Social protection, decent work and development

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Preface

This Discussion Paper is part of a set of special studies on Decent Work commissioned under the Education and Outreach Programme of the International Institute of Labour Studies. The Programme seeks to develop pedagogical materials on social and labour polices for the promotion of Decent Work. The project output is addressed to officials in government, trade unions and employers’ organizations as well as to the academic and policy community interested in the well-being of all in the world of work.

The special studies focus on each of the four dimensions of Decent Work: Rights at Work, Employment, Social Protection and Social Dialogue. Together they explore in depth the concepts, typologies and indicators pertaining to the different dimensions of Decent Work. For the purpose of preparing the studies, the Institute has secured the services of scholars with specialization and teaching experience in the core disciplines of the ILO. Other Discussion Papers being brought out under the series are by Bob Hepple: Rights at Work, Martin Godfrey: Employment Dimensions of Decent Work: Trade-offs and Complementarities and Sarosh Kuruvilla: Social Dialogue for Decent Work.

This study places social protection within the wider context of Decent Work, and relates both concepts to economic and social development. The author pays special attention to the nature of the interface between social protection and economic development. In the broader concept of Decent Work the main focus is on work per se, not necessarily on employment. Thus it ultimately relates to the entire population. Policy interventions need to recognize basic differences in the types of socio-economic insecurity in different locations and contexts. These differences are outlined for three ‘model types’ of economy – the classical, the transitional and the development models. There is no doubt that many forms of socio-economic vulnerability need to be addressed at the local level, and also that local institutional structures are crucial in the successful design, implementation and monitoring of these interventions. However, the sources of insecurity and vulnerability frequently arise from processes which are national or global in nature. A failure to take account of this in designing policy would reduce social protection interventions to the level of rescue operations. The role of preemptive and preventive policies should not be overlooked, especially in the current global environment.

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1. **Social protection, decent work and development discourse**

This paper analyses the field of social protection, viewed within the broader concept of decent work. The analysis relates both social protection and decent work to development. This approach widens the focus from conventional narrowly defined elements of social protection to a broader interpretation which emphasizes the interface between social protection and development. The linkage with poverty alleviation is discussed. Issues concerning potential trade-offs between, or sequencing of, the different components of decent work are also addressed where appropriate.

1.1 **Shifting paradigms of deprivation and emancipation: From poverty to social exclusion to decent work**

In order to evaluate the significance of the concept of decent work, it is necessary to view it against the backdrop of a string of earlier paradigms of deprivation and emancipation that have sequentially dominated development discourse and policy formulation. It is useful to identify especially the contributions that have emerged from the ILO itself, as this makes it possible to consider the value-added by the new dimension of decent work. A brief sketch will have to suffice.

The early meanings of poverty focus on a range of deficits, whether material, social, or political, when they all coincide in an individual or in a class. Pioneering attempts to provide a "scientific" basis for measuring poverty can be dated back to the Poor Laws. Later independent and seminal contributions came from Dadabhai Naoroji (1901) in 1875 – who viewed poverty from the vantage point of the colonized people – and from Seebohm Rowntree (1901) in his attempt to measure urban poverty in York, England, close to the heart of the first industrial empire. Despite these early contributions, however, the debate on absolute poverty, defined in terms of poverty lines, did not reemerge as a significant intervention until the 1960s in India. In the interim, poverty reduction was associated with modern economic growth, which was promoted through varying degrees of state intervention. The failure of such state-led development to alleviate poverty rekindled the debate. A key instrument in this was the absolute poverty line, which served to demonstrate the persistence of poverty even where economic growth had actually occurred. At UNRISD, Andrew Pearse (1984), Keith Griffin (1979) and Biplab Dasgupta were instrumental in demonstrating the inherent class bias in the patterns of diffusion and the accrual of benefits of the green revolution. At ILO, the trickle-down paradigm, promoted by the World Bank, was challenged, amongst others, by Dharam Ghai (cf. ILO, 1972), Gustav Ranis (cf. ILO, 1974), Keith Griffin, Azizur Rahman Khan and Eddy Lee (1984). In the ILO approach, explicit use was made of poverty lines on an international basis, and the concept of basic needs was installed as a key monitoring instrument. The policy objectives were widened to cover the impact of development processes and policies on deprivation, both relative and absolute. The ILO highlighted employment generation as the key policy variable; this was promoted through SAREC support for the ILO’s World Employment Programme (WEP). The WEP was highly inclusive and creative in setting its research and policy agenda, in that all structures, processes and policies that impinged upon employment outcomes, actual or potential, were incorporated within the scope of the research programme. It is therefore right to characterize it as a paradigm, where material and socio-economic deprivations were to be

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1 Swedish Agency for Research Co-operation.
This intervention set up an alternate agenda to that of the World Bank. Indeed, the basic needs programme effectively set the framework for a decade and more, with employment generation as the key instrument for achieving this objective. Predictably, the poverty line, with its associated measure of poverty incidence, became a key concept in targeting, monitoring and evaluating interventions.

This intervention constituted a turning point for the ILO, which had hitherto focused on its traditional mandate dealing with conditions of work, social protection, and workers’ rights. Immediately, ILO became a significant and radical stakeholder in the global development arena. With the benefit of hindsight it can now be argued that remarkable as this shift was, it perhaps went too far in one sense, and not quite far enough in another. On the one hand, it created a platform for full employment policies, but the focus remained very much on the volume of employment, and the quality of the jobs created was generally ignored. On the other side, questions of participation and dialogue stayed in the wings, while the employment-income nexus held centre-stage. On account of this, the basic-needs approach was criticized for operating essentially in what Amartya Sen (1987) called commodity space. Participation-enthusiasts added to this by concluding that the approach was also top-down and paternalistic, since it implied a benign state authority distributing basic needs baskets to those below the poverty line. Another critique was that it took attention away from dimensions of inequality.

It is paradoxical that the income poverty approach was adopted by the World Bank – albeit within a rather different strategic agenda and theoretical basis. In the meantime, the wider debate – now set against the stark background of structural adjustment and market-oriented institutional reforms under the influence of the World Bank and the IMF – shifted towards the concepts of social and human development. In an era when labour and social development were under sustained threat from neo-liberal monetarism, UNDP provided an umbrella for a critique using the fuzzy notion of capabilities and the fuzzier monitoring instrument of the Human Development Index. This shift to outcome-oriented social indicators drew on the earlier work of Jan Drewnowski (1974) and others at UNRISD in the 1960s and 1970s, Morris D. Morris & Michelle AcAlpin (1982), and of Donald McGranahan et.al. (1985). The focus on health and education was appropriate in a period when these sectors suffered under financial restraints. So of course did employment, the restructuring of which was closer to the central intentions of the structural adjustment programmes implemented virtually across the board in the developing economies under the tutelage of the World Bank. But the advocacy of employment atrophied in this phase, perhaps precisely at a time when it was most needed. The central axis of contention between development discourse and organizations was cast rather crudely as the reduction of income poverty (World Bank) versus the promotion of human development (UNDP). The ILO employment-income approach had closely followed macro-economic strategic issues, apart from lower sectoral and industry aspects of employment generation. The Organization had espoused programmes of deep structural reform, mostly in a direction opposite to that now holding sway. In contrast, the operational agenda of the human development approach, apart from seeking a greater prioritization of social sector expenditures, especially in education and health, was not systematic enough to serve as a critical bulwark against the neo-liberal approach being imposed by the WB and IMF on the developing economies generally. Arguably, ILO was shifted into the wilderness; along with this, labour and employment issues were largely silenced,

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2 The early ILO Country Mission Reports provide ample testimony to this. Two classic reports are those for Kenya (ILO, 1972), and the Philippines (ILO, 1974).
and the ILO retreated into its traditional mandate, viz., the narrow focus on work conditions, technical cooperation, etc.

The next significant intervention was the concept of social exclusion, adopted and adapted by the ILO from the ongoing debate in Europe inspired by controversy about social integration, though the essential core of the concept has been the subject of longstanding sociological research and reporting in the developing economies. This concept was used by some in a mechanical fashion as a synonym for basic needs deficits. Treated thus, it added little value to ongoing debates. In a second angle, the concept was used to highlight the deeper causal and social dynamics of marginalization. As such, it was useful in highlighting the complex processes that led to the specific outcomes of which the poverty, or the human development approaches, provided snapshot images. Though this was not the thrust of the new work on social exclusion originating from the ILO or from Western academia, I would argue that the most significant potential contribution lies in its incorporation of identity-based forms of deprivation arising from discriminatory practices embedded in society, culture and polity. This could apply to gender, to ethnic groups, migrants, religions, castes, etc. Viewed thus, the approach provided genuine new purchase on the structural causes of deprivation while also bringing into the frame the notions of political participation, rights, dignity, social equality, citizenship, legal and customary frameworks of inclusion and exclusion. It also provided a universalistic orientation, since social exclusion and integration were at the heart of European and North American social policy debates. The spotlight shifted from labour and employment to citizens and the quality of citizenship; from poverty per se to political and de facto rights; from protection of material well-being to protection of identity-based rights as an equal citizen. While this was quite compatible with ongoing mainstream discussions over deprivation, it did not alter their orientation, since it was an agenda that could be adopted, at least in principle, by all participants. It did, however, add a third concept to that of absolute poverty reckoned in terms of poverty lines, and human development reckoned in terms of the hugely oversold human development index (HDI). Some efforts were made to operationalize the concept, though without great success.

The ILO’s decent work concept and associated policy agenda has marked a major intervention in the discourse on deprivation since the late 1990s. Of course, it can be criticized for its synthetic, composite nature, rather like the earlier concepts of human development and social exclusion. Yet, with its four distinct components, it does stake out a lot of ground, even if not in a theoretically satisfactory manner. Despite this, it qualifies as an attempt at setting a new paradigm. It is worth noting some of ways in which it opens up space for partially redefining the

3 See here the work conducted under the auspices of the research project of the International Institute of Labour Studies (IILS) of the ILO on the theme of social exclusion in developing economies. See Gore (1995) for an overview of the project and its findings, and Rodgers et al. (eds.) (1995) for an integrated interpretation. For another ILO-based attempt at achieving an overall synthesis, see Bhalla & Lapeyre (1999).

4 See Hills et al. (eds.) 2002 for an extensive discussion of the multiple meanings attached to this contested and fuzzy concept in Western European academic and policy discourse and debates.

5 At this juncture, it is appropriate to note the voices from the ILO that have emphasized the dimension of socio-economic security as being a key element. A closer look at the interpretation of such insecurity reveals that the ambit of the interpretation adopted is very wide indeed, and embraces virtually all the three other dimensions of decent work. Also worthy of note separately is the strong case being developed for a universal Basic Incomes programme in general but for European countries in particular (see Standing (ed.) 2003). It is argued that access to such a Basic Income should be a universal claim of every citizen, and not a means tested benefit delivered to a narrowly targeted constituency. The overlaps and tensions between this position and other approaches mentioned remain to be explored.
terms of the development debate, and in the process resurrecting important dimensions that had been obliterated by the neo-liberal bandwagon.

First, the four components include economic dimensions, but they also include social aspects which qualify as ends in their own right. This widens the analytical and policy framework considerably. Dimensions such as participation and dialogue which were previously grafted on in the form of optional extras, are given equal weight with other mainstream economic dimensions such as employment. This implies that aspects of agency are included, and the concept does not exist in commodity space alone.

Second, this may allow the decent work framework, broadly interpreted, to incorporate the agendas of poverty reduction, human development and social integration. It has the potential to become an all-enveloping concept, although this would inevitably lead to a diffusion and fuzziness of theoretical meaning.

Third, the concept is fundamentally labour-ist in nature. Its point of entry into current discourse and debate is through the status, rights and role of labour. In a world where the ideas and images, processes and policies of development are overwhelmingly dominated by capital and its protagonists, this intervention opens up some countervailing strategic space. It potentially reclaims visibility and voice for silenced and subordinated labour.

Fourth, the decent work agenda reasserts the role of employment. This is timely and valuable, since this aspect has atrophied since the neo-liberal attack on employment as a development policy instrument.

Fifth, through extending the employment dimension beyond the simple volume of employment to include the quality, productivity and remuneration of work, the concept meaningfully engages with parts of the economy and debates which it had been shy of earlier. Thus, the fourth constituency of the informal economy, hitherto effectively excluded from the ILO triangular table, finds validation. Through this, the issue of gender is also made prominent, since the informal economy employs a disproportionate number of women workers. Again, through questions of the quality of employment and social protection the decent work agenda is capable of bringing international labour standards into its domain. This provides a more appropriate context for a discussion of ILS than the WTO frame of reference.

Sixth, the decent work concept extends the ILO agenda beyond its traditional inherited mandate. It also breaks away from the narrowness of the poverty line discourse and policy approach. The concept makes it possible to address virtually the full gamut of development concerns, and to question the nature of the structures and processes that reproduce the cycles of deprivation and exclusion. Much, of course, depends on the conceptual refinement and skilful use of the notion, without which it is likely to lapse into a buzz word.

Seventh, it needs to be recognized that this widening of the mandate and the agenda or, at the very least, the lexicon, of the ILO generates some inherent contextual tensions. Many of these are political, organizational, or operational in nature. Some, as indicated above, are conceptual.
1.2 From decent work for employees to decent living for all

There are two ways of looking at decent work. The narrow interpretation focuses on employment, and here the concept refers to remuneration, conditions of work, voice, dialogue. This is good as far as it goes, but clearly it does not go far enough. Some people, or even many of those enjoying decent work, might find that it does not necessarily guarantee decent living (which requires the fulfillment of conditions beyond the employment domain). Work for these employees could remain an island of decency embedded, even guarded vigorously, within an ocean of flagrant indecency. More importantly, the employment relation is far from universal; indeed in most developing economies, the majority of workers would be excluded from the frame of reference. This is exemplified by a comparison between the so-called classical model, and the development model, with the transitional model fast polarizing and gravitating towards the latter in the majority of economies in transition. Even with the classical model there is a clear tendency for the formal long-term employment relation to lose its general applicability with the rise of casual, flexible work and part-time, home-based, mobile workers.

In the broader interpretation of decent work the main focus could be on work, not employment. This broadens the coverage enormously in the developing and transitional economies. But it still falls short of universality: some home-workers, including women, child and elderly workers, tend to be conceptually (and statistically) invisible. So work needs to be appropriately defined in an inclusionary manner. But this is not enough: we must not ignore young people who are not yet in the workforce, or those who have left the workforce after a lifetime of labour (the retired and elderly), or those who are involuntarily excluded from the workforce (the unemployed, the disabled). This wider sweep immediately includes all care workers (many of whom are themselves invisible), since they are engaged with people in the groups who are formally "not working". It is a short step from this position to the assertion that in order to be meaningful, the coverage must really be universal. The decent work concept therefore needs to relate to the entire population.

To retain significance the concept of decent work has to underwrite decent living. Since decent living involves elements which fall outside the sphere of employment and work, this also widens the agenda and the range of actors involved; it effectively implies the existence of social mechanisms which successfully transform decent work into decent living, with gaps being bridged by other players, e.g., the state. Many basic needs, such as health, education, security, citizen rights, cannot be automatically read into the employment or work relation; and the failure of even good incomes to translate into good social services is a ubiquitous and familiar reality.

This raises the need to define decent living. In abstract terms, it could perhaps be defined at a universal level. But in material terms it inevitably implies different absolute levels of fulfillment across rich and poor countries. While some elements of decent work, such as voice, dialogue and the quality of employment relations, could be defined universally, other economic elements, such as remuneration, realistically could not. This introduces the need for a degree of relativism into the definition of decent living. Arguably, the agenda of decent work for those in employment must be embedded in, and analytically linked to, the agenda of decent living for all.

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6 The paper questions the usefulness of a universally applied global social floor in the form of the ubiquitous $1/day poverty line (World Bank, 1990; Ravallion, Datt & v.d.Walle 1991.)
1.3 The constituents of decent work: Synergetic and sequential relationships

Is there a trade-off between decent work and economic growth? Or are there synergies between them? How do these equations play out over time: are the effects realized immediately in the short term, or do they unfold through more complex long-term interactive processes? The answers could have implications for the phasing of policies addressing different components of decent work.

Whether one turns to the constructions of theory, or to the lessons of history, or to the gleanings from the more recent practice of development, it is difficult to arrive at a consensus. Though such exercises lead to more nuanced and qualified ideological and policy stances, there appears to be a persisting divide between two generally opposed views. The first is the instrumentalist stance which regards economic growth as the crucial means to achieving the ends of decent work in the longer run, while arguing that this long-term objective would be jeopardized by a premature prioritization of decent work over economic growth. A failure to make the economy the first development concern would undermine the very growth mechanism through which decent work could eventually be achieved.

The other, essentialist view asserts that there are no trade-offs, only positive synergies between decent work and economic growth; and further, that each component of decent work constitutes an end in its own right, and should not be viewed instrumentally as a means for economic growth. Indeed, the achievement of decent work could well be regarded as contributing to higher economic growth. Laudable as such a stance might be on ethical grounds, it still needs to demonstrate its financial viability and sustainability.7

A comment on each of three different interactions might be appropriate. The first is the possible trade-off between growth and employment. While rewarding and fulfilling work is intrinsically desirable, how is this to be achieved for all? Conventionally, the demand for labour is a derived demand, and the level of employment is determined primarily by the level and pattern of investment. While the claim that full employment is automatically attained through free and flexible labour markets has long lost its credibility – if ever it had any – the alternative of achieving full employment through macro-economic management does not have many real supporters either. In any event, through its withdrawal from the economy, the state has lost the key instrument for influencing the overall level of investment in the economy. It can be argued that the lost ground has been partially reclaimed by the policies of labour market flexibilization which have led to a wider distribution of employment opportunities, though this is clearly at the expense of the quality of such employment which is often dominated by low-paid insecure jobs in the lower rungs of the service sector. Against the backdrop of contemporary policy debates which tend to reject employment as a valid, viable, or politically realistic direct policy objective, the decent work paradigm modestly reasserts the centrality of employment.

7 This is analogous to the open debate on the relationship between economic growth and human development: while the long-run correlation between levels of human development and economic growth are clear enough, the causal equations underlying the achievement of those long-term positions are debated. For instance, would prioritized investment in human development components in a poor country lead to sustained economic growth that in turn could finance these human development expenditures? Or in other words, apart from being desirable ends in themselves, do the components of human development constitute sufficient instruments for achieving economic growth of an order that would underwrite sustainability?
The debates over the trade-off between economic growth and labour rights (in the form of voice and dialogue), or more widely, between growth and democracy, are equally fraught and unsettled. The conservative view typically relies on historical examples where rapid growth has preceded the attainment of rights and democracy, and according to this view, has laid the foundations for it. The Republic of Korea and Taiwan, China are the usual examples cited here. The argument has claimed legitimacy from the discourse of the strong developmental state. India, for example, with its democracy, could not make the hard choices necessary to attain rapid and sustained economic growth, and thus has persistent widespread poverty. On the other hand, it is argued that the East Asian tigers, and their Southeast Asian cubs, first attained rapid growth albeit under harsh political regimes; they then managed the successful transition to mature democracies, and now enjoy both economic as well as political freedoms and rights. Of course, this kind of argument can be further supported by noting the very late arrival of political democracy (in the form of full electoral participation) in the advanced market economies, with Switzerland achieving this status only a couple of decades ago.

There are several problems with such an approach. First, it regards political voice as a universal and unconditional right which cannot be delayed. Second, there are myriad examples where so-called strong states which have denied political rights to the people have not been successful in developmental terms. Third, the examples cited cannot shed light on the possibility of simultaneously attaining political rights and material advancement. The issues involved are far more complex, and do not lend themselves to the simplistic rejection of rights due to their supposed negative implications for economic growth. Fourth, such examples do not travel well in the presence of a very high degree of path dependence. And fifth, there could be counter arguments where the provision of political rights might make a significant contribution to the attainment of economic objectives through generating ownership and commitment among previously excluded sections of the population.

Parallel arguments carry over to the provision of social protection and the trade-off with growth. Indeed, a second trade-off is also frequently posited between different components of decent work itself: between the employment objective in terms of remuneration productivity and the extent of social protection enjoyed by the employee, and the objective of increasing the number of jobs, albeit of lower quality and lacking adequate protection.

The instrumentalist argument would say that risk-taking is a crucial dimension of investment and growth; that risks are only taken by individuals when there are adequate personal rewards. To the extent that social protection schemes involve a redistribution of income from successful risk takers to risk avoiders, the rate of investment could be negatively affected. This argument is often used to oppose fiscal and resource mobilization policies that would transfer income from the returns on investment to finance social protection programmes. High levels of inequality are often condoned on these grounds. Tax and transfer programmes would reduce the incentive and willingness to invest; would lead to an out-migration of the risk-taking, investing, richer sections of the population; and also lead to the break-up of communities with the rich deciding to leave. In short, risk and inequality feed investment and growth, and thus become the instruments of social protection gains – but in the longer-term.

Predictably, there are significant arguments on the other side as well. First, a fluctuating and uncertain environment – which itself is potentially a source of socio-economic vulnerability for the poorer sections of the population – could also act as a disincentive for investment. Thus, systemic upheavals and transitions often preempt investment. Peace, stability and institutional reliability can be vital preconditions for investment. Second, technological change and market reorientation, such as in the process of agricultural development, also involve new risks; where
these are substantial, the innovation and investment process is curtailed. Farmers, especially poorer ones, opt for low-risk and low-return strategies. Where local institutions, contractual arrangements, and insurance mechanisms are responsive, such risks can be preempted; so social protection programmes can help support investment in risky environments, especially for poorer agents. And of course there are many spillover effects from social protection to development, through the well-being of women, universal basic education, public health and disease control, or through the impact of pensions-for-the-poor on fertility behaviour, and through the positive effect of social protection systems on labour productivity. These arguments have been supported from Adam Smith in the classical tradition, to Alfred Marshall within the neo-classical framework, to Douglas North within the rubric of NIE. And quite apart from the instrumentalist arguments in favour of extending social protection to all in order to promote economic growth, there remains the argument for universal social protection as a right per se.

1.4 Social protection and security: Some frequently asked questions

We will start with a string of frequently asked questions about different aspects of social protection. The scope of these questions is enormous, and even the brief answers provided demonstrate the complexity of the field.

Why social protection?

This question seems innocuous, even unnecessary, yet even here there are grounds for controversy. The immediate justification must be in terms of the human costs of the absence of security and protection, in the form of losses, anxieties, and the too-often realized risk of a slide into penury and indigence. The justification then is similar to that for poverty reduction. This can be cast in the framework of a development-rights based approach, where the security of life, livelihood and citizenship needs is taken as a basic right of all individuals in all societies.

For those who worry about the resource implications of such a right, the pill can be sweetened by invoking instrumental or functional reasons for the provision of universal socio-economic security. The origin of this argument can be readily traced back to Adam Smith and his French classical contemporaries, all of whom frequently used this instrumental justification to underpin what they elsewhere acknowledged as a universal norm of civilized societies.8 Thus, the protected worker would be more productive and profitable, which means that social protection is a good investment. A more potent argument addressed the fears of those who remained unconvinced: the security and protection of capital and wealth could be jeopardized by the poverty and vulnerability of the poor. Social protection policies were therefore also investments in political stability.

Opposing arguments cite the dependence created by the cocoon of security, leading to a loss of initiative, incentive and risk-taking capability. There is a loss of individual creativity in the economic sphere, and a high platform of social security is held to raise the supply price of labour, reduce competitiveness, and thereby investment growth as well as employment. Any drive to over-protect is rendered unsustainable by undermining the growth that has to finance such a policy. Apart from this, some take exception to what they characterize as a nanny state which is overly interventionist and directive. Thus some have argued that institutional arrangements which evolved as devices for underpinning socio-economic security on a

universal basis within a community tended over time to undermine the spirit of entrepreneurship and the growth process, thereby rendering these societies non-viable as economic entities.

While these debates continue and are likely to remain unsettled, it is worth noting that almost as a rule, wherever state authority has passed to the erstwhile disempowered groups, their immediate preference has been in favour of installing systems that ensure socio-economic security and protection.

**Of what?**

What is to be made secure and protected? This is a vital question, and too often the answer is given too quickly without any consideration of the wide range of alternatives.

Should we protect equality of opportunity or of outcomes? Is it enough to ensure a level playing field in the market, or should there also be concern for inequalities in the resources brought by the various players to the market? Should the focus be on protective policies, i.e., to compensate for losses, or to provide safeguards against such effects? Or should the emphasis be on promotional policies which enhance the general economic and political strength of the individual (household, group, community, country) giving it the capacity to look after itself even if it encounters bouts of insecurity? Should the focus be on the outcomes as experienced by the subject, or on earlier points in the chain of causation that generates the insecurity? Should policy makers worry about protecting the quality of health, education, environment, etc., or should the focus be on the employment, incomes and livelihoods which underpin these outcomes?

The traditional mandate of the ILO would call for a focus on the employment-related forms of insecurity, e.g., unemployment insurance, occupational hazards, work-related conditions, pensions, etc. However, the broader decent work agenda implies a dramatic widening of the domain.

**For whom?**

The answer to this depends on the social protection agenda. In the conventional narrow sense, the natural constituency of social protection has been the employee or worker in the formal sector. This agenda might be appropriate for the classical model economies, but loses its salience in the developing and transitional economies where the focus needs to include the informal economy and home-based workers. If the focus is only on the poor, new issues arise over definition, measurement and operationalization: at what level of aggregation are these groups to be identified? Are such exercises to be conducted each year? Should attention be given to those at risk of sliding into poverty as well? If so, how are they to be identified? What about the specially disadvantaged groups, such as women, children, the elderly? What about the migrants, internal and international? The paradox about migrants, and one which helps to illustrate the dichotomy between poverty and socio-economic security, as well as between income and rights, is that many migrants are well above the poverty line, but nevertheless suffer some of the worst forms of vulnerability and rights violations. They also tend to become invisible in both the sending and the receiving regions, for reasons of expediency.

It is increasingly apparent that large population groups are rendered vulnerable on account of their religious, cultural or political identity. Thus, in the absence of interventions addressing these citizenship-related dimensions, it might be impossible to ensure their socio-economic security. This again widens the agenda for definition, as well as intervention.
What is the meaning of universalization? Should it apply to entire populations? Or only to sub-populations, such as those in poverty? It has been argued from a cynical, or realistic perspective that interventions that are based on targeting the poor alone might look good on paper, but might not be supported by the middle and upper classes whose acquiescence is required for the successful adoption and implementation of such programmes. This argues in favour of total universalization, rather than a more limited universalization in favour of the poor alone, which might lead to the exit of the collaborating, rent-seeking middle classes. In short, factoring in some leakage of benefits is thought to ensure institutional sustainability. Clearly this cost of targeting depends very much on the local political and institutional scenario – the argument has perhaps been derived from Bihar-like situations, characterized by endemic rent-seeking and widespread violence and corruption at local level, but would not be relevant in a Kerala-like scenario, marked by a high level of local accountability of politicians and public officials based on pre-existing popular mobilization.

Independently of this type of reasoning, there could be legitimate grounds for including the non-poor in the domain of socio-economic protection. A human right cannot really be limited to poor people, though there are obvious and difficult equity issues to be resolved.

How much?

If a policy of universalizing socio-economic security for the poor were to be adopted, what would constitute sufficient cover? Some have taken shelter behind the term “basic”. But this only begs the question of what is “basic”. Often, this is determined by financial resources, i.e., it is not related to the actual deficit or need of the target group as such. Sometimes, basic refers to an inferior, lower level of income that corresponds to the $1 per day idea applicable to the poor. Here, basic means something good enough for the poor but not for the rest of the population; inequality and status differentiation are implicit in this reasoning. Is this acceptable? It is necessary to adopt some norm which does not marginalize the poor, but which can provide a rational basis for including resource constraints. Naturally, the prevailing degree of inequality, the political culture, and the presence or absence of egalitarian normative practices are key determinants of the balance that is struck. Typically the balance is weighted against the excluded precisely where the exclusions are extreme and intense. It becomes necessary therefore, almost always, to struggle to raise the level at which such norms are set. Often the so-called negative economic effects of “too much” security on productivity and incentives are used by the rich to legitimize the adoption of low norms for the poor.

Some of the argument parallels the debate over where precisely to draw the poverty line. In addition, the agenda of ensuring socio-economic security might argue that the poverty line would need to be raised further to say, \( PL(1+f) \) where \( f \) represents a fraction which covers observed fluctuations in the level of income at low levels.

How?

Social protection for all might be a defensible proposition, but how is this right to be claimed? There are two issues here: Who provides, and who pays for social protection programmes and services?

When the earlier queries have been tackled, one needs to consider the mechanisms and methods through which to intervene. The first question is whether there is any need to intervene at all. Those who believe in the Kuznetsian Inverted U curve hypothesis could argue that the best method might be to let growth do the job over time. There are several good reasons for...
rejecting this passive position. The U curve already incorporates the outcomes of policy interventions as well as of the mobilization and agency of various social groups, especially the excluded. It could be argued that current labour market tendencies might be unable to compel the provision of social protection programmes. So there could be a need to accelerate and catalyse this structural process through targeted policy and institutional interventions. In any event, if a right is worth achieving, it is worth achieving sooner rather than later.

In the “normal” course of capitalist development, responsibility for providing services had been assigned to the state in view of the long-term unaddressed insecurities of the poor. Of late, the redesigning of the government’s role in developing economies has emphasized the function of the market in providing social protection services, effectively implying the privatization of public goods. Given the time-proven weaknesses of the market, and the rising inefficiency and corruption of state mechanisms and programmes the focus has shifted towards the third sector as a service provider. NGOs and civil society organizations, which used to develop prototypes for potential replication, have increasingly been drawn into relationships with the state as proxy service providers. The case of the Bangladesh Rural Advancement Committee (BRAC) and primary education in Bangladesh is an example. Key issues concern the quality of services in situations where the richer sections of the population exercise their option to resort to high quality and high price services offered on the open market. The issue concerns the financial mechanisms that could be used to access this type of supplier. The financial instrument needs to be flexible and mobile in view of the locational and occupational instability of the target population, and the question of subsidies. One extreme approach recently promoted is to hand out a dollar every day to all individuals below the poverty line, and leave it to them to find their own social protection supplies and suppliers. There could be several problems with this, including dependency and the stigma that might be generated through such handouts. There is also the vexed issue of identifying the poor in every time period. A second approach is to develop insurance mechanisms for the poor, based on the individual, or preferably, on self-help groups formed for the purpose. The problem here is that market insurance systems tend to exclude the needy who are perceived to take out more than they put in to the scheme. Further, poor people might only be able to pay very low regular premiums, which might only permit very low benefits and cover, with many exclusions and limitations. The challenge then is to devise a fair and adequate insurance scheme for the poor, and this introduces the role of the state in providing subsidies and topping up in order to guarantee services conforming to an acceptable norm.

Whichever combinations are taken up, the underlying objective is to provide universal cover for a list of specified aspects of socio-economic security, to a standard that matches the social norms for that population as a whole. Such norms should apply universally to all citizens, not just to the poor.

1.5 Three types of economy, and the problem of generalization

International organizations tend to address their mandate using the language of universalism, invoking concepts and terms which are considered to be generally applicable. This tendency is also apparent in usage of the term “decent work”. However, there is a need to exercise extreme caution in this regard. The notion of decent work does not carry a single universal meaning, and any artificial generalization made implicitly or by default could have
serious negative implications at a programmatic level. The discussion below is designed to highlight the question of difference.\textsuperscript{9}

1.5.1 The classical model: Erosion of hard won gains of labour struggles

The classical model applies to the North-West, but also to Japan, and some other late entrants such as Taiwan, China, the Republic of Korea and Singapore. But it is worth noting the exceptions as well. The United States is not a perfect match. And, generally in the North-West, the drift in the neo-liberal era has been steadily away from the classical model. There are now substantial areas of informality in the labour market, and quite serious deficits with regard to pension contributions, which is especially worrying amongst the younger flexible workforce. The combination of private schemes relying on equity investments, and the global destabilization of stock markets has obvious negative consequences. Dimensions of vulnerability are being reinserted into the system in a context of ageing populations and rising dependency ratios.

1.5.2 The transitional model: Collapse of socialist welfare regimes

The transitional model is a useful description of a particular group of economies. But in some senses, it parallels the structure and trends of the classical model. During the socialist era most of the transitional countries displayed full employment, and all social entitlements were essentially linked to the employment relation which embraced the entire workforce. This has collapsed, and there has been a dramatic rise of the informal sector with diverse forms of casual employment, and the wide range of self-employment that is characteristic of developing economies. The slide from comprehensive, employment-based social protection systems to partial coverage and large deficits mirrors the trend in the developed market economies, except that it is more precipitate, ongoing and with no clear sign in many countries as to how and at what level it will stabilize. A special feature is the general demise of the state-owned enterprise sector – the original home of formal permanent employment and the concomitant social protection system. To some extent, the massive relocation of manufacturing activities away from the developed market economies into the developing economies provides a parallel to this. But while the collapse of the state-owned enterprise in the transitional model might be a temporary phenomenon – with new and more competitive manufacturing expected optimistically to kick in "soon" – the shift away from manufacturing to services in the North-West is clearly a more secular structural development.

1.5.3 The development model: Atrophy of community and commoditization of welfare

The development model economies are a diverse group. What is significant is that formal employment in the organized sectors accounts for a very minor fraction of the total workforce. In many of these economies the formal sector has withered, rather than developed healthily, in the period since structural adjustment programmes, although some have clearly benefited from the concentrated nature of the global relocation of manufacturing. But even in these positive performers, the majority of the workforce remains outside the formal sector.

\textsuperscript{9} The discussion of the three “models” follows the typology suggested by Ghai (2002a).
1.5.4 The risk of misleading generalizations

It is worth noting that in the classical and transitional groups, poverty, social deficits and vulnerability are closely associated with employment (and its quality); but in the development model group, the majority of the poor are active workers in some form of self- or wage-employment relation.

The clear indication is that it would be inappropriate to use the social protection systems of the classical model as a template for systems in the development and transitional economies. While it might be important to salvage whatever is viable of the old social protection systems in the transitional countries, there is a need in all three groups, but especially in the development model, to base systems on an explicit recognition of the structural heterogeneity and diversity of these economies. Such an acknowledgment has wide-ranging implications for the design of social protection systems, and also for instruments of monitoring and evaluation.

Social policies have to address/reflect the forms and patterns of vulnerability; in turn, these derive from the internal/external interactions influencing the survival/accumulation strategies and paths of economic agents, players and units; these are embedded in and specific to particular economic and institutional structures and processes. What are the tolerance levels of any such global convergence in agendas or approaches with respect to divergences in the structures and processes that generate vulnerability? Is it meaningful to speak of a convergence of agendas or approach between the (early or late) retiree in Western Europe and the laid-off state enterprise worker in China? Or between the gastarbeiter and the floating migrant? Or between the new casualized self-employed worker and the working poor? Or between the insecurity of family farmers in Western Europe and peasants in Andhra Pradesh? Or between children working to buy Nike equipment and children working to produce it? At what level of aggregation does a convergence emerge in the lexicon? What is the price in terms of lost meaning?

During the post-structural adjustment decade, there has been a steady drift towards universalism at the level of organizational discourse and the policy design of international development agencies; there is seemingly credible discussion of convergence about the design of a global development agenda, the division of labour with regard to its formulation, implementation and monitoring; the rules of engagement between north and south including conditionalities and triggers for these; the role of national governments. The drift applies also to the universalization of basic socio-economic security. While building a global alliance behind the objective of universalizing basic socio-economic security is extremely useful in advocacy, promotional and political terms, there could be strong diminishing returns to carrying notions of convergence into the specific approaches, conceptualization and design of countervailing intervention policies and programmes. What emerges is the uncomfortable juxtaposition of convergent social protection discourse with disparate forms of vulnerability across countries. Hence plurality, reflecting the diversity of ground realities, must remain the byword; policy intervention packages need to recognize basic differences in the types of socio-economic insecurity in different locations and contexts. Otherwise, there is a likelihood that the global convergence of purpose might fall short when evaluated at the level of outcomes for a significant part, perhaps even the majority, of the world’s population.

2. Socio-economic vulnerability: Patterns and processes
Four different categories of fluctuations, shocks and crises can be loosely distinguished.

First: those that take place within the “normal”, “stable”, “regular”, “trend” process of social reproduction, which occurs in any system. This could be classified as an aspect of structural or endemic deprivation and poverty. These fluctuations could exist at various levels; they arise from a variety of sources, and manifest their effects on social entities from the individual to the family and household, to wider social, occupational or other groups.

Second: those that take the form of systemic transitions or transformations, representing rapid, dramatic, profound changes in the social and economic framework of society. Such fundamental changes have occurred in the erstwhile socialist world, including the former Soviet Union and China.

Third: those that could be described as major systemic reorientations which constitute a clear break from earlier paths, but which remain within an unchanging overall political and economic system. Examples are provided by the monetarist break with Keynesianism in the advanced Western economies during the Reagan-Thatcher era, and the structural adjustment programmes and associated institutional reforms imposed on the poor countries by the World Bank and the IMF since the 1980s.

Fourth: those that occur within the system but which could be regarded as episodic events, shocks, dislocations, disturbances, fluctuations. This group would include famines, wars, ethnic conflicts, natural and man-made disasters, economic crises.

These four types of vulnerability are obviously interrelated, and the distinctions made above are somewhat arbitrary and arguable. Yet there are insights to be gained from the exercise, which attempts to impose a framework on a vast array of seemingly disparate sources and forms of vulnerability observed in the three different “models” of economy outlined earlier.

2.1 Structural or endemic entitlement deficits

Endemic entitlement deficits refer to shortfalls in the crucial dimensions of well-being, such as nutrition, health and housing, that persist and are regularly reproduced in the economy. Thus, the regular reproduction of food insecurity and hunger for a large section of the population – even in the absence of famines or major fluctuations in harvest, the weather, or prices – would fall into this category. Such deficits are reproduced fundamentally because the poor remain poor from year to year. Likewise, major health deficits are reproduced even when there are no epidemics or other mass diseases. This secular, attritional reproduction of vulnerability is realized and experienced in the form of structural, or permanent, or persisting, or chronic poverty. This underscores the important point that at the most basic and significant level, the agendas of social protection and poverty reduction cannot really be separated.

2.2 Systemic transitions

This category refers to vulnerabilities that are created by systemic upheavals. Three examples are cited: the transition to a full-blown capitalist system; the revolutionary transition to a socialist mode; and the more recent transition away from a centrally planned economy back towards a capitalist system.

2.2.1 The capitalist transition
The term “pure exchange system transition,” was coined by Sen perhaps on account of its acronym, PEST. It refers to a process whereby previous, traditional, informal, family or community based systems of social provisioning are eroded by processes of commercialization and monetization, social differentiation, wider markets, labour mobility, etc. on the one hand, and by concomitant (or even consequent) sociological processes involving the erosion of family and kinship ties and networks, other patron-client systems, and communitarian networks based on shared identities. It is posited that the erosion of social provisioning occurs before the emergence of new state- or market-based systems of insurance or protection. This lack of synchronization between the two processes leaves an open and widening area of vulnerability, which falls disproportionately on the weaker sections of society. Whether it corrects itself depends on the historical and conjunctural circumstances within which it occurs. It is arguable that such wide gaps have emerged steadily over the past century in the developing economies, and have widened further in recent decades. At the same time, new forms of protection have not really emerged to any significant extent. This condition applies especially to the developing economies, and within these, especially to the poor.

2.2.2 Socialist transitions

The transition to a “socialist” system is usually considered to remove a wide range of inherited types of vulnerability, poverty and deprivation, and to lay an institutional and policy basis for the minimization of socio-economic insecurities. On the whole, this expectation is borne out by the unfolding of the socialist projects of the twentieth century.

Another aspect of this transition – one that has gained considerable attention in the literature – concerns the human costs of the transition to socialism. The case of forced collectivization in the Soviet Union under Stalin and the famine that coincided with the Great Leap Forward in post-liberation China are two examples that have been extensively analysed.

2.2.3 Post-socialist transitions

The collapse of the Soviet Union and the crises of transition in the former Soviet Union (FSU) countries, along with the transition away from socialism in Eastern European (EE) countries, represents a major source of widespread socio-economic insecurity and destitution. The high social floor which protected almost the entire population in these countries has virtually collapsed, and there are few economic or institutional substitutes which provide alternative cover. The results have been so dramatic that they have affected the fabric of society, social norms and value systems, as well as behaviour patterns, e.g., marriage and divorce, parental support, fertility, etc. Not only have the old systems of social protection disappeared, but also old patterns of livelihoods. The costs of this societal upheaval have not been adequately documented, perhaps because they do not conform to the rosy version of the market paradigm.

Even in China, where the post-socialist transition has been dramatically successful in economic terms, the reforms have opened wide the Pandora's box of new sources and patterns of widespread social insecurity and vulnerability. Increasing attention is now being paid to this by the Chinese government, belatedly and somewhat reluctantly. Paradoxically, it is the egalitarian system of access to land that has continued to provide an income floor for the rural population. This is in sharp contrast to the FSU and EE countries which had already been transformed into industrial systems.

2.3 Systemic reorientations
Here, the focus is on changing the rules of the game within any particular systemic specification. Such reorientations can sometimes take the form of powerful ideological and structural breaks, with wide ramifications for the conduct of economic and political life, often especially in the domain of social protection.

2.3.1 Structural adjustment packages and atrophying welfare access

The introduction of SAPs in the developing economies virtually across the board from the 1980s involved a systemic reorientation. These programmes swept away state-centred regimes of accumulation and distribution operating mostly behind protective barriers, but did not always substitute a productive and dynamic source of growth. Subsidized systems of social provisioning were quickly rendered financially unsustainable, and atrophied. Extensive deindustrialization occurred in various economies, and the new economic processes, where they emerged, were not always strong enough or egalitarian enough to provide an alternative framework for social security. The general consensus is that this reorientation has intensified and increased the many forms of vulnerability and socio-economic insecurity, especially after the acceleration of processes of globalization.

2.3.2 Monetarism and the dismantling of the welfare state

Another fundamental reorientation within the framework of advanced capitalist market economies is denoted by the rise of monetarism, alongside the dismantling of the welfare state. Starting with the Reagan-Thatcher ideological and programmatic rejection of the Keynesian and welfare state, this reorientation has spread to virtually all developed countries. The consequences are restructured economies with dramatically reduced bargaining power for labour, the casualization of work, the atrophying of social benefits, the withdrawal of the state from the economy and from social support systems, the privatization of economic and social services, and the rise of the user-pays principle. The result has been a rise in the forms and intensities of socio-economic and psycho-social insecurity and vulnerability in these economies, often marked by an increase in traditional forms of poverty.

2.3.3 Reflexive modernity and globalization: From external to manufactured risk

Giddens (1996) has theorized on the different forms of risk-related politics associated with globalization and high modernity. While probably intended to be of universal relevance or applicability, this notion is more credible in the advanced market economies, and loses much of its salience in the context of widespread poverty and deprivation in the poor countries. But like PEST, this process has an inexorably unfolding logic which steadily reshapes life concerns, social values and the nature of politics, away from what Giddens calls “emancipatory politics” to “life politics” – from the identity-and social group-based politics of structural deprivation to the individual-based politics of constructing a better life in complex but flexible modern environments.

One theoretical characterization of contemporary transitions in the first world posits that a by-product of modernization is the progressive replacement of external forms of risk (mostly associated with nature), by forms of manufactured risk (man-made). Alongside the transition from traditional modernity to high modernity and from passive to reflexive modernity is the passage from emancipatory politics to life politics. This confronts the individual with new areas of decision making often without the benefit of an adequate scientific basis for assessing risk and thus of making informed choices. Implicitly, the agenda of emancipatory politics, with its
unremitting focus on the basic material conditions for social survival at a decent level, has opened the space for, and induced the mode of life politics. While risk, insecurity and uncertainty continue in new shapes and forms and influence behaviour and well-being, they are not deemed to threaten basic material survival.

2.4 Mass entitlement failures

This type of macro vulnerability refers to sudden cataclysmic failures in levels of living which threaten the survival of large numbers of people. Predictably those who are already poor are usually more in jeopardy, and experience far greater distress than the non-poor, though the phenomenon itself typically pushes new swathes of the population below the poverty line, often permanently.

It is remarkable that theories of poverty and deprivation usually deal with the endemic form, and tend to treat mass entitlement failures as exogenous events which have to be dealt with as stand-alone emergencies. This position is untenable, and it is necessary to consider and analyse such mass entitlement failures within the same theoretical rubric as endemic development deficits. Simultaneous treatment is necessary for the two phenomena.

It is important to note that mass entitlement failures affect entire – or large sections of – populations. As such, it is only the rich economies that have the capacity to deal with this form of risk. In the poorer economies, such events usually exact a terrible toll in misery and mortality, as the system is unable to cope with simultaneous mass shortfalls.

Four different forms of mass entitlement failure are briefly reviewed below, and their respective implications for forms and patterns of vulnerability are elicited, together with possible policy responses. The events, episodes and processes implied have unfortunately become all too obvious and frequent, and do not call for extensive comment or illustration.

2.4.1 Complex emergencies: Famines, environmental and other man-made disasters

The term “complex emergencies” has come to denote a wide range of “disaster” events, usually in developing economies. They include famines and other man-made disasters, e.g., those caused by industrial pollution or “accidents” such as Union Carbide and Bhopal, Chernobyl, or Shell Oil in Nigeria, etc. Various natural disasters, such as earthquakes, El Nino, floods, or exceptional rains, are included in this category. These events manifest covariant risk on a scale which often overwhelms the capacity of the nation state. Complex emergencies usually have long-term consequences and create intensive poverty and dislocation. The origins of many seemingly “exogenous” events lie in processes of ecological imbalance and environmental destruction that are very much the products of economic growth policies. It is a moot point if a free press and electoral democracy are sufficient to ensure adequate food security measures, for example.

2.4.2 Financial crises: Asia and Latin America
The onset of globalization, including the dismantling of controls on the flow of finance capital, has led to very substantial financial instability in general, and provided many spectacular illustrations of the failure of capital markets. These crises have then widened to affect the economy as a whole. While the bailouts that have followed have protected investors, the costs have been carried overwhelmingly by the local populations, especially the working people and the poor. These crises have become, in themselves, powerful episodes that have reduced large sections of the population to poverty, often of a persistent nature. Alongside this, social provisioning systems have virtually disappeared. It should be emphasized that the scale of losses, and especially of bailouts, is so enormous that they could dwarf the social sector expenditure of entire blocs of Third World economies. Examples include the Republic of Korea, Thailand, Indonesia, Mexico and Argentina; the list can be extended. It is also worth noting that such insecurities have been avoided, or preempted through alternative policies with regard to capital market liberalization. Examples of these are provided by Malaysia and India, and they underscore the importance of widening the terms of reference of social protection strategies to include preventive steps, not just relief.

2.4.3 Health pandemics: Survival of the fittest?

No doubt health pandemics have always occurred. However, recent history documents the debilitating impact of early colonial encounters for the local population. Subsequent economic intensification repeated the experience, as for instance in spreading disease through the construction of railroad and irrigation systems. More recently, the obvious cases of HIV/AIDS and SARS can be cited, though there are several other diseases that are mass killers. There are other forms of man-made diseases or ill-being that need mention; such as mad-cow disease. Health insecurities of this type also characterize wide sections of the population of rich countries: the high rate of coronary disease and mortality in the rich countries is linked to altered dietary and work patterns, and a massive latent health problem is being generated by junk food. There could be other risks associated with genetic interventions in the food chain. In all these cases, there are definite connections between the health issue and the industrial profit machine; these links need to be identified and analysed.

2.4.4 Armed conflict

Perhaps the single largest source of insecurity is generated by wars and conflicts within and between nations and ethnic or religious groups. The examples are too numerous to list. Recently, attempts have been made to theorize the causes and rationale of such wars, mostly in terms of the struggle for control of natural or other resources. Such explanations might have some validity but it would be naïve to look for a simple answer, given the complexity of each arena of conflict. The role of identity-based factors, and also the global agendas of hegemonic powers cannot be overlooked. For example, the wars in the Gulf and in West Asia have surely been the sources of sustained widespread destitution for large populations. The burden falls disproportionately on women and children.

It has to be emphasized that at the present juncture, a very significant proportion of the poverty and vulnerability in the world arises from systemic occurrences that have a sudden onset and a finite (even if somewhat unpredictable) timeframe. These are experienced simultaneously by large sections of the population, which makes it impossible for people to insure themselves against such events. This applies particularly to the poor, and to poor countries. This consideration calls for a widening of the agenda to address the issue of ensuring socio-economic security at the global level per se. Unfortunately, current global power structures are not oriented towards addressing these needs in any meaningful way, and prefer to
take refuge behind piecemeal reactions to “crises”. They set minimalist development targets which are far too narrow in their conceptualization to address the massive scale of socio-economic insecurity. Indeed, there is a school of thought which argues, not entirely without credibility, that some of the major forms of vulnerability and insecurity stem precisely from the economic and political strategies imposed by the hegemonic powers of the day. It is held that all the above forms of systemic vulnerability are manifestations of the playing out of these strategies. Such an argument has stronger and weaker forms.

3. **Mapping social protection coverage: A classificatory device**

In order to map the extent of social protection coverage for any population, a simple and sturdy framework can be constructed highlighting three elements, one on each axis of a cube.

The first of these represents the *multiple dimensions of social protection*, and would cover a full spectrum of phenomena or domains over which protection is sought. These could include, for instance, food and nutritional security, health, aspects of employment or work-related insecurity, old age cover, children’s education, access to legal aid, etc. This list could be quite lengthy if it included most of the potential deficits against which protection or insurance was necessary.

The second element pertains to *different social constituencies* in the population. This axis of the table would list groups such as children, women, the aged, workers, migrants, excluded minorities, low castes, spatially marginalized groups, the unemployed, etc. Each of these categories could be further disaggregated: for instance, workers could be formal-sector employees, or those in the informal economy. Special interest groups could be identified and included, such as domestic workers, or particular occupational groups such as traditional fishers, miners, or small-scale farmers. Amongst children, different age groups could be specified by gender; and the category of women could be divided as well, with distinctions based on family, work and personal circumstances. Crossing this dimension with the earlier one would generate a matrix which would map the social coordinates or incidence of different forms of vulnerability of various sections of the population.

The third element lists the *alternative provisioning systems* (potentially) available for addressing the specific dimensions of social protection identified on the first axis: state based provision, market based systems, employer/enterprise linked systems, occupational welfare funds and schemes, trades union or member-based organizations, other solidarity or community based institutions, informal or non-contractual family/household/lineage/kinship mechanisms, intra-household and inter-generational transfer mechanisms, self-selecting mutual-help groups, locality/spatially delineated systems, targeted programmes, NGO/CBO based interventions, national universal coverage systems, various types of insurance schemes, etc. These are all mechanisms or devices that offer protection against any specific form of vulnerability or risk for any particular social group or constituency.

The matrix has a cubic form which allows us to investigate the modes and forms of cover enjoyed by specific population groups in order to address particular insecurities and deficits. Each cell of this cube provides a space defined by a particular group, a specific dimension of insecurity, and a particular mode of cover. Traversing along the three axes of the cube can help to identify the overall needs and gaps in social provisioning. Clearly some of these protection mechanisms would be traditional, or conventional systems embedded in the social fabric, not mediated by the state or external agents; others could be classed as modern, state-based. Over time, the former tend to erode and the latter have recently atrophied, leading sometimes to a
partial revival of the "traditional" arrangements. As we have already noted, Sen has called one of these shifts the pure exchange system transition (PEST), but the pathways are myriad. Such a classificatory framework can facilitate a mapping of the social protection system in any given country at any point in time. It makes visible the plurality of provisioning systems with respect to specific dimensions of social protection. Many lower level mechanisms are nested in larger systems, with strong interdependence between the different levels. The framework could also help to identify gaps in the system, with regard to social groups, or to the specific dimensions of social protection. Of course, it is necessary to go further and verify the incidence of population coverage in any cell; the extent to which that particular dimension (e.g. health) is covered; and the quality of coverage provided. Thus, each cell contains a composite, and complex reality. Such a schema would also reveal the wide divergence between the SP scenarios in the three model groups of economies. Of course, the matrix does not reveal the interdependence and the evolutionary dynamics of the system, the logic of which needs to be analysed within an inter-temporal framework. It is also necessary to recognize that there could be considerable diversity in the profiles of different individuals comprising any particular social category – for instance migrants, or pregnant women, or widows. As such, a further disaggregation would be needed for a meaningful map which did not lump together diverse sub-groups simply because they share a single label.

4. Designing social protection systems

Viewed at a generic level, a comprehensive social protection system would need to connect an array of interdependent elements.

4.1 Some macro considerations

First: it would need to base itself on norms which give full visibility and recognition not just to food requirements but to all basic needs. In particular, basic education and health needs are generally not appropriately included, and this can only have serious negative consequences for equity, growth and sustainability.

Second: an income level that meets all fully recognized basic needs. This income need not all accrue in the form of cash; it could include a variety of claims, flows and benefits in kind. This could be read as a basic needs line, although $1/day is definitely not an appropriate proxy for this BNL.

Third: it would have to acknowledge that money income, even when nominally sufficient to meet basic needs, cannot always and everywhere be converted into realized basic needs. This applies especially to those needs that have the nature of public goods, such as education, health, the environment, communications and information. It is commonly acknowledged that the markets for such goods are virtually absent in large sections of the rural sector, and even where they do exist, they tend to shut out the poor. Hence, the second element is recognizing and meeting the government responsibility of ensuring appropriate supply systems for such services, even when they are not provided free. This consideration is especially relevant in the case of the transition and developing countries.

Fourth: the system should be able to avoid or bear shocks and fluctuations in the BNL arising from exogenous and endogenous factors which influence the various components of income separately. This implies that the unit (individual, family/household) should have an appropriate level of assets, savings, insurance and other compensatory mechanisms.
Fifth: appropriate norms that recognize full basic needs, and a guaranteed supply of health and education services, do not combine to enable the poor to access these services if they do not have the necessary resources. The fifth element therefore concerns the design and implementation of financial accessing mechanisms for the poor. These could take various forms, ranging from universal public provisioning, to market based sales of services. However, bearing in mind the extreme vulnerability of the poor to fluctuations in their livelihoods, these mechanisms would have to include an element of fair social insurance which ensures that the poor do not suffer from periodic basic-needs deficits.

Sixth: the system would need to arrive at a universal, or more likely, a plural set of institutional mechanisms and devices through which the social protection cover would be generated or delivered. Such institutional arrangements could include, for instance: residential, or locality based delivery mechanisms; employer-based systems; direct provision by government to individual units; informal community and other mechanisms; local government or village council based systems; other civil society or membership-based organizations such as trades unions, occupational schemes, or development programmes run by government or by non-governmental organizations, e.g., via micro-credit programmes, or, alternatively, membership in insurance schemes.

Seventh: the system would need to consider whether to work through income transfer mechanisms, or income-generating activities, or whether to provide the components of social protection directly, e.g., food-provision schemes, free schooling and medical facilities, etc.

Eighth: a choice has to be made between a package approach where a variety of social protection inputs are integrated into a single transaction, and an arrangement whereby each item is separately delivered and accessed.

Ninth: an expectation that some improvement in the quality of life should be a component of what has to be socially achieved and protected for all. Thus, the unit should have some endogenous capacity for sustained growth, so that it can rise steadily above the poverty level implied by the BNL. In addition, access to social protection has to provide a platform for investment through augmenting the capacity of the beneficiary to bear risk.

Tenth: it should be possible to achieve the basic needs line without socially unacceptable costs, such as overwork, exposure to hazards and accidents, stressful work regimes. This introduces the elements of labour productivity and conditions of work.

Eleventh: social protection systems must adequately cover the relations between work and citizenship, by underwriting security, identity, dignity and citizenship rights, all understood within the mutual obligations arising from peaceful multi-cultural coexistence. This dimension incorporates the specific relational aspects associated with employment (e.g., subordination, exploitation, as well as voice and dialogue).

Twelfth: the system should be based on the principle of universal basic socio-economic security for all as a right, and not on a narrowly motivated instrumental or politically inspired programme targeted at selected groups for selected items. But this immediately opens the Pandora’s box of issues concerning the upscaling of social protection to cover the entire population.

Thirteenth: the system would also need to protect against risks which apply simultaneously to large sections of the population, and sometimes to the entire populace. This calls for a
different strategy which involves macro-economic policies, and could also require regional or
global arrangements for underwriting such covariant risks.

Fourteenth: it is necessary to create a real sense of local ownership of such systems, not
just at the level of perceptions, but also through vesting specific implementation, monitoring
and accountability instruments in local civil society or representational bodies. These
instruments could provide corrective feedback on the functioning of the SP schemes.

The social protection agenda is traditionally limited to protecting the beneficiary from the
consequences of downward volatility. This limited perspective arises in the first instance from
the classical model, where it is implicitly assumed that the BNL has been successfully attained,
that the economy enjoys sustained growth and successful modernization with good governance,
so that the relational requirements of SP are satisfied. It is obvious that in the other economic
models, this narrow interpretation is unsatisfactory, since there are shortfalls in all the other
elements as well.

4.2 Some micro parameters

Both in the study of existing protection mechanisms, and in the design of new schemes, several
parameters have to be considered at the micro level.

What form does the source of vulnerability take? Is it an event, or is it a condition that
continues over a period of time, such as a phase in the life cycle of an individual (beneficiary),
or an element in a dynamic socio-economic process?

How predictable is the source of vulnerability? Agricultural labourers and marginal
farmers experience shortfalls each year on a seasonal basis. The need for schooling for a child is
entirely predictable (whether or not the family can actually manage to achieve this). For an
employee, retrenchment might not be a predictable event, but retirement from work would be.
The marriage of a child could fairly be regarded as a predictable event. For many of these types
of phenomena, the timing can be roughly predicted. But while death is fully predictable, its
timing is capricious and uncertain. Bouts of ill health, and accidents, might fairly be expected
over a lifetime, but their frequency, intensity and duration remain uncertain. A related question
is the expected frequency of the event causing the vulnerability.

What is the pattern of incidence? Does the phenomenon affect only the individual
(household/unit), or does it simultaneously and independently affect a larger number of units?
The covariant nature of risks across units has direct implications for the design of protection and
insurance.

Is the impact spatially and/or socially concentrated or are the affected units widely
dispersed? Are the affected individuals or units contiguous, in the sense that they constitute a
locality or a group sharing some identity, and (potentially) forming a network? Or are these
units scattered across the population, and not directly linked or known?

Are there indirect effects on related units? When a single individual (unit) is affected by
the phenomenon, are the negative effects limited to this individual alone, or is there a wider
collateral impact, or external effect on other members of the unit, i.e., the family, or
neighbouring units? This would mean identifying stakeholders who would be indirectly affected
by the phenomenon and who would have an interest in the design of the intervention.
How stable is the population? High instability makes schemes involving long-term transfers and payoffs unpredictable and unattractive.

How large is the group over which the intervention applies? A large group is a positive factor for many risks, but not without its costs (monitoring and verification are sometimes more effective and less costly in smaller groups). The nature of the groups is also relevant: are these solidarity groups, shared-identity groups, or groups covering people in a residential neighbourhood; what is the degree of intra-group heterogeneity?

Can the potential need, or loss, be quantified and measured? Or can it vary over a wide range? These sums have to be scaled against the level of income, as well as of asset ownership, of the units concerned.

What are the extant mechanisms of insurance against the prevailing sources of vulnerability, and why do they not provide adequate cover? Information on these points would help to identify weak spots in the social and economic framework which would have to be taken into account in devising new, alternative arrangements.

4.3 Some strategic issues

In devising new provisioning systems, the specific characteristics of the different dimensions of social protection need to be recognized. Thus, there are different possibilities and advantages of risk pooling in different cases; different degrees of predictability, risk and uncertainty; different costs and returns to alternatives on the supply side; etc. And there is the issue of pricing: it is inherent in the nature of the problem that those in need of protection would in general be unable to meet the full costs of its provision. This could involve insurance or free-access systems which have to be subsidized. Issues of targeting versus universal coverage become pertinent, alongside resource-efficiency versus rights-based perspectives. At national level it is not possible to insure against certain types of risk, which call for international or global mechanisms of protection and compensation. This has been vividly demonstrated – even though in a regressive manner – in the recent financial crises, where private debt burdens have been socialized in the wake of the crisis, even as significant sections of the national populations concerned have been pushed into traumatic poverty. Regrettably, such global efforts have been noticeably absent in the face of global disasters and poverty.

The traditional social protection strategy treats the shortfall as a gap to be met by transfers, usually in the form of welfare payments made to those below the basic needs line. And where the main income source is usually wage employment, this usually translates into unemployment insurance and compensation mechanisms. But in the development model, the accent has usually been on interventions that raise the income of the beneficiary through a variety of mechanisms. Indeed, employment generation programmes play an important, even crucial role. But alongside these are various investment-oriented interventions which improve the physical and/or human capital of households below the BNL. This could involve land access programmes, health and education for mothers and children, improved information and access, micro-credit schemes and a range of other poverty alleviation programmes, many of which are based on workfare principles. Thus, the egalitarian growth, development and poverty alleviation agendas interface closely with conventional SP programmes, and it is difficult, and perhaps counterproductive, to maintain a forced division between them at the levels of design, resourcing, implementation and monitoring. The challenge is to define the focus and domain of the social protection agenda.
5. Monitoring indicators of social protection

Are appropriate monitoring indicators available that cover the different dimensions of social protection? How effective are the indicators of deprivation that are currently being employed in policy discourse and in major development organizations? How far do they go in serving as meaningful indicators for monitoring the state and progress of the systems of social protection and their components? A selective discussion follows which looks in turn at the poverty line approach (largely used by the World Bank), the composite social indicators methodology and instruments used by UNDP, and some indicators used to assess the gender dimensions of deprivation and vulnerability. It will be argued that none of these are really satisfactory for the purpose of highlighting the forms, extent and incidence of the various types of vulnerability addressed by the social protection policy agenda.

5.1 What is wrong with the poverty line approach?

Measuring the incidence of poverty using the income poverty or food poverty approach has two sets of weakness. The first group of problems stems from the many detailed methodological assumptions or choices that have to be made in the estimation procedure. How should the food basket be made up? What adult equivalence scales should be adopted? How should inter-sectoral and inter-regional variations in diet and prices be handled? What type of income distribution data are used in the estimation process? Answers to these, and many other, questions are often dictated not by methodology but by data availability. The robustness of any poverty estimation using the poverty-line approach therefore needs to be checked for its sensitivity to variations in these choices and assumptions. These difficulties are real but they could not be said to overturn the approach itself. However, the second set of problems raises doubts about the fundamental meaningfulness of the poverty line. These criticisms go well beyond practical objections and suggest that the approach fatally distorts the very meaning of poverty. While the first set of weaknesses pertaining to "methods" has been widely discussed in the literature, the second group of issues concerning "meaning" remains under-emphasized. In view of the widespread heavy reliance on the income poverty line approach, it is useful to briefly highlight some major objections of the second type. This underlines the need to adopt a broader notion of human poverty in place of the narrow focus on income or food-poverty lines; above all, it argues that such poverty lines cannot be meaningfully used as proxies for vulnerability and socio-economic insecurity.

Energy expenditure. Food poverty lines usually make no allowance for differential energy requirements arising from hard physical as against non-manual work. Since the poor work much harder in physical terms than the non-poor, this sets up a bias towards the underestimation of deprivation. The standard assumption when constructing poverty lines pegs caloric requirements to the basal metabolic rate, which broadly corresponds to a passive physical state.

Cheap calories. In its concern for economizing on resources, the poverty-line estimation procedure usually assumes that the stipulated caloric requirements will be met through the purchase of the lowest priced calories available. Very often this demands that the poor find cheaper baskets than is possible in reality, or than they would themselves prefer to consume. The requirements of a balanced diet, as well as the choices and preferences of the poor are usually overlooked; the poor are not allowed to enjoy dietary tastes and preferences! The result of this procedure is that in reality, those with incomes precisely on the poverty line (thus set) are
usually found to be consuming far fewer calories than the level on which the poverty line is set in the first place.\textsuperscript{10}

**Non-food basic needs.** Usually, different procedures are used to estimate the food and non-food components of the poverty line basket. While dietary requirements are calculated on a “scientific” basis according to bodily needs, the non-food component of the poverty threshold is not calculated on a needs basis. Instead, the procedure essentially identifies households whose expenditure on food exactly matches the cost of the food component in the poverty line basket, and then checks how much such households actually spend on non-food items. Thus, the food component is needs based whereas the non-food component reflects the poverty of the poor with no guarantee that basic non-food needs are satisfactorily met. This is a very serious shortcoming, and could have the effect of suppressing the visibility of such crucial basic needs as health, education, housing, transport and communications, fuel etc. There is reason to believe that this is the case in China.

**Public provisioning.** Logically, the expenditure profile should include the imputed cash value of goods and services received in kind as gifts or transfers; “expenditure” records the value of all consumption items, not just those on which cash outlays are made. In reality, the poverty line typically limits itself to private expenditure. The public provision of goods and services is excluded. This is a significant gap when it comes to health and education services, particularly in developing economies, where the role of public provision is usually substantial. In the absence of such information, one can only speculate over actual outcomes with respect to these key basic needs. Since access to public provision is often heavily unequal across locations, and within communities, this gap constitutes a significant weakness, especially when it comes to cross-sectional or inter-temporal comparative analysis. In many situations, even households which have the financial capacity might find it impossible to obtain adequate education and health services simply because these are not available locally; in contrast, these facilities might be available in the open market, but many cannot afford them on a regular or satisfactory basis. The poverty line approach implicitly assumes that money can buy health, education and other services at any time in any place.

**Household assets base.** The economic strength of a household, family or individual depends not only on the income, but also on the asset base. If there was a uniform and stable relationship between asset ownership and income (like a fixed capital: output ratio), additional information on assets might be redundant. Even here, the assets would imply a store of value that could be converted into income through encashment. But levels of asset ownership vary, and many unproductive assets are held as stores of value. The level and pattern of assets also determine the staying power of the household unit in the face of income fluctuations. On the other hand, many poor households are deeply in debt, and the profound implications of this fact are ignored by focusing only on the level of income. In reality, poverty lines are typically drawn in terms of expenditure not income levels, and as such incorporate another weakness: they are silent on how this expenditure was financed, i.e., were there positive or negative savings?

**Intra-household disparities.** The unit of analysis adopted for the estimation procedure is the household. This raises a host of estimation problems concerning the economies of scale in consumption, the choice of appropriate adult equivalence scales, etc. While these issues can be carefully addressed, the use of the household as the basic unit ignores the crucial question of

\textsuperscript{10} For example, in India, while about 30 per cent of the population is deemed to be below the income-poverty line, it is only above the 70\textsuperscript{th} percentile of income that, on average, the calorie levels implicit in this poverty line are met.
intra-household disparities in access, consumption and other entitlements. Thus, the welfare of
women, children and the elderly might not be adequately reflected in the average level for the
household. This is a potentially serious gap. For instance, gender inequality in consumption is
often reflected in malnourished pregnant women, resulting in low birth weight children, and
these children are known to have inferior life chances. Similarly, gender inequality in education
could also affect the life chances of the children of under-educated women, thus leading to the
reproduction of deprivation.

**Annual fluctuations.** The poor are especially vulnerable to vicissitudes in their livelihoods,
and this is reflected in fluctuations in their annual levels of income. Thus, while the poverty line
itself is held constant, and even if the statistical incidence of poverty remains the same over two
periods, the composition of the poor could be quite different, with some of the “old” poor
climbing above the poverty line even as other “new” poor slip below it. Thus, the annual
poverty line estimates of poverty cannot indicate what percentage of the population experienced
poverty, say, in the previous 3 or 5 years. Is poverty a transitory or a relatively permanent state
for the household concerned? This important question remains unanswered. Similarly, the
annual average for consumption hides the possibility of extended periods of hunger that cannot
be compensated by the possibility of consuming above the norm in the plentiful season.

**Marginalization and exclusion.** The poverty-line approach treats each household
independently and rates it on the basis of average per capita expenditure level. In this approach,
all relational dimensions are missing. The fact that poor households suffer from high levels of
spatial and social exclusion and marginalization is omitted. There is no reference to the issues of
inequality and to power relations in the community where the poor live. The approach is
one-dimensional and is blind to the socio-political dynamic that underlies the persistence and
reproduction of poverty. This masks the weakness and continuous erosion of the claims of the
poor with regard to community or social resources, or in their access to government services.

**Self-perception of the poor.** It is widely acknowledged that the subjects themselves usually
have a different perspective on the sources, forms, nature, and intensity of their various
deprivations and development deficits from the analyst armed with a particular indicator,
especially an absolute income or food poverty line. These insights are unheard and unseen in the
mechanical poverty line approach, but are crucial to the design of effective development
interventions.

**Narrow policy focus.** The narrow income-poverty line approach does yield some important
information on its chosen scale, but it is fundamentally one-dimensional and overlooks the
multi-faceted nature of human deprivation. This can easily lead to a superficial and misleading
understanding of the nature and causes, as well as the cures of human poverty. A grave danger
posed by the income-poverty line approach is that it leads to the adoption of targeting,
monitoring and evaluation criteria which are equally narrow, thus carrying the many blind spots
in the concept of deprivation into the operational phase of interventions.

All these difficulties apply to the use of the standard poverty line approach in any specific
location. Protagonists of the approach will no doubt point to the theoretical possibility of
checking or compensating for many of these objections; in reality, this requires vast quantities
of additional information, which is usually unavailable, or impossible to process in time and
resource terms. Therefore, the above criticisms maintain their validity with regard to current
practice. The fundamental question that arises is whether there is sufficient “poverty” in the
poverty-line approach, or whether there is so much noise on some channels and silence on
others as to render this a dangerously misleading instrument for listening to the voices of the
poor, or for finding out about poverty and the poor. It can be seriously argued that such fears are justified when data are aggregated and cannot be supplemented with additional information on the dimensions and gaps listed earlier. Yet, the global community has agreed to halve the incidence of poverty by 2015, using precisely such an imprecise measuring rod. 11

5.2 Other indicators

What about other mainstream indicators of deprivation, such as the human development index, or others in that family? Even a quick reflection on the structure and content of the HDI confirms that it is far too aggregated and blunt an instrument to shed light on the socio-economic insecurity of a population. This is not surprising since it was not really designed for this purpose. In varying degrees, this also applies to several other indicators.

In contrast, non-aggregated approaches, especially those that involve the participation and self-perception of the poor themselves, are capable of providing extensive insights into the expressed needs of the poor with regard to the types of insecurity that they themselves prioritize. While such approaches are extensively used, they are known to have several serious flaws which can bias the findings, especially with regard to the voices of the poorest and the weakest. Nevertheless, at micro level, these methods, when carefully applied and qualified, constitute a powerful and effective instrument. But the findings from these methods are inherently incapable of being aggregated without external bias, and recent attempts (by the World Bank) to arrive at aggregated “voices of the poor” can only lead to a cacophony of noise, with no common theme.

While the more general indicators of deprivation and poverty are not suitable for monitoring dimensions of social protection, a number of standard indices are usually consulted in this regard. How strong are such indicators? They tend to be drawn from the data systems of modern industrial economies, and focus on the status of the formal workforce. For instance, regular data are generated on the coverage of unemployment insurance schemes, accident insurance, indices related to working conditions and unionization. Further information can be obtained, often on an economy-wide basis on pensions, health insurance cover, education, etc. Where the social framework matches the conceptualization implicit in these indicators, the result is broadly satisfactory. However, we have argued that socio-economic insecurities vary widely across the three groups of economies, and within each type of economy. These formal sector indicators would cover a very small fraction of workers in a typical developing country. Further, many of them are not fully applicable to the labour market specifications of these economies, when such markets are understood to include the entire working population. A significant proportion, even a majority, of workers might be self-employed, for instance. It also becomes difficult to interpret the statistics for some standard dimensions such as pensions. For instance, the coverage might be high in a classical type economy, but very low in a development model economy. But the latter might rely on family and community networks for old-age care, whereas such “traditional” systems might have atrophied in the classical model economy in its transition to “modernity”. How can such statistics be compared in the context of old-age care across these economies? The examples can be multiplied at will, almost.

11 It is worth noting that on official Chinese data and estimation procedures, no more than about 30 million Chinese are presently below the poverty line. China is therefore well ahead of the Millennium Development Targets (MDTs), having achieved its goals in this regard more than a decade ahead of time! However, other stories have other data and methods. Likewise, it has recently been argued that the global MDTs for poverty reduction have already been met. Such deductions fly in the face of a direct appreciation of the forms and extent of deprivation at present, and only add further doubts about the use of the poverty line methodology.
The trouble arises mostly from attempting to collapse complex and wide notions of insecurity into narrow indicators corresponding to rather precise concepts which might not reflect the complexity and diversity of social reality.

Two other observations are pertinent here.

First: an indicator of coverage of some particular dimension of social protection does not in itself provide an adequate measure of the extent of persisting insecurity even with regard to that particular dimension. Consider the need for crop insurance and its provision in two economies, one prone to high fluctuations in output and prices, and the other where these are relatively stable. A similar incidence of crop insurance cover for the two economies would not imply equal coverage of the need, since one of the economies clearly has a far greater need than the other, and is likely to be left with a larger deficit or residual uncovered need in this regard. Similarly, a poor country might have a very low rate of formal pension cover, but in reality have good quality elder care provided by the family. The system might be superior to that in a modern economy where the family tends to break up and leave the elderly exposed. In the latter system, a higher rate of pension cover might automatically transfer into better old age care. The recent deaths of older people during the heat wave in Europe illustrate this point. It is necessary to determine the need for social protection, i.e., the extent of the original insecurity, and to measure coverage of the need. The two indices together would then yield some meaningful information about the gaps that persist. Put notionally:

\[ \text{Gross need} - \text{cover} = \text{Residual or gap} \]

where it is recognized that a variety of mechanisms and arrangements could provide cover. This would produce a cross-sectional snapshot of the system at a point in time.

Second: it is necessary to go beyond the snapshot and investigate the dynamics of the different elements of the above equation for each of the main dimensions of insecurity, and/or by specific social groups and constituencies, or by types of economy. This would provide information on trends in the three different elements. For instance, in the modern European economy, the casualization of labour means that a significant number of younger people are not adequately covered for old age through pension contributions, and this gap is likely to manifest itself increasingly over time. The family system might be weakening before new systems of elder care can be constructed in poor developing economies, implying here as well a widening of insecurity, although formal sector pension cover might well be rising. Such dynamics need to be captured in order to clarify the processes at work. Without such information, it is likely that the available monitoring indicators will be misinterpreted.

5.3 Profiling gender-related insecurity: A taxonomical illustration

It has been argued that the standard mainstream indicators of human development or poverty cannot adequately reflect the status of a population with respect to socio-economic security. Given the multiple dimensions of insecurity, and the diversity of the social groups that comprise any large population, it is inevitable that every summary statistic or indicator of socio-economic security will be heavily reductionist in nature. In order to find more accurate meanings, and more informative indicators for summarizing, comparing or monitoring socio-economic security, it is necessary to work at a much lower level of aggregation, focusing perhaps on a specific group or a single dimension. Here, an attempt is made to convey the difficulty of the task by sketching a framework for an inventory of gender-related socio-economic security.
The matrix in the table demarcates the phases in the life cycle of a woman, from pre-birth to old age. Of course it is possible to split the phases or to choose different points of separation. Within these phases one can take cognizance, notionally, of various events or episodes – birth, puberty, marriage, childbirth, divorce or separation, widowhood, etc.

### Profiling gender vulnerability

<table>
<thead>
<tr>
<th>B: Domains of vulnerability</th>
<th>A: Life cycle phases</th>
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<td></td>
<td>Pre-natal</td>
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<td>Reproduction</td>
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<tr>
<td>Empowerment</td>
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<td>Knowledge, education, learning</td>
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<td>Consumption, nutrition, health</td>
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<td>Personal security, survival</td>
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<td>Work, labour, employment</td>
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<tr>
<td>Property, assets, endowments</td>
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### A: Life cycle phases

- pre-natal
- infancy and childhood
- girlhood and adolescence
- young woman
- middle age
- old age

On the journey through life, the woman enters or operates in various domains: the home, the school, the workplace, public space, her home after marriage, etc. She does so in a variety of roles and at different ages. In each domain, she encounters different fields of gender bias and disadvantage with which she has to contend. Such fields are categorized in the columns of the table. Within each category, it is possible to list more specific sub-fields in order to capture more specific forms of insecurity.

### B: Domains of disadvantage and vulnerability
Seven broad domains are used, though these could well be defined in other ways.12

- reproductive sphere: family: wife, mother, widow: sexuality, marriage, reproduction
- empowerment: personal, cultural, political – culture and socialization, discipline, behavioural regulation; authority, decision-making power; independence, autonomy, life-choices, freedoms; mobility, visibility, voice: public sphere participation; politics, representation, networks, information-access
- knowledge, education, learning
- consumption, nutrition, health, well-being
- personal security, survival
  - legal status and cover, rights and redress, institutional support
- work, labour, employment; at home and in the labour market
- assets, endowments, entitlements, access, control

A and B together create a matrix whereby a woman’s journey through disadvantage and vulnerability can be charted. This can be done variously for different social groups, cultures and individuals. The table generates a refined and comprehensive inventory of the threats and experiences that the social protection agenda needs to address. To make this visible for policy makers, it is necessary to carry through this disaggregated analysis to the level of indicators and measurement. It is clear that the so-called gender sensitive human development index and the gender empowerment indices are utterly unable to cope with such complexity, and fail to provide significant monitoring signals for a very wide range of phenomena reflecting gender insecurities.

Such a matrix could be specified and filled in variously for different contexts defined by different time periods, cultures and societies, or social groups. It also allows for comparison across these contexts. Alternatively, it permits the construction of indicators which focus on specific domains, going across the different phases of the woman’s life. Or the focus could be on the different phases of life, i.e., the girl baby, the girl child, the young woman, the widow, and so on. Within each cell of the matrix, it is possible to provide an elaboration and/or illustration. It is also possible to check against such a matrix the scope, coverage and adequacy of various indicators which attempt to capture these gender disadvantages. Such an exercise would immediately show the exceedingly limited scope and coverage of the major gender-sensitive indicators that continue to dominate the discourse, for no good reason.

Such a scheme allows, indeed, requires a holistic perception and analysis of gender disadvantage. It also makes visible phases, events, domains and biases in a fashion which permits connections to be made and chains of causality to be identified.

Similar matrices can also be constructed for other target constituencies or entities, e.g., migrants, children, minority groups, particularly vulnerable occupational groups and the elderly.

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12 For two other specifications, see Kabeer (1994, ch.6) and Nussbaum (1990).
6. Concluding observations

In lieu of conclusions, the paper closes by noting four tendencies in the policy discourse on poverty reduction and social protection. All four pertain to the manner in which resource needs are strategized, and each could be problematic.

First, there is increasing acceptance of the idea that the poor should pay for their social protection. The “bankability” and the “financial maturity” of the poor are presented as positive attributes of their worth and their potential for self-help. Ironically, this is widely accepted by those who were until recently staunch opponents of the principle of user-costs levied on the poor for access to basic needs. The shift to the money metric approach goes hand-in-hand with a shift in favour of the open market as a provider of services on the user-pays principle. This is further supported by the argument that such payments create a sense of ownership amongst the poor which leads to their empowerment, and also raises the level of accountability. Of course, these would be positive outcomes, should they actually occur on any widespread scale. Overlooked, however, is the body of argument and evidence that shows that such methods tend systematically to exclude the poor, who form the target group in the first place.

Another manifestation of the increasing reliance being placed on the money metric, whether at the level of concept, policy design or monitoring, is the ubiquitous dollar-a-day line that has come to dominate development discourse. Virtually by default, this line has started setting goal posts for targeting and monitoring.

Consider for instance, the recent somewhat “Luddite” call from an eminent economist (with a penchant for courting controversy) to dispense with the entire range of poverty alleviation programmes, and instead resort to the singular device of ladling out one dollar each day to every person under the poverty line, leaving the recipients to spend their dollar on their daily bread, or their daily fix, or tobacco or whatever else.

There are several motives behind this call: that the poor should be allowed to express their own preferences in using the poverty-reduction budget; or that the high delivery costs of government programmes should be reduced; or that the high rates of leakage and rent-seeking should be controlled. But the cure might be worse than the malady in many cases, since it overlooks the entire range of supply side issues, pertaining to access, institutional exclusion, market failures and information gaps.

Second, there is increasing emphasis on using micro-insurance mechanisms, both formal and informal, to provide social protection for the poor. Just as the poor are now deemed to have become bankable, they could also be capable of handling their protection needs through market-based insurance mechanisms, or through using their accumulated “social capital”. Attractive as this sounds, the approach has several lacunae. Where there is extensive poverty, and risks move together, all sink or swim together. Tawney (1932) noted that when there was a shortfall in one feudal village in China, the next village was also likely to be affected and in deficit, as was the next district, leaving little possibility of insurance across units. Two: many units, or members of units might be unable to meet the insurance premiums, and be left hopelessly vulnerable. Three: these arrangements often break down precisely when they are most needed, as in the case of patron-client, or landlord-tenant relations in bad harvests. Insurers deny and default on payout claims. Even families split up, the strong repudiating the weak. Four: the implications of such exposure are dramatically worse for the poor, who can be, and usually are, reduced to destitution with little chance of recovery; if the basic norm constitutes the social
floor, they fall through to the ocean bed. Five: not all informal insurance mechanisms for income smoothing and sharing might be generally regarded as reflecting socially desirable or laudable motivations, behaviour or values; for instance, intra-familial insurance mechanisms often involve forms of control, emotional blackmail, or outright coercion, as well as some reprehensible practices, mostly against dependents, whether women, children, or the aged. An institutional theorist might be tempted to explain some of the most flagrant violations of gender rights in these terms. Six: insurance mechanisms are essentially designed to provide financial access, but they do not guarantee the availability of the goods and services required to meet the specific insurance need. Thus, the poor might join health insurance schemes, but health facilities might be unavailable. Between a non-existent market, and dysfunctional or atrophying informal insurance arrangements, there is an expanding area of vulnerability; but there are many people in this no-man’s land. Thus, there is a good chance that, as with other things, the poor will also beget poor insurance. The emphasis on insurance is partly driven by a desire to take the pressure off the state as a provider of universal social protection. Given the widespread experience of market failure in this area, the scattered stories of successful prototypes of micro-insurance for the poor should not be a platform for relieving the state of the role of ultimate underwriter of the social protection needs of the poor. No doubt, there is a need to conceptualize universal coverage in terms of plural systems of cover, which incorporate the roles of the market, the state, and other solidarity organizations of and for the poor. However, the market cannot be relied upon to provide universal coverage for the poor – markets cater to money demand, not human need.

Third, there is virtually universal acceptance of the new rules of the fiscal game, and somewhat perniciously of the idea that there is a sharp budget constraint on government social protection expenditure. This argument lends support to the user-pays principle even when applied to the poor. The corollary is that a blind eye is turned to the possibilities of domestic resource mobilization, even in societies characterized by high levels of poverty and inequality. The possibility of redistributive taxation is not examined, nor is the potential of alternative fiscal and macro-economic policies which are not predicated upon acceptance of fiscal constraint. Together, the state is rendered even more passive, and the status quo with respect to inequality goes unquestioned. These trends need to be challenged.

Fourth, there is a damaging tendency to frame the argument for universal social protection in terms of resource availability. The constraint of resource limitations, whether at national or household level, cannot be wished away. However, the myriad possibilities of responding better to social protection needs through institutional and behavioural changes that are contingent not on the injection of more money, but on different ways of doing things are overlooked. This applies to the economy as a whole, but also to the local community or village level.

Finally, there is a tendency to problematize social protection, and consequently to frame policy interventions, in an isolated manner. Usually this involves focusing on an enterprise, an organization, a specific scheme, or a local community. Even when wider interventions are considered, the issue is the replication of some prototype micro-scheme. There is no doubt that many forms of socio-economic vulnerability need to be addressed at the local level in this manner, and also that local institutional structures are crucial in the successful design, implementation and monitoring of these interventions. However, there is a risk of marginalizing social protection if the wider context is ignored. More than ever before, the sources of insecurity and vulnerability lie well beyond the boundaries of the local space, and arise from processes which are national, and usually global in nature. Not taking this explicitly on board in the design of policy would relegate social protection interventions to the level of rescue operations. Clearly, attention also needs to be simultaneously on the sources and origins of the vulnerability. The
role of preemptive and preventive policies should not be overlooked, especially in the current global environment. This paper has attempted to highlight the relevance of these wider dimensions. This also provides a stronger and multi-channel bridge between social protection dimensions and the agenda of decent work as a framework for development interventions.

In general, this paper has argued that the notion of decent work – and social protection, which is one of its four constituents – needs to be considered within a broad development context, rather than in a narrow focus on the workplace or enterprise alone. Hence the agenda for decent work – and for universalizing social protection – must engage with wider processes and policies of development. It is essential to remain aware of the wide structural differences between different groups of economies, and to ensure that the search for universality does not generate a false uniformity in concept or policy.
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