the free market. There is a case for public sector intervention. Goal-conscious policies and their effective implementation are necessary instruments for reaching socially equitable outcomes. A comprehensive, multisectoral approach to social policy has proven to be an effective tool for socially better outcomes.

It is necessary to emphasize that "social" does not mean charity. Social, in the meaning it carries in social policy context implies equity, equal opportunity and equal worth for all people. This is, however, not a view shared by all citizens and decision makers. Social is often understood to mean something marginal and something that implies unproductive expenditure.

The concept of social policy should not be used and understood narrowly to mean targeted policies that are intended only to benefit the poor and the vulnerable. It should be seen as policies that are intended to benefit all members of society - and society as a whole, as well.

Basic social services and social security for all are essential elements of socially sustainable development. They are investments in human and social capital. Without equal access to basic services and social security, there is no escape from the vicious circle of poverty.

Systematic use of economic, employment and social policies as vehicles to achieve those goals is both necessary and effective. Equality and security create human capital as well as social capital. The provision of universal access to comprehensive basic education, health services, infrastructural services – including access to information for all – has been central for economic and social development.

While social development is a difficult and multidimensional concept, Finland believes that attainment of the above goals by all is at the core of the development that can be called social development. If those goals are achieved, the social fabric of society becomes stronger – everyone has a strong stake, everyone becomes a stakeholder in development, the resilience and innovativeness of society is strengthened. Elimination of discrimination widens and deepens both human and social capital.

The vision of social development is *an inclusive society for all* where all members have the rights and opportunities to benefit from and contribute to society and development to build their own, their families' and communities' well-being. The goal of social development is to transform social institutions so as to empower people and communities to produce their well-being through creating human security and equity, equal opportunities for human development and participation, and social cohesion through inclusion.

Social development requires simultaneous investment in three dimensions:

1) investing in functioning, inclusive social institutions, the rule of law and good governance;
2) investing in access to basic services and security that are universally and *equally* available for all; this should include preventive health and social services;
3) investing in conditions that ensure that the private – and the public – sector shoulder their social and environmental responsibilities; rather than calling for the public sector to provide "corrective" services.

Social development often needs to be promoted also with specific population groups in mind. Although there are groups that need tailored support, seeing social development only as an issue of specific poverty reduction measures targeted at certain population groups is much too narrow an approach. Targeted poverty reduction measures alone are also administratively too demanding and costly to be cost-effective. Smart targeted measures may, however, be needed to complement universal provision of basic services and security.

Poverty has deep structural roots in societies. Thus poverty reduction calls for a wide and comprehensive developmental approach. The Commission for Social Development (the CSocD) is the forum where all partners can participate in identification of the challenges and solutions regarding social development in its broad and comprehensive meaning.

"Towards A Society for All" – A Global Goal Requiring Local Implementation

In the course of Finland's participation in the CSocD, there has been much progress but also some difficulties and disagreements that are related to the goals of development. Finland has been promoting the concept of "A Society for All"[140] as a vision that crystallizes the message of the human rights instruments of the United Nations. It has not always been an easy and straightforward task. There have been intense dialogues, and other kinds of visions have also been presented. An intense dialogue between social values and economic values has emerged. Finland thinks that both are equally relevant: social policy is not only economics, nor can economics be mere social policy.

While the MDGs are at the core of poverty reduction indicators, there is a need to see the full multidimensional, and sometimes not so tangible, spectrum of development processes that is necessary for achieving those goals. Development should not be reduced to mean the same as the available limited indicators used to measure it.

[140] UN Economic and Social Council 2005

Our partners in the CSoCD, particularly the partners representing low-income countries, are facing challenges similar to those Finland needed to tackle during her recent history. While social development instruments are not something that could or should be copied, the challenges of equality of opportunity, freedom and human security are the same all over the world. The basic goals and strategies in the area of gender equality as well as work concerning a number of social groups, such as the aging and people with disabilities, is equally relevant for all countries.

CSocD as the Forum for Global Social Policy Dialogue

Policy dialogue on the basis of well-prepared reports is a joint learning process that increases the understanding and joint sense of mission of every partner. It produces standards that combine the experience and wisdom of all humankind. It creates cohesion among countries, global social capital that is necessary for global development.

Finland sees social development – in its broader meaning – as a necessary prerequisite for global, regional and national stability and security. Furthermore, without social development, a sustained, ecologically sustainable economic development process is unlikely to take place. Growth as such is not development. Development implies that there are goals worth striving for. Those goals must be social in the sense that they put people at the center. The goals must be social also in the sense that they aim at developing a society for all people.

Social development will not be achieved without goal-conscious policy and governing instruments. At both local and global levels, we must study the challenges of social development and the options regarding how to promote equity and development for all peoples and nations. We all must invest in social development for a sustainable future.

Globalization creates both opportunities and challenges for the balanced development of all countries. The global dialogue regarding the social values and social dimensions of global development is of key importance for a small country such as Finland. The United Nations is the only representative global intergovernmental organ. The Member States and all the UN agencies produce knowledge and do much valuable practical work that is necessary for social development. A global forum is necessary to be able to exchange this experience and wisdom. The CSocD is the platform for joint dialogue, standard-setting and action in social development and social policy. Finland is convinced that further development of the work by the CSocD is a necessary and useful investment for a better global future.

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ANNEX 1: JOHANNESBURG DECLARATION IN SUPPORT OF AN AFRICAN REGIONAL SOCIAL POLICY

MINISTERS OF SOCIAL DEVELOPMENT OF SADC

24 November 2006

We, the Ministers of Social Development of the Southern African Development Community (SADC) of Angola, Botswana, Democratic Republic of Congo, Madagascar, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe, as well as participants from other African countries and representatives from international organizations, gathered in Johannesburg on 23-24 November 2006 upon an invitation of the United Nations and the Government of South Africa, concerned at the slow progress in addressing Africa's severe social challenges;

Nothing
That rising poverty levels and social exclusion faced by most African countries require significant changes in the way we think of social policy. Comprehensive social policies are needed to reduce poverty, to ensure employment creation, social inclusion, political stability and the protection of human rights and fundamental freedoms as well as to achieve Africa's social and economic development objectives;

That local and national social policies receive all the attention and that regional and global policies continue to lag behind;

The need for a regional social policy which will equip the governments of the region to tackle regional social challenges;

The ongoing efforts by the African Union to finalize a continent-wide Social Policy Framework;

Acknowledging that
The international community has a critical role to play in contributing to the ongoing efforts in capacity building of regional and sub-regional institutions dealing with social policy;

Mobilization of resources for social policy at all levels is essential to facilitate the realization of the objectives of a Regional Social Policy.

Call
For a SADC Sub-regional Social Policy as a building block towards a Social Policy Framework for Africa.

Confirm that
The aim of our deliberations in Johannesburg is to develop and consider ways and means of future implementation of a Social Policy in the SADC sub-region;

Social policy, as a way of understanding and addressing social challenges, must be developed at local, national, regional and global levels;

The AU, NEPAD and SADC institutions dealing with social policy issues must be strengthened for the realization of the objectives of regional social policy; and

Endorse
The principles of the Johannesburg draft document *Towards an African Regional Policy* dated 24 November 2006 and commit ourselves to expedite the process of finalizing the draft document and facilitate its adoption as a SADC Sub-regional Social Policy; and

Invite
The international community to support all efforts and initiatives towards the development and implementation of a SADC Sub-regional Social Policy and similar initiatives of other African Sub-regions.

Adopted by acclamation in Johannesburg on 24 November 2006.

ANNEX 2: TOWARDS AN AFRICAN REGIONAL SOCIAL POLICY

TOWARDS
AN AFRICAN REGIONAL
SOCIAL POLICY

Johannesburg Draft

SADC Ministerial Meeting
Johannesburg, South Africa

TOWARDS AN AFRICAN REGIONAL SOCIAL POLICY

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h. Gender
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I. INTRODUCTION

1.1. Overview of Social Challenges in Africa:

1. Despite recent positive GDP growth performance in many African countries, the continent has registered slow progress in the fight against poverty. Due to a variety of historical and present-day causes, human deprivation is acutely felt in Africa. An overwhelming majority of Africans are caught in a vicious circle of poverty, unemployment and social exclusion. These adversities combine in a destructive manner to further complicate other social problems. Addressing these social challenges is necessary for achieving internationally agreed development goals, including the Millennium Development Goals, and bringing prosperity to the population of Africa.

2. These social challenges do not only have a high human cost, but also incur significant economic losses for the region. Uncertainty and instability discourages private investment. High poverty and inequality result in small domestic markets, with insufficient demand to foster growth and economic development.

3. Addressing Africa's social development is an urgent priority. Ministries of Social Development, Labour and Social Security, and other related Ministries in each of the African countries are working towards this at the national level. However, the benefits of cooperating at the regional level have been generally overlooked. This document addresses regional policies for the following social challenges of Africa:

a. Employment and Decent Work
b. Social Protection
c. Cross-border Aspects of Health
d. Higher Education and Regional Research
e. Housing
f. Social Regulation of Services and Water, Electricity and Other Utilities
g. Disaster Prevention, Management and Mitigation
h. Gender
i. Children, Youth, Older Persons, Persons with Disabilities, Refugees and Minorities
j. Human Rights, Social and Economic Empowerment

1.2. Overview of Regional Responses: AU, NEPAD and Sub-Regional Economic Communities

4. **The African Union (AU).** At the Third Ordinary Session of the Labour and Social Affairs Commission of the African Union held on April 18-23 2005 a Draft Social Policy Framework for Africa was tabled (EXP/LSC/5 (111). It envisaged that Regional (Pan African), Sub-Regional (e.g SADC), and National Programmes would be developed by the AU Social Affairs Department working with the UN, ADB, and the ECA. It continued: "However, one vital condition for meaningful ownership by the countries is their full involvement in the formulation of the programmes" (para. 117). The Draft Social Policy Framework for Africa is a pioneering document that brings social policy at the forefront of AU's regional agenda.

5. **NEPAD**. The New Partnership for Africa's Development (NEPAD), the socio-economic programme of the African Union, has increasingly become the cornerstone and driver of development on the continent. NEPAD, created in 2001 under the African Union, is designed to address the current challenges facing the African continent. Issues such as escalating poverty levels and the continued marginalisation of Africa need a new radical vision and new plans, championed by African leaders, to guarantee Africa's renewal.

6. NEPAD's primary objectives are: (i) to eradicate poverty; (ii) to place African countries, both individually and collectively, on a path of sustainable growth and development; (iii) to halt the marginalization of Africa in the globalization process and enhance its full and beneficial integration into the global economy; and (iv) to accelerate the empowerment of women. NEPAD works with regional Action Plans and, despite its objectives, these have mostly focused on economic and governance topics, leaving social development lagging behind. Until 2006, NEPAD Action Plans have dealt with social development only in its human development aspects, education and health. This is insufficient for achieving NEPAD's objectives. Social policies to promote equity, decent employment and social integration are necessary to ensure social development. The broader thrust of numerous NEPAD documents clearly demonstrate a greater awareness of the need for comprehensive social policy at the national, regional and continental level. The opportunity can now be taken to strengthen the Social Policy Dimension of NEPAD in tandem with the further development of the Draft Social Policy Framework for Africa.

7. A number of African governments have recognized these gaps and have suggested the development of an African Regional Social Policy to become part of NEPAD

Action Plans. The United Nations Commission for Social Development and the 2005 United Nations World Summit have welcomed NEPAD and urged African countries to better incorporate social dimensions among the priorities of the New Partnership.

8. **SADC.** Subsequently SADC partners took the initiative to elaborate a more operational SPF for Africa, commencing by the position of the SADC sub-region. SADC has developed an infrastructure and capacity for the implementation of sub-regional social policy. It has established Directorates of Food; Agriculture and Natural Resources; Trade Industry, Finance and Investment; Infrastructure and Services; Social and Human Development and Special Programmes; and HIV and AIDS. The SADC 2000 Health Policy included cooperation in terms of communicable diseases and the referral of patients between member states. Sub-regional Education Policy was the focus of a needs assessment in 1998. The SADC NGO FORUM is long established providing a sub-regional civil society voice in SADC affairs.

9. At the same time it was suggested that these deliberations be fed into the NEPAD process to strengthen the Social Dimension of NEPAD with a view to put forward specific programmes to be implemented using various funding opting, including possible use of donor funds.

II. PURPOSE OF THIS DOCUMENT.

10. In the context of the above, this document:
    a) Articulates a conceptualisation of Social Policy at National and Regional levels to inform the social policy dimension of NEPAD
    b) Builds on the AU's Draft Social Policy Framework for Africa to Develop a Regional Social Policy Framework for the SADC region.
    c) Proposes a series of Regional Statements of Policy and Programmes that could be implemented as NEPAD projects with donor funds addressing the following social challenges:

- Employment and Decent Work
- Social Protection
- Cross-border Aspects of Health
- Higher Education and Regional Research
- Housing
- Social Regulation of Services and Water, Electricity and Other Utilities
- Disaster Prevention, Management and Mitigation
- Gender

- Children, Youth, Older Persons, Persons with Disabilities, Refugees and Minorities
- Human Rights, Social and Economic Empowerment

d) Suggests a road map and next steps to be taken to reach agreement on a SPF for Africa and a set of social policy programmes in NEPAD
e) Suggests a set of feasible proposals for the institutionalisation of Social Policy within NEPAD and the AU.

11. Because NEPAD already has programmes in education and health this document pays less attention to these sectors and more to employment and social protection except where there is a clear overlap between the policy sectors. Thus in the formulation of education and health policy it is important to address the impact of any user charges on the standard of living of poor users. Issues of equitable access through free services or the establishment of funds to cover the cost to poor people become important. . By the same token this document pays attention to HIV/AIDS not so much from the standpoint of its prevention and treatment but from the social consequences of the pandemic. Issues of orphan allowances for example are addressed.

III. DEFINING NATIONAL AND REGIONAL SOCIAL POLICY

III.1. National Social Policy

12. Comprehensive social policies are an urgent priority to achieve development objectives and to build nations that are socially inclusive, economically robust and politically stable.
13. For the purposes of this document, social policies at the national level are collective state-lead measures, implemented by the central and local governments and other stakeholders such as organized employers and workers, the broader private sector and civil society, as well as international development partners. Social policies are interventions which are about promoting the well being of all citizens and which address structural inequalities in wealth, ensure greater equity and equality for all, correct market shortcomings, reduce poverty and promote social inclusion.

14. Social policy at national level can also be described in terms of *sector investments and programmes* in the fields of employment, social protection, education, health, housing social services and utilities (water).

15. Social policy at national level has also can also provide mechanisms of *social redistribution* (land reform, taxation, cash transfers, targeted subsidies), *social regulation* (of business, trade and agriculture to ensure they serve a social purpose) and *social rights* (to enable citizens to make claims about social entitlement from their governments)

16. National social policies address a range of *social issues and concerns* such as unemployment, poverty, and social exclusion and can promote redistribution, equity, social justice, solidarity and integration. Sound social policies facilitate consensus building at the national level and help to prevent and manage conflicts.

17. Social policies are justified not only from a humanitarian viewpoint; they are an economic and political need for future growth and political stability.

- Investing in people enhances the quality and productivity of the labour force, thus improving the investment climate and, hence, growth.
- Raising the incomes of the poor increases domestic demand and, in turn, encourages growth; greater consumption ratios among lower income groups contribute to expanding the domestic market.
- Highly unequal societies are associated with lower rates of growth. Unequal societies are not only unjust but also cannot guarantee social and political stability in the long term, which is a barrier to economic growth.
- Among children, poverty and malnutrition damage health, cause pre-mature death, and impair cognitive abilities, resulting in lower productivity in future adults, a high burden for a country.
- Historical evidence shows that social development accompanied industrialization and economic development in most countries. In Europe and East Asia's 'late industrializers', social investment was an integral part of modernization processes, nation building, and productive development.

18. Social policy and economic policy are therefore interdependent as well as synergistic, and NOT antagonistic. Economic and social policies need to be promoted in parallel, in a mutually reinforcing way, from an early development stage, as part of the country's national development strategy. All economic policies have different distribution impacts and it is essential that national development is based on decent work and macroeconomic and sector policies that rise people's incomes and foster social inclusion. Social and economic policies should be integrated, promoted in parallel, in a complementary manner.

III.2. REGIONAL SOCIAL POLICY

19. Regional and sub-regional social policies represent an extension of national social policies, and should be consistent with national social policy objectives. Regional social policies address issues that require intergovernmental cross-border cooperation on issues of rights, regulation and redistribution in the areas of (a) social sector investments, (b) social issues at a cross-national level and (c) human rights and empowerment.

20. Common positions are also important to strengthen Africa's voice in world affairs and reinforce Africa's role in international decision making.

21.

MAIN AREAS OF REGIONAL SOCIAL POLICY

I. Intergovernmental cross border cooperation in sector investments and programmes in the fields of employment, education, health, social protection, housing and utilities.

II. Intergovernmental cross border co-operation on policies which address social issues and social problems such as poverty and social exclusion, and policies which promote redistribution, social justice and equity, social solidarity and social integration (e.g. redistribution such as regional social funds or regional disaster mitigation funds, regulation of inter-regional labour market issues or utilities)

III. Cooperation to protect human rights and fundamental freedoms (e.g. sub-regional charters of human and social rights and observatories to monitor progress).

Typical regional programmes to be included in a NEPAD Action Plan may include:

- Joint capacity building, learning from best practices
- Division of labour (e.g. regional training centers or research centers, given there is no need to create them in each country and there are benefits from developing economies of scale);

- Joint programmes for international risk pooling (e.g. Crop and cattle insurance and reinsurance, disaster prevention and management);
- Harmonizing regulations (e.g. regulation of utilities like water, electricity to ensure access and affordability by the poor);
- Regional investments (e.g. funds for addressing different social policy common priorities).

III.3. Regional Social Policy and National Sovereignty

22. Interstate cooperation on social policy is a voluntary accession to policies and codes that does not challenge the principle of sovereignty in a fundamental sense. As states agree to the codes and practices, they are the authors of their destiny and consent to bind themselves to measures that may constrain their exercise of power. This is not the same as other states or bodies imposing their will on a nation state. Consensual and self-binding measures only commit states to aligning national policy with the broad principles of the programme. Through intra-state collaboration, no state concedes sovereignty. Cooperation of neighbouring states on regional and common policy priorities has the potential to make each one better off.

23. Intergovernmental cooperation also facilitates the articulation of a common regional or sub-regional position on international issues and hence increases the strength of the African voice in global forums. An African Regional Social Policy could then contribute to the emergence of a common global social policy.

IV. TOWARDS SUB-REGIONAL AND REGIONAL SOCIAL POLICIES FOR AFRICA AND SOCIAL DIMENSIONS IN NEPAD ACTION PLANS

24. Utilizing the conceptualization of national and regional social policy set out above, this section presents programme areas for Sub-regional and Regional Social Policies for Africa. Each area starts by a brief statement defining its relevance, and continues listing some possible options for potential programmes, for future international funding.

REGIONAL SOCIAL POLICY:
RIGHTS, REGULATION AND REDISTRIBUTION

A. SOCIAL SECTORS:
1. Employment and Decent Work
2. Social Protection
3. Cross-border Aspects of Health
4. Higher Education and Regional Research
5. Housing
6. Social Regulation of Services and Water, Electricity and Other Utilities

B. SOCIAL ISSUES:
1. Disaster Prevention/Management/Mitigation (Social Dimensions of)
2. Gender
3. Children, Youth, Older Persons, Persons with Disabilities, Refugees, Minorities;

C. HUMAN RIGHTS
1. Human Rights, Social and Economic Empowerment

Employment and Decent Work

***Context**: In 2004 the Ouagadougou Plan of Action adopted by Heads of State in Africa committed to develop strategies for generating decent and productive work, and to explicitly address employment generation issues in national poverty reduction strategies. This was reaffirmed at the 2005 World Summit, when African governments committed to support "full employment and decent work for all... as a central objective of our... national development strategies" The decent work agenda is officially supported by UN agencies and by major financiers like the EU. The decent work agenda involves (i) social pacts for employment-generating economic policies; (ii) labour standards and fair income, (iii) skills development for enhanced productivity and (iv) social protection for all. Additionally, the AU has been developing Frameworks for Integrating Employment Policy in different African sub-regions.*

- **Policy Statement:** Creating jobs in both rural and urban areas is a top priority to reduce poverty. Creating decent employment is a result of employment-sensitive economic policies, combined with adequate labour market interventions. Skills training is essential for productivity enhancement.

- **Potential Programmes:**
  - Capacity building activities to:
    - Ensure policy-makers understanding of the links between economic and social policies;
    - Enhance inter-ministerial cooperation (economic and social sectors) to ensure that economic policies are employment generating;
    - Promote sharing of experiences and best practices in the areas of employment, sustainable livelihoods and labour standards to combat Africa's race-to-the-bottom;
    - Appropriate legislative frameworks that strike a balance between economic efficiency and labour protection, and create disincentives for migration;
    - Strengthening capacity of labour market institutions in areas such as employment statistics and labour inspections, to better inform social dialogue for evidence-based and employment sensitive economic policies.
  - Establish regional funds for:
    - Programmes for employment generation and for promoting formalization of informal work (promoting small and medium enterprises, cooperatives, wage subsidies, public works, guaranteed job schemes, and special employment programmes for women, youth, and persons with disabilities);
    - Skills development programmes (training and retraining of labour to enhance employability and productivity).
  - Collaborate with the Infrastructure Unit in the NEPAD Secretariat to integrate regional public works programmes into cross-border developments.

Social Protection

Context: *National Risk Management and Social Protection Strategies, including country-specific vulnerability profiles, have been developed in several African countries. Efforts have also focussed on social insurance (health, old-age, disability), social assistance and other instruments such as community-based social funds.*

Additionally, in March 2006, the African Union and the Government of Zambia held an intergovernmental conference on social protection in Livingstone, Zambia, that brought together ministers and senior representatives from 13 African countries. The delegates at the conference called for social transfer programmes, including the social pension and social transfers to vulnerable children, older persons and people with disabilities and households to be a more frequently utilized policy option in African countries; so African governments to put together national social transfer plans within two-three years that are integrated within national development plans and within national budgets, and that development partners can supplement.

- **Policy Statement:** Social protection is important for both vulnerable and non-vulnerable groups, as it has defensive and enabling dimensions. It can reduce their exposure to risks and to enhance their capacity to protect themselves against various hazards including loss of income. Social protection instruments, particularly social pensions and social assistance, are a priority instruments to expedite poverty reduction, and tools to initiate a positive spiral of aggregate demand in local and national markets. Social protection also has an enabling function as it unlocks human potential to engage in higher productivity and profitability businesses and livelihoods.

- **Potential Programmes:** Capacity building activities to promote social protection in the region. These may take the form of:

    - Best practices in Vulnerability Assessments, benefit determination, eligibility criteria, (child care, aged pensions, disability, war veteran, foster care for HIV and AIDS orphans, unemployment), actuarials, targeting vulnerability, institutional capacity, monitoring and evaluation;
    - Establishing an infrastructure for the effective delivery of pensions, especially in areas where banking facilities and ICT are unavailable, ensuring the secure transport of cash to isolated areas, especially in post-conflict environments with a high prevalence of armaments;
    - Awareness campaigns on social assistance, so vulnerable populations can access benefits; where women are recipients, campaigns to prevent inter-family violence, as this should not lead to or exacerbate spousal abuse;
    - Social protection programmes specifically addressed to community development needs.

Cross- Border Aspects of Health

***Context**: There are several international initiatives to control the spread of vector-borne and other diseases, such as the SADC HIV/AIDS Strategic Framework and Programme of Action 2003-2007 (Appendix G). These initiatives need to be strengthened to avert cross-border transmission.*

Policy Statement: Cross border co-operation on the development of accessible and affordable quality health care is essential. The cross-border spread of diseases (e.g. HIV/AIDS, Ebola, Tuberculosis, Malaria, Avian Flu, Chikungunya, etc) must be prevented and collaborative efforts between governments strengthened.

P**otential Programmes:** Capacity building programmes to:

- Develop early warning systems of epidemics coupled to the regional coordination of specialists for rapid deployment to effected areas;
- Bolster the ability of border controls to monitor the movement of persons from and into affected areas;
- Establish effective procedures for disinfecting people, livestock and vehicles;
- Ensure that users of regional road corridors are aware of anti-HIV and AIDS practices;
- Promote curative and preventative health services for women of reproductive age. The challenges of reproductive health are large, and free public services are advised, given their positive impacts on (i) women's health, (ii) infant and toddler health, and (iii) fertility regulation;
- Facilitate regional access of citizens to specialised health care facilities through partnerships;
- Share expertise in primary and community-based care;
- Coordinate regional procurement and production of pharmaceuticals, including retroviral drugs, to standardise prescriptions where appropriate and benefit from economies of scale;
- Signing agreements for exchange programmes, and promoting training of health personnel;
- Investigate the viability of mobile medical and health care units to ensure that rural communities have access to diagnosis and treatment;
- Coordinate a systematic campaign to rid the region of damaging, yet preventable, diseases like malaria and various water-borne diseases that impact on health;
- Coordinate approaches to global funds.

Higher Education and Regional Research

Context: *The erosion of public expenditures on higher education in some African countries due to structural adjustment combined with the brain drain of the few highly trained African experts into aid industry has lead to the reduction of research capacity in the field of social policy. Addressing lack of funding is an urgent priority. Given resource limitations, there are major advantages from regional division of labour in research.*

- **Policy Statement:** Higher education must be supported on a regional scale to create professional capacities for the public and private sectors, and to contribute to higher quality research. Research is the foundation of the formulation, implementation and evaluation of effective social policies. In order to implement and drive effective social policies at both the national and regional levels, the building of a research evidence base for social policy is critical.

- **Potential Programmes:** Programmes for capacity building to:
  - Bring evidence-based research into policy-making;
  - Support policy-making by looking at the distributional impacts of different national policies;
  - Develop and apply indigenous knowledge systems for national and regional development;
  - Establish and manage a fund for providing regional academic fellowships to build research capacity in national and regional institutions;
  - Identify regional areas for policy analysis and evaluation;
  - Support regional tertiary education and academic networks;
  - Strengthen statistical capacity and primary data collection for adequate regional research.

Housing

Context: Vast inequalities of housing and housing standards are to be found across the region. The World Summit for Social Development (1995) *Programme of Action states that* "homelessness and inadequate housing and unsafe environments" are all aspects of poverty which should be eradicated.

- **Policy Statement:** Adequate housing is a basic human need and the provision of decent housing is an essential component of social policy directed at eliminating poverty and social exclusion.

- **Potential Programmes:**
  - Encourage cross border cooperation to share good practice on the provision of adequate housing, to improve access to housing and quality of dwellings;
  - Support cooperation in the area of housing finance for low-income households;
  - Share expertise on assessments for housing need drawing e.g. on the experience of UN-HABITAT.

Social Regulation of Services and Water, Electricity and Other Utilities

Context: *Globalisation and the GATS within the WTO have increased the opportunity for global private providers of utilities (water, energy), health and education services to operate across borders. While bringing new investment such providers may not be interested in universalising access or affordability issues.*

- **Policy Statement:** Private providers of water, energy, health and education services need to be regulated to ensure equitable access by the poor (when possible free) and good quality services (e.g. drinking water).

- **Potential Programmes:** Capacity building programmes to:
  - Establish a regional regulatory authority with the power to enforce the contractual terms of universal access agreements and ensure oversight of service providers;
  - Collaborate with the NEPAD Secretariat's unit on infrastructure to facilitate public and private partnerships in the development of regional services infrastructure, ensuring expansion of coverage of utilities and services to all citizens and that those are affordable and, when poverty and destitution are very high, free through subsidies;
  - Ensure civil society participation as stakeholders in service provision;
  - Protect sources of water (e.g. wells).

Disaster Prevention, Management and Mitigation

Context: *Regional efforts at coordinating disaster management exist in NEPAD (lumped under Agriculture), AU, SADC. and some organizations like the International Federation of the Red Cross/Red Crescent in the areas of food security, floods, cyclones and tsunamis. These efforts need to be expanded regionally. These efforts need to be*

harmonized and expanded given the importance of the topic. Other world regions are creating regional funds (e.g. on 11 November 2006, Southeast Asian countries created a regional fund to help fight forest fires in Indonesia that have spread smoke across the region).

- **Policy Statement:** Collaboration between states to prevent, manage and mitigate disasters is essential to avoid human and economic losses.

- **Potential Programmes:**
  - To build capacity to predict and prevent disasters, to mitigate their impact and to respond and cope with their consequences:
  - Establish effective regional early warning systems for:
  - Food security by coordinating agricultural information from member states on expected crop yields and droughts,
  - Floods based on seasonal rainfall;
  - Develop capacity for Vulnerability and Disaster Preparedness Plans;
  - Investments to ensure:
  - Effective food storage facilities/food banks and transport logistics;
  - Effective emergency transport for evacuation in case of floods, typhoons and tsunamis;
  - Establish regional agricultural insurance instruments – ie. crop and cattle insurance;
  - Build Regional Disaster Response Teams with strong logistical capacity and study where institutionally they will be best placed (ie. RECs, closer to where disasters occur);
  - Establish infrastructure and resources for regional emergency relief funds;
  - Coordinate the collection and interpretation of relevant regional satellite geophysical data.

Gender

Context: *African ministers in charge of gender and women affairs met at the Seventh African Regional Conference on Women (Beijing+10), in Addis Ababa, October 2004, and reaffirmed and renewed their commitment to gender equality, equity and women's empowerment as agreed in Cairo, Dakar and Beijing Platforms for Action. Additionally the codes in the SADC Charter on Fundamental Rights as well as the Declaration by SADC Heads of State or Government on Gender and Development fully support women's empowerment.*

- **Policy Statement:** Development must provide equal opportunities for men and women of all African countries and empower women to ensure they benefit as much from development processes.

- **Potential Programmes:** Capacity building programmes to:
  - Establish effective monitoring and evaluation systems to ensure and document progress on gender mainstreaming at the national and regional levels (e.g. Observatories);
  - Establish a fund for supporting gender mainstreaming in all aspects of development;
  - Establish where they do no yet exist the equal legal rights of women with regard to the economic, the law and the political system, and effective promote their implementation;
  - Prioritise the reproductive rights of women in health programmes including the free distribution of condoms;
  - Prevent and combat human trafficking, in particular criminal practices against women and children;
  - Make utilities accessible and affordable to population, taking into consideration the important role of women as caregivers (fetching water, collecting firewood, etc);
  - Prioritise women friendly employment practices such as child care facilities at work and affirmative action;
  - Formalizing unpaid care work is a way to increase the position of women;
  - Improve the social status of woman and ensure that they reach decision-making positions;
  - Ensure that employment and freedom of association codes, as set out in the SADC Social Charter, are effectively implemented with regard to women's rights.

Children, Youth, Older Persons, Persons with Disabilities, Refugees and Minorities

***Context**: Following the Convention on the Rights of the Child (1989), the World Social Summit (1995), the World Program of Action for Youth (1995), the Madrid International Plan of Action on Ageing (2002), and the International Convention on the Rights and Dignity of Persons with Disabilities (2006), African countries followed with regional initiatives such as the AU Policy Framework and Plan of*

Action on Ageing in Africa in 2002, an instrument to guide member countries in designing, implementing, monitoring and evaluating national policies on ageing to address the individual and collective needs of older people. This was followed by subregional initiatives – e.g. SADC Social Charter refers explicitly to older persons and persons with disabilities. International agreements supporting the protection of refugees, including the UN Convention Relating to the Status of Refugees and its 1967 Protocol, also provide a framework for international cooperation. In addition, the Guiding Principles on Internal Displacement further reflect international commitments to protect internally displaced persons (IDPs).

- **Policy Statement:** Social policy striving for a society for all requires special attention to the needs of children, youth, older persons, persons with disabilities and minorities.

- **Potential Programmes:** Capacity building programmes to:
  - Draft and implement National Action Plans for Children, Youth, Older Persons, Persons with Disabilities, in accordance with international agreements at global and regional level;
  - Establish effective monitoring and evaluation systems to ensure that policy objectives in the Conventions of the Rights of Children and Persons with Disabilities are implemented effectively;
  - Implement the objectives of the African Decade of Persons with Disabilities and support the Secretariat;
  - Establish and manage funds to support results of National Action Plans for Children, Youth, Older Persons, Persons with Disabilities, and countries ratifying the Conventions of the Rights of Children and Persons with Disabilities;
  - Establish regional funds to assist refugees and internally displaced persons (IDPs);
  - Cooperate with NEPAD's e-Learning initiative, ensuring access to minority groups and youth, including in rural areas.

Human Rights, Social and Economic Empowerment

***Context**: The UN Covenant on Economic, Social and Cultural Rights, ILO's Labour Standards, the Africa Charter of Rights and Sub-regional charters such as SADC's all establish a human rights framework for governments and regional associations to work within*

- **Policy Statement:** Empowering people and governments to respect, promote and protect rights is critical to ensure shared social and economic development and social inclusion.

- **Potential Programmes:** Programmes for capacity building to
  - Support cross border regional and sub-regional NGOs addressing cross border social issues;
  - Strengthen or develop Observatories to monitor adequate protection of human rights and fundamental freedoms;
  - Develop cross border Social Consultative Councils to facilitate regular consultations between Ministers of Social Development and trade unions and other social partners and interest groups;
  - Support Human Rights Regional Councils to mediate human rights issues at regional level in accordance with existing bodies in the region.

V. IMPLEMENTATION

V.1. Institutional Requirements of a Regional Social Policy for Africa and its Sub-Regions

25. The ways and means may involve:
    i. Strengthening the National Ministries of Social Development/Social Policy/Community Development/Labour, etc. and mainstreaming social perspectives across all other Ministries.
    ii. Strengthening the capacity of Sub-Regional Secretariats, e.g. SADC, to deal with Social Policy Issues and mainstreaming social perspectives across all other Directorates.
    iii. Strengthening the capacity of AU and NEPAD Secretariats to deal with Social Policy Issues, and mainstreaming social perspectives across all other sectors.
    iv. Ensuring the participation of the donor community, ECA, ILO, WHO, UNDP, UNESCO, World Bank, AfDB, EU, UNDESA, other UN centers and agencies, bilateral donors and the several global funds in the institution and capacity building required for national and regional social policy, whilst accepting and recognizing the need to allow funds to flow through the Regional Social Policy authorities.

v. Establishing selection, monitoring and evaluation systems and criteria for the social policy programmes.
vi. Develop peer review mechanisms.

V.2. Financing of Regional Social Policies

26. Developing policies and programmes at the regional level as described above requires funding. Funding may originate in NEPAD, the Global Solidarity Fund or a new fund to be created, with adequate institutional arrangements and good-governance to attract donor financing. Sound management practices and controls must be put in place to ensure prudent and efficient use of resources.

V.3. Road Map

27. Issues discussed at the Senior Officials and Ministerial Meeting *NEPAD: Towards an African Regional Social Policy* held in Johannesburg, South Africa, from 21 – 24 November, 2006 were essential to the development of a Sub-regional SADC Social Policy. Discussions were based on contributions provided by the participating governments. Agreements reached at the meeting represent a consensus of the participants and were made after comprehensive and thorough discussions.

28. This document and the following roadmap were endorsed by the Ministerial Meeting on 24 November 2006. Concern was also expressed regarding the consistency of diplomatic efforts in this context. It is therefore essential to ensure coordination and coherence in addressing issues of regional social policy implementation. Country representatives present at Johannesburg committed themselves to disseminating and discussing the content of this document and roadmap widely within their respective governments to ensure that government positions will be consistent at all stages and fora at the regional and international levels.

Road Map (Process)

Milestone	Activity descriptive	Date
Phase I (Consolidating the SADC integration and harmonization process)		
2nd Forum of SADC Ministers responsible for social development	SADC meeting which will address harmonization and sub regional position with regards to AU Social Policy, social dimensions of NEPAD and the UN Commission for Social Development.	21–24 November 2006, Johannesburg.
	Production and dissemination of report to UN, AU and SADC through copy and presentations to lobby for further support	October – December 2006
UN General Assembly	Informal dialogues and sessions within the Africa Group to gain momentum for Africa Forum proposals	September – December 2006, New York.
OECD POVNET	Dialogue with donor partners, regional and subregional secretariats and interested African governments, presenting the outcomes of the Johannesburg Ministerial Meeting and discussing institutional and financing options	January 2007
45th Session of the Commission for Social Development	Formal tabling of SADC Positions and statements to the Africa Group, G77 and Commission, which would elaborate the Social Dimensions of NEPAD, and future themes and methods of work of the Commission. Side-event by UNDESA on Regional Social Policy in Africa.	February 2007 New York
African Union Commission for Labour and Social Affairs	Formal tabling of SADC position with regards to AU Social Policy, social dimensions of NEPAD and future methods of work of AU Commission, and proposal to have AU Forum for Social Development Ministers.	April 2007
Phase II (Consolidating the African integration and harmonization process)		
3rd Forum for SADC Social Development Ministers	SADC meeting which would reassess harmonization and sub regional position with regards to AU Social Policy	June 2007

1st Forum of African Social Development Ministers	AU meeting which will address harmonization and regional position with regards to AU Social Policy, social dimensions of NEPAD and the UN Commission for Social Development. 1. Briefly examine national [needs], policies and practices, and assess their adequacy in addressing the challenges identified, 2. Review social development related legislation, including treaties[and other legal instruments, and make recommendations regarding overcoming the existing bottlenecks], 3. Propose and formulate regional social policy objectives and strategies consistent with the AU and NEPAD overall objectives and the process of regional integration, 4. Propose regional programmes, financing mechanisms and capacity building for a regional social policy.	September 2007
	Production and dissemination of report to UN and AU through copy and presentations to lobby for further support	October 2007 – January 2008
Phase III (synchronization and formalization of processes)		
46th Session of the Commission for Social Development	Formal tabling of AU Positions and statements to the Africa Group, G77 and Commission, which would elaborate the Social Dimensions of NEPAD, and future themes of the Commission	February 2008
African Union Commission for Labour and Social Affairs	Formal tabling and finalization of AU Social Policy, social dimensions of NEPAD and future methods of work of AU Commission, and finalize 5 year implementation plan of the AU Forum for Social Development Ministers.	April 2008
4th Forum for SADC Social Development Ministers	SADC meeting which would reassess harmonization and sub regional position with regards to AU Social Policy	June 2008
2nd Forum of African Social Development Ministers	AU meeting which will address implementation, harmonization and regional position with regards to AU Social Policy, social dimensions of NEPAD and the UN Commission for Social Development.	September 2009

ANNEX 3: LIST OF ABBREVIATIONS

ADB	African Development Bank
HIV/AIDS	Human Immunodeficiency Virus/Acquired immune deficiency syndrome
ASEAN	The Association of Southeast Asian Nations
ASGISA	Accelerated and Shared Growth Initiative of South Africa
AU	African Union
BWIs	Bretton Woods Institutions
CCA	Common Country Assessment
CSO	Civil Society Organization
DBC	Direct Budget Support
DFID	The Department for International Development, United Kingrdom
DPG	Development Partners' Group
DWCP	Decent Work Country Programme
EAC	East African Community
EC	European Commission
ECA	Economic Commission for Africa
ECOWAS	Economic Community Of West African States
EP	European Parliament
ESIP	Employment, Social Inclusion and Protection
EU	European Union
FTAA	Free Trade Area of the Americas
GASPP	Globalism and Social Policy Programme
DBS	Direct Budget Support
GDP	Gross Domestic Product
GEAR	Growth, Employment and Redistribution Programme (South Africa)
GNI	Gross National Income
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
HIPC	Heavily Indebted Poor Countries
HIV	Human immunodeficiency virus
HR	Human Rights
HSSSP	Health and Social Sector Support Programme (Namibia)

IDA	International Development Association
IFIs	International Development Financing Institutions
ILO	International Labour Organisation
IMF	International Monetary Fund
IEG	Independent Evaluation Group (World Bank)
ISSA	International Social Security Association
IT	Information Technology
LIC	Low Income Country
MDGs	Millennium Development Goals
MERCOSUR	Southern Common Market (Mercado Común del Sur)
MFA	Ministry of Foreign Affairs
MIC	Medium Income Country
NAFTA	North American Free Trade Agreement
NEPAD	The New Partnership for Africa's Development
NGA	Non-Governmental Actor
NGO	Non-governmental organization
NORAD	The Norwegian Agency for Development Cooperation
NREGA	National Rural Employment Guarantee Act (India)
NSGR	National Strategy for Growth and Reduction of Poverty
ODA	Official Development Aid
OECD	Organisation for Economic Co-operation and Development
OECD / POVNET	OECD Nework on Poverty Reduction
OECD DAC	OECD Development Assistance Committee
PCD	Policy Coherence for Development
PPG	Pro poor growth
PRS	Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy Paper
PSD	Private Sector Development
PWAS	Public Welfare Assistance Scheme
RDP	Reconstruction and Development Programme (South Africa)
ROSA	UNICEF Regional Office for South Asia
SAARC	South Asian Association for Regional Cooperation
SADC	Southern African Development Community

SAP	Structural Adjustment Program
SAS	Social Assistance System
SDAN	Social Development Advisors Network
SHI	Social Health Insurance
SIDA	Swedish International Development Cooperation Agency
SMME	Small to Medium Enterprise
SPF	Social Policy Framework
SRM	Social Risk Management
STRL	Sosiaaliturvan keskusliitto
SWAPs	Sector Wide Approaches
SWIS	Social Welfare Information System
TF-ESSD	The Trust Fund for Environmentally and Socially Sustainable Development
TT-RV/SP	Task Team on Risk, Vulnerability and Social Protection (OECD/POVNET)
UK	United Kingdom
UN	United Nations
UNCHR	United Nations Commission on Human Rights
UNDAF	United Nations Development Assistance Framework
UN-DESA	United Nations Department of Economic and Social Affairs
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UN-ECOSOC	United Nations Economic and Social Council
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNGASS	United Nations General Assembly Special Session
UNICEF	The United Nations Children's Fund
UN-OHRLLS	The UN Office of the High Representative for the Least Developed Countries,
UNRISD	United Nations Research Institute for Social Development
VAT	Value Added Taxation
WB	World Bank
WBI	World Bank Institute
WDR	World Development Report
WHO	World Health Organization
WIDER	World Institute for Development Economics Research
WSSD	Copenhagen World Summit for Social Development

ANNEX 4: LIST OF PARTICIPANTS OF THE KELLOKOSKI EXPERTS' MEETING ON SOCIAL POLICIES FOR DEVELOPMENT IN A GLOBALIZING WORLD

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Inequality is increasing both globally and locally. The narrowing of development frameworks and the fragmentation of responses by Governments and the international community has endangered the possibilities of reaching the broader development goals previously endorsed by the international community.

A Roundtable of social and employment policy experts representing several governments, international organizations and academia from the Global South and North identified social policy challenges and innovative responses in light of the cases presented by partners from the Global South. They concluded that people-centered, equity-oriented, and inclusive development does not trickle down from the invisible hands of the market.

The experts recommend that Comprehensive Social and Employment Policies should be given urgent priority as an essential component of balanced and socially, economically, and environmentally sustainable development. The broad vision of the World Summit for Social Development, an inclusive Society for All, should be at the center of more ambitious national development strategies.

This publication is based on the Experts' Meeting held at the Baltic Sea Centre in November 2006 in Kellokoski, Finland, at the invitation of the Government of Finland. It includes the Policy Note entitled "New Consensus on Comprehensive Social and Employment Policies for Development" that was drafted by the Expert's Meeting. Also the "Johannesburg Declaration in Support of an African Regional Social Policy" is included as an annex.

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