Social Security Systems

CONTENTS

Social security systems are powerful tools
in the fight against poverty and social insecurity and achieve
increased income equality. People need and want social security.
Social security systems promote long-term
economic development, social stability
and international security.[1]

"In the final analysis, what matters is people
— and people are better off with social security."

Krzysztof Hagemejer, ILO

[1] "Social security for all: Investing in global social and economic development. A consultation." ILO, Social Security Department, August 2006

1. Introduction

Development that makes it possible to overcome poverty involves major changes. For many people these changes open up new opportunities in the form of education, better housing, health or better paid work. But economic and social changes may also lead to higher rates of unemployment, health problems and environmental degradation. With increasing urbanisation, globalisation and the HIV/AIDS situation there is a strain on the social relationship and networks that individuals by tradition rely on for security and support.

A new discussion on the role of social policy began at the UN Summit Meeting for Social Development in Copenhagen in 1995. The declaration adopted at this meeting – with its three central goals of eradicating poverty, creating full employment and promoting social integration – forms the point of departure for current international cooperation within this field. Knowledge has grown concerning how important social policy is for social and economic development.

Today an increasing number of actors realise that economic growth alone is not sufficient to create social development and security for populations. A consensus is developing on the mutual links between social and economic development.

There is an ongoing discussion on how social models and security systems can facilitate development and reduce poverty. Pressure is mounting from developing countries, from regional and international agencies and, not least, from research and current development cooperation activities to establish priorities within this area.

Social security systems are increasingly regarded as a useful tool for poverty alleviation as well as an investment in long-term welfare, security and economic development at national and global levels.

The Paris Declaration on Aid Effectiveness from 2005 has brought the issue of what specifically Sweden can contribute to development cooperation, as an individual actor and in cooperation with others, to the fore. Sweden's Policy for Global Development underlines the fact that Sweden has a role to play as concerns development of social security.

The aim of this Position Paper on social security systems is to describe Sida's position within this field. It would then serve as a guide for activities touching on this subject during 2008–2012.

For Sida

Maria Stridsman
Assistant Director General
Director of Department for Democracy and Social Development

2. Social security
– a part of social development

A holistic social policy, emphasising health care, education, care of individuals in vulnerable situations, and aimed towards social security systems is decisively important for poverty alleviation and economic development.

Social security systems are to be regarded as one element of a comprehensive social policy that covers access to health care, education, day care and kindergarten activities, housing, food, clothing and clean water, all preconditions that together play a decisive role in human development. For further reading please refer to Sida's health policy, *Health is Wealth*

http://www.sida.se/sida/jsp/sida.jsp?d=118&m=result&searchMode=3,

to Sweden's international policy on Sexual and Reproductive Health and Rights (www.ud.se), and the position paper *Education, Democracy and Human Rights* (www.sida.se). Please also refer to Sida's Position Paper on children and adults with disabilities, 2005, (www.sida.se),

http://www.sida.se/sida/jsp/sida.jsp?d=118&m=result&searchMode=3.

In order to emphasise this holistic perspective, several developing countries (for example South Africa and Tanzania) have also linked issues concerning land rights, land reform and basic infrastructure such as access to electricity, to the social policy area.[2]

The connection to employment and labour market issues is also vital. Social welfare contributes to the reduction of child labour and improves the capacity of young people and adults on the labour market.

Social security contributes to the reduction of exclusion. Social security and social welfare are consequently essential elements in the strengthening and protection of socialy vulnerable groups and individuals with the aim of creating an inclusive society, a society for all.

Development of social security systems is also an important instrument in supplying people with the safety net and opportunity to develop in times of humanitarian disasters caused by war, terrorism, environmental and natural disasters.[3]

In low-income countries, where a large proportion of the population is poor and vulnerable, a holistic approach to social and economic devel-

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[2] Wiman,R, Voipio T, Ylönen M, Comprehensive Social Policies for Development in a Globalizing World, Ministry for Foreign Affairs, Finland 2006

[3] World Conference, Social protection and inclusion: Converging efforts from a global perspective, Lisbon 2–3 October 2006, ILO, EU et al, 2007

opment in the country is vital. In these countries social security systems play an especially important role as concerns guaranteeing a basic income level and for development opportunities for poor households.[4]

2.1. Social security systems – a human right

Access to social security is a basic human right. The rights of all individuals to such security are asserted in Article 22 of the UN *Universal Declaration on Human Rights.* Social security systems consequently belong to the essential public services category in the same way as health care, education and water supply.

Article 22 covers everyone's right to social security while Article 23 primarily provides the right to fair and satisfactory remuneration for work performed "…supplemented, if necessary, by other means of social protection."

Article 25 deals with entitlement to an adequate standard of living including "medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control. Motherhood and childhood are entitled to special care and assistance."

In Article 9 of the *International Convention on Economic, Social and Cultural Rights,* ratifying states guarantee to "recognize the right of everyone to social security, including social insurance".

The UN Convention on the Rights of the Child establishes that all children enjoy the same rights and equal value. Article 3 states that the best interest of the child are paramount in all measures concerning the child. Article 26 challenges ratifying states to "recognize for every child the right to benefit from social security, including social insurance".

2.2. Concepts

The concept *social security systems* is defined by Sida in this Position Paper as formal systems that create security for human beings in vulnerable situations.

Many poor people are, however, dependent on informal security systems within the family, the group or society, in order to manage vulnerability and crises. However the traditional support provided by the family is exposed to the continuous influence of global processes such as the increased labour market participation of women, HIV/AIDS and increasing life expectancy rates.

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[4] See above and Social Policy, National Development Strategies, Policy Notes, Isabel Ortiz, UNDESA, 2007

Sweden's Policy for Global Development emphasises that in situations where traditional, informal networks are exposed to pressures such as illness, unemployment, conflicts and the exhaustion of natural resources, a complementary formal policy for social security is essential.[5] Formal security systems are able, when viable and suitably designed, to build on existing informal systems.

Formal social security systems, which are a part of a nation's social policy, are defined by Sida as:

- *Social insurance* being a means to protect individuals against various types of financial crises during the course of their lives. Some important examples are old age and widows' pensions, sickness allowance and health insurance and benefits, unemployment benefits and disability benefits.

- *Economic family policy* such as children's allowance, maternal leave and parental leave allowance. Family policy inputs are important for parents' opportunities to enjoy closer relationship with their children as well as their opportunities for paid employment with the aim of achieving a more secure situation for their children.

- *Social services* with two functions, care and provision of resources.

The provision of resources element aims at provision of *support/cash transfers* to people in vulnerable situations.

Social service care may, for example, consist of advisory services, protection, treatment, care or foster home placement of children as an alternative to institutions.

Social services must provide needed groups with basic social services. Examples of especially needed groups include the unemployed, children from poor families, older people without networks, substance abusers, women and children vulnerable to gender-based violence, victims of trafficking and child soldiers.

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[5]   Sweden's Policy for Global Development, passed by Riksdag in 2003.

3.   Sida's activities

3.1.   Goals

The overall goal of Swedish development cooperation is to contribute to an environment supportive of poor people's own effort to improve their quality of life. Social security systems contribute to the creation of preconditions for such improvements.

Social development and security form one of the eight central component elements that are to characterise international development cooperation, according to *Sweden's Policy for Global Development,* adopted by the Riksdag (Swedish Parliament) in 2003. Swedish undertakings are to be based on the view that social development and security strengthen human beings in their struggle against poverty. Development cooperation in Sweden is based on a rights perspective and the perspectives of the poor.

3.2.   Principles for Sida's activities

•   A RIGHTS PERSPECTIVE

Sida activities are based on the UN Universal Declaration of Human Rights which rests on the concept of the rights of individuals and the duties of the state.

Social security is a human right. Sida's activities aimed at social security systems will consequently be based on a rights perspective, which is also in accordance with *Sweden's Policy for Global Development* which is to be reflected in all Swedish development cooperation.

The Child's rights will form the basis of the elements of the social security systems aimed for children. Children's rights to development, security, protection and participation will be centre stage.

•   THE PERSPECTIVES OF THE POOR

The perspectives of the poor on development – their needs, interests and capacities – will form the point of departure for Sida's development activities.

Sida's support to the development of social security systems will create opportunities for poor people to influence their own lives. The establishment of social security systems will strengthen people's capacity and influence and provide protection when they are in vulnerable situations.

• **PEOPLE AS ACTORS**

The promotion of social development and security is based on the view that people are actors, possessing their own resources to improve their living conditions.

Work to support the construction of social security systems will be based on the fact that people participate in their own life changes and must enjoy the opportunity to influence, develop and manage their own social capital.

• **OWNERSHIP**

Sida's activities will aim at improving partner countries' ability to take the responsibility for basic and fair social security systems.

Reform activities will be concentrated on the countries' own capacity to develop systems that provide services for people living in poverty. Capacity development will, in order to achieve increased creativity and efficiency, build on existing structures where such exist. This also includes, when relevant, the support and further expansion of existing informal security systems.

• **GENDER EQUALITY**

Sida's activities will support gender equal social security systems for women and men.

Sida's support to social security systems will promote the development of women and men and prevent the continuation of harmful traditional gender structures. Gender-equal social policy contributes to the full utilisation of a country's human resources, and consequently to its economic development.

• **EQUITY**

Permanent resource gaps within societies and between nations or regions are economically inefficient and, in the long run, dangerous. When everyone does not receive a share of development benefits, social unrest grows. Inequality, exclusion and marginalisation create the preconditions for violence and criminality – in the home, in society and between countries or regions.

Sida will primarily support universal security systems, whenever possible. However targeted transfers are also able to contribute to efficient general social policies.[6]

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[6]   These principles are based on Sweden's Policy for Global Development, passed in 2003.

4. Evidence-based conclusions

4.1. Mapping Sida activities

A survey of Sida activities within social policy and social security systems, published in 2006,[7] describes how Sida supports a number of activities within this area. Regionally, activities in Eastern and Southeast Europe dominate as cooperation within the social sector is well developed here and has been documented for a considerable period of time.

Support in Latin America is characterised by long term cooperation and a current, considerable level of interest in how Nordic general welfare solutions could be adapted to the Latin American context.

Several major programmes in Africa are aimed at at-risk children and young people as concerns HIV/AIDS and support includes capacity building for organisations. Since the completion of the survey, regional cooperation in Africa has intensified as concerns the necessity of social security systems for the region's economic and social development.

Support within Europe has been aimed at the establishment of general structures for social security systems (for example the construction of pension systems and social service centres) but also, to a considerable degree, at capacity building (activities within higher education and for professionals within the area).

Social research is an important cooperation area for Sida, including long-term cooperation with the UN Research Institute for Social Development, UNRISD.

Target groups for social policy activities are dominated by vulnerable children and young people. Other important target groups include women at risk from violence and trafficking, plus substance abusers.

4.2. Research results

Results from the extensive research project entitled *Social Policy in a Development Context* carried out by UNRISD, the UN Research Institute for Social Development, between 2000 and 2005 illustrate the key role played by social policy for economic and social development.[8]

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[7] Social Policy and Social Security Systems, Mapping Sida Activities, Swedish and Global Actors Sida, Health Section 2006

[8] Transformative Social Policy, Lessons from UNRISD Research, UNRISD Research and Policy Brief 5, 2006. plus Lessons from UNRISD Research on Social Policy in a Development Context, Thandika Mkandawire, Sida Seminar 31st October 2006.

These results indicate that a number of welfare measures can be introduced at fairly low income levels and also show that social policy can be used for resource redistribution goals, to increase security and levels of commitment and stability in society.

- Social policy contributes to the efficiency of the education, health and labour market sectors. A holistic and right-based social policy contributes to the legitimacy of the government and to stability by increasing social cohesion and solving conflicts.

- Social policy may also contribute to accumulation of capital in for example pension funds, capital that may be used for activities such as infrastructure investments.

- Social policy may also be used to change norms and attitudes to gender and ethnicity through, for example, family and antidiscrimination legislation.

- National social policy is formed by a country's history and reflects national social forces. States must be afforded greater space and more instruments in order to create a policy that suits their own conditions.

- Social policy and how a nation manages poverty, affects the development of democracy.

- Social policy requires social institutions of quality, possessing financial resources, efficiency, transparency and integrity. The state plays a key role. However not only administrative and technical capacity is essential, even more important is the political ability to create consensus and social alliances.

4.3. Conclusions

Countries that have introduced social security systems demonstrate more stable economic growth and welfare development than others.[9] However even inputs as a very basic level contribute to change: when people's cash assets increase, security is also increased which may allow them to look for better, more regular work[10]. More cash is an injection into rural economies and a positive force for local development. Increased economic security means that people can invest in children's health and education, which leads to an increase in productivity.

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[9] Issues in Social Protection, Discussion Paper 18, The Right to Social Security and National Development: Lessons from OECD experience for low-income countries, Peter Townsend, ILO, 2007

[10] "Breaking the poverty cycle: Securing rights to cash benefits for older people and children through national commitments and community action", Michael Samson, Economic Policy Research Institute, South Africa

Social security systems contribute to closing the income gap between groups within a country, and consequently increased equity. This decreases tension and conflicts within – and between – states which means that countries are able to invest resources in development instead of conflict management.

International financial institutions have historically supported social security systems aimed at special target groups, while experience shows that the more inputs are aimed at the poorest the less likely sustainable decreases in poverty and income differences will be achieved.

> *"Benefits meant exclusively for the poor often end up being poor benefits."*
>
> Amartya Sen

Universal systems are quite simply more efficient and contribute to a greater degree to economic development. Targeted systems are administratively expensive and require well-functioning, extensive management systems at different levels of society in order to distribute the support efficiently to those who are in greatest need of it.

The United Nations Department of Economic and Social Affairs, UNDESA, and United Nations Research Institute for Social Development, UNRISD, consequently recommend universal programmes in the fight against poverty. They are considerably easier to implement and more efficient for the rapid reduction of poverty.[11]

However in reality, national social security systems are very rarely one or the other. Social security systems, or other programmes aimed at reducing poverty, must be based on each country's general and economic preconditions. Normally, systems consist of a combination of the two different types. What is decisive is that overall social policy is based on a rights perspective which then acts as a counterweight to the discrimination of individuals or groups.

Targeted activities become almost an instrument that contributes to the efficiency of universal social policies. For Sida, the decisive issue is whether targeted inputs concern the poorest individuals and groups.

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[11] Social Policy, National Development Strategies, Policy Notes, Isabel Ortiz, UNDESA, 2007 (Page 57)

5. Future priorities

SIDA WILL

• Primarily support the state in its responsibility for social security systems.

In order to realise the right to social security, the state's task is to promote social security systems that are based on transparency, accountability and participation. Only in the relationship between the state and its citizens can a rights perspective be applied.

SIDA WILL

• Support civil society as executer, activist and good example in social policy issues.

Social policy activities may be implemented by many different organisations, depending on local conditions. However the state should retain the overall responsibility for the distribution of social security. A continuous, high level of public investment in basic social security systems is essential for sustainable economic and social development.

If there is to be a functioning social security system administered by the public sector, a civil society to monitor it and to work to ensure that the state takes its responsibility is essential. Civil society is able to influence social policy so that it reaches out to target groups, responds to needs and fulfils people's rights. However the process is mutual: good social policy also influences the development and capacity of civil society.

Operating social policy aimed at an inclusive society is, naturally, the responsibility of the state but the civil society often functions as an important actor in the development of social security systems.
One method is to take the lead in issues that the state may later take over.

One challenge is to balance and integrate formal and informal systems for social support. Even if objections can be raised against family-based traditional systems' failings in an urbanised world, it may also be observed that traditional social protection systems are being developed and recreated, for example in African societies.[12]

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[12] World Conference Social Protection and Inclusion: Converging Efforts from a Global Perspective, Proceedings, ILO, 2007.

SIDA WILL

• Support the establishment of the necessary administrative and financial structures for social security systems.

In order to be efficient, social security system payment of grants etc. must be regular and predictable. This requires a number of general, overall functions in a country, including a functioning system of taxation[13], a registration system and a distribution system for payments, preferably also a functioning post or bank system even if other solutions can be used.[14]

SIDA WILL

• Support social security systems as an integrated part of an active employment policy.

Social security systems must contribute to providing people with opportunities for productive work, security and influence in society.

ILO has stated that work is the primary route out of poverty and this is also emphasised in an amendment to the Millennium Development Goals. Poverty can only be eradicated if opportunities for investment, entrepreneurship and productive, income-generating employment opportunities are created.

The links between employment and social policies are vital. Well-designed social support contributes to improved health and education; children's allowance is an example of a measure that can contribute to covering the costs of a child's education and consequently decrease the occurrence of child labour.

A growing number of global forums and networks[15] are working on action plans for the area overlapping between employment and social policies. However this is not a question of identifying one single solution, instead work is concentrated on finding contextspecific, purpose-designed combinations of employment policy and social security systems, for example unemployment insurance, occupational injury insurance and old age pension.

As approximately 80 percent of the labour force in many developing countries are employed within the informal sector (the majority being women), it is essential that Sida aims development cooperation at social security systems which also cover informal economy workers.

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[13] Perspectives on Poverty, Page 34.
[14] Social Policy, National Development Strategies, Policy Notes, Isabel Ortiz, UNDESA, 2007 (Page 57)
[15] Including UN-ECOSOC; UN Commission for Social Development, AU/NEPAD/SADC, EU, OECD/POVNET

SIDA WILL

• Support the development of social service activities

The exclusion of vulnerable groups seriously undermines the efficiency of social security systems. In low income countries, poor and vulnerable households and groups are often excluded from access to social security.

Social services are aimed at people in vulnerable situations: individuals with disabilities, orphans, street children, children at risk of abuse, children in conflict with the law, women and children at risk of gender-based violence, people with substance abuse problems, refugees and the aged.

Social service activities could consist of advisory services, protection, care, treatment or foster home placements for children as an alternative to institutions.

Experience of development cooperation within this area is extensive, especially in Eastern Europe as well as in Latin America.[16]

SIDA WILL

• Support higher education within the social policy and social security area.

Capacity development is decisive for the establishment of efficient and effective social security systems in cooperation countries. Experience within Sida of support to higher education is extensive including projects in Russia, Bosnia and Tajikistan.[17]

SIDA WILL

• Support research within the social policy area.

Sida has a long history of support to the UN Research Institute for Social Development UNRISD, as well as supporting regional research agencies such as CLACSO in Central and Latin America and CODESRIA in Africa.

Future development cooperation within social policy and social security systems must be based on evidencebased knowledge of activities that promote social and economic development. In order to develop such knowledge, continued support to research within the area is decisive.

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[16] Social Policy and Social Security Systems, Mapping Sida activities, Swedish and Global Actors Sida, Health Section 2006.
[17] Social Policy and Social Security Systems, Mapping Sida activities, Swedish and Global Actors Sida, Health Section 2006.

SIDA WILL

• Support normative activities within the social security systems area in cooperation with other actors.

Within comprehensive international activities currently underway aimed at developing and strengthening the construction of social security systems in developing countries, there are several opportunities for cooperation:

• Work actively with policy development within the framework of OECD/DAC POVNET and especially within the task team "Social Protection and Empowerment" and "Employment and Labour Markets".

• Develop cooperation with SDAN, Social Development Advisors Network, in order to strengthen support and exchange of knowledge within the area.

• Strengthen regional cooperation, in Africa with agencies such as the African Union and especially emphasise exchange of experience and knowledge between developing countries and between donor countries and developing countries.

SIDA WILL

• Support global and regional actors within the social security systems area.

6. Implementation

6.1. Dialogue

Sweden will work to accomplish joint strategy activities with cooperation countries and other donors. Using Sida's overall goal as a point of departure, dialogue on social security systems within bilateral and multilateral cooperation will be implemented using a rights perspective and the perspective of the poor on development.[18]

In these strategy activities, Sweden possesses a unique opportunity to carry on a dialogue with the countries and other donors on the development of a holistic social policy and social security systems.

Dialogue as a concept has a central function within Swedish development cooperation. Dialogue includes not only listening and learning, it also means creating an enabling atmosphere in order to transfer the message. The dialogue must be characterised by transparency, participation and openness and, as far as possible, be based on the countries' own poverty reduction strategies.

Research and the UN Universal Declaration on Human Rights and the Convention on Social and Cultural Rights, are vital points of departure for the dialogue on social security systems in Sida's cooperation countries.

Dialogues with governments, government agencies and other cooperation partners are important, irrespective of whether cooperation concerns the construction of a social insurance system or the development of social services.

In dialogues with other donors and cooperation partners within the civil society, the issue of social security systems as part of an extensive social policy must be included.

Sida will continue to develop dialogues with relevant Swedish actors, including Swedish NGOs.

SIDA WILL,
in its dialogues, take up the issue of developing social security systems:
- Within poverty reduction strategy activities, in the annual development plan and how this is reflected in the budget.
- Discuss social security systems in a long-term perspective, how is the country's forward planning in a perspective of 20–30 years into the

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18 Sida at Work, A Guide to Principles, Procedures and Working Methods, Sida 2005

future? This dialogue is also intended to improve the level of expertise at the relevant ministries of finance, as well as supporting the ministries responsible for social security which often act from a weaker position in relationship to the finance ministry. These include ministries of social affairs, ministries of children and family affairs, ministries of development and planning etc.

- Discuss points of departure based on each individual country's potential and opportunities as concerns social security. Which groups are to be prioritised? What can the country afford? Which institutional assistance and strengthening is necessary?

- How are activities to be followed up, monitored and evaluated?

- Which are the most vulnerable groups? How will they gain access to the services within the social sector? How to develop and build up social services? Are there any informal systems in place on which to build?

- Who will implement and execute the services? How will the country follow up, monitor and evaluate the service?

- Sida may also take the initiative to bring up important issues with different actors[19]. Social security systems are an area that the Swedish Government considers that Sweden bears a special responsibility for, as stated in its *Policy for Global Development.*[20]

UNDESA offers guidelines and answers to other questions concerning the construction of national security systems in its publication Social Policy, National Development Strategies, Policy Notes, by Isabel Ortiz.

6.2.   Capacity development within Sida

In order to strengthen the development of the social sector it is necessary to improve knowledge levels within Sida and Sida's various co-operation partners.

Social security systems will be examined during Sida's in-house training courses, in the training of consultants, of Swedish NGOs and in Sida's international courses.

Important knowledge brokers may include Sida's resource base within the area plus global actors, please refer to Social Policy and Social Security Systems, Mapping Sida Activities, Swedish and Global Actors Sida, Health Unit 2006, www.sida.se.

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[19] Sida at Work, A Guide to Principles, Procedures and Working Methods, Sida 2005
[20] Shared Responsibility, Sweden's Policy for Global Development, Government Bill 2002/03:122

Annex 1 Practical examples of Sida activities

Nordic experience of expansion of social security systems in Latin America

One example of current development cooperation focussed on social security systems in Latin America is the cooperation between RELA and the UN agency ECLAC[21]. Cooperation is aimed at studies and exchange of knowledge of how the Nordic social polity experience may possibly be utilised in the Latin American context. The aim is to stimulate discussion concerning social security systems on the Latin American part of the continent.

Since a study of the growth of the Nordic welfare model was presented at the ECLAC Conference in 2006, the organisation has expressed interest in continuing and broadening cooperation. After studies on the applicability of the Nordic model in five countries, cooperation will now be expanded.

The primary aim of continued cooperation is to work towards social policy reforms for social justice and poverty alleviation through policy dialogue between Latin American countries and ECLAC. This will be carried out using methods such as dissemination of "best-practices" with special emphasis on relevant experience from the Nordic countries.

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[21] ECLAC: Economic Commission of Latin America and the Caribbean

Extensive support to social sector research

Sida and SAREC have provided support to the UN Research Institute for Social Development, UNRISD, since 1975. This support over more than thirty years must be regarded in the light of Sweden's undertakings to strengthen the UN system, not least through building up research capacity as a basis for UN policy activities.

During the 2003–2005 agreement period, support amounted to a total of MSEK 35. During this period the research programme *Social Policy in a Development Context* was implemented.

UNRISD's research results on social policy have received considerable attention during the last few years and have influenced policy discussions internationally. For example UNRISD's research has formed an important input into UNESCO's Social Forum 2006 and in UNICEF activities. Publications from the research programme have also been used at universities in Great Britain, Canada and Turkey.

UNRISD's research is also a good example of how Sida can benefit from support to research, not merely directly in development cooperation, but also for the development of Sida's own policies – such as this Position Paper.

UNRISD has recently been granted support for the period 2007 to 2009, up to a maximum of MSEK 45 for the current programme *Social Development Research at UNRISD 2005–2009.*

International courses on pension reforms

Beginning in the autumn of 2007, Sida offers an international training programme (ITP) on pension reforms for participants from Bangladesh, Cambodia, China, India, Indonesia, Pakistan, Sri Lanka and Vietnam.

This programme, that is based on previous experience of development cooperation within the pension field in the participants' home countries, is aimed at participants from different parts of the pension sector: public sector decision makers as well as employees in the insurance business.

The course is aimed at providing a more detailed picture of, and a discussion concerning, the Swedish pension reform from an international perspective. Participants study the legal body of regulations and the political process that led to the adoption of the reform as well as the policy's role and the process of creating consensus around the proposal. The role of the private insurance sector will also be described.

The course will also provide an international and historical review of pension reforms and will describe the Swedish welfare system with a special focus on the state old age pension.

Previously this training programme has been held aimed at Europe in 2005 and Latin America in 2006.

Department of Social Work in Banja Luka, Bosnia

One example of long-term cooperation in Eastern Europe is the work aimed at the establishment of an Department of Social Work at the university in Banja Luka in Bosnia. This is a cooperation project with the Department of Social Work at Stockholm University during the period 1998 to 2006. Sida contributed to this programme 2000–2005.

The first few years after the war in the Balkans there were no academically educated social workers on the labour market in Bosnia, consequently there was a serious risk that social work would collapse under the pressure of the refugee situation and ruined social structures. This not only threatened the work of the social service centre and other social welfare institutions, but also the future of social work in the country. At the same time humanitarian, civil society and other voluntary organisations were growing rapidly within the social sector. Modern, professionally trained social workers were essential.

Support to the construction of Department of Social Work at the university in Banja Luka has, to a considerable degree, contributed to the development of the profession and the reformation of the social welfare sector in Bosnia. Teaching on this programme was influenced by Bosnia's special situation – post war and in transition.

Approximately two thirds of the teaching was carried out by lecturers from the university in Banja Luka. However their cooperation with lecturers from the Department of Social Work at Stockholm University has been decisive for the establishment and implementation of these courses.

This educational programme successfully fulfils European academic requirements. The first academic year 2000–2001 included 72 students. The majority of these graduated after four years of basic education in social work in 2004 and could move straight into professional operations.[22]

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[22] Sustainable Development in Social Work – The Case of a Regional Network in the Balkans, Sven Hessle et al, Stockholm University, Department of Social Work, International Projects

Support to WIEGO

Sida's support to *WIEGO, Women In Informal Employment: Globalizing and Organizing,* is aimed at broadening development cooperation towards social security systems that also include employees of the informal economy.

WIEGO is a global network working with knowledge and policy development through research and participation primarily within the informal sector of the labour market. The network places special focus on the situation of women.

One of WIEGO's five programme areas is *social security systems* with the aim of making visible the special risks connected with working in the informal economy and documenting innovative activities aimed at developing social protection and security systems, especially for women. WIEGO works with issues such as unemployment benefit, working environment, labour law and youth. One goal is to create change in orthodox economic thinking concerning social security systems in relationship to the informal economy.

From a global perspective, most women work in the informal economy and consequently risk greater social insecurity. Improving their situation is vital for the creation of better living conditions and their escape from the poverty trap. The fact that a gender perspective characterises the entire issue is consequently decisive for Sida support.

WIEGO, which has its roots in Harvard University, cooperates with researchers and with ILO and World Bank. At the same time the network has its direct base within national and regional platforms such as SEWA, the Self-Employed Women's Association in India.

SEWA is a union for low-income women that was founded in 1972. During the 1990s SEWA participated in the creation of two international alliances; HomeNet, an organisation for domestic employees, and StreetNet, for street sales people. When HomeNet was involved in the establishment of an ILO Convention on domestic workers, SEWA and HomeNet realised the power of the statistics that united the actions of activists and researchers. This insight led to the foundation of WIEGO in 1997.

Annex 2 The international framework

A number of international conventions, political decisions and documents together form the point of departure for Sida's view on how development cooperation within the social policy and social security system field is to be operated in order to contribute to a greater degree to sustainable social development – globally, regionally, nationally and locally.

According to Sida's Policy for Global Development, a rights perspective must characterise all activities in order to promote fair, sustainable global development. A central point in such a perspective – and consequently also for development cooperation within this field – is the system of conventions and other instruments aimed at the achievement of human rights.

The UN Universal Declaration on Human Rights (1948) takes a special position and is, if not yet from an international law point of view, morally binding to a considerable degree.

Article 22, describes everyone's right to social security while Article 23 provides the right, primarily, to fair and satisfactory remuneration for work performed "…supplemented, if necessary, by other means of social protection."

Article 25 deals with entitlement to an adequate standard of living including "medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control. Motherhood and childhood are entitled to special care and assistance."

In Article 9 of the *International Convention on Economic, Social and Cultural Rights (1966),* ratifying states guarantee to "recognise the right of everyone to social security, including social insurance".

The UN Convention on the Rights of the Child (1989) establishes that all children enjoy the same rights and equal value. Article 3 states that the best interest of the child is paramount in all measures concerning the child. The concept of "the best interest of the child" is the very foundation of the Convention and has been analysed more than any other concept included in it. What exactly the best interest of the child is must be determined from case to case. Article 26 challenges ratifying states to "recognise for every child the right to benefit from social security, including social insurance".

Child rights form a decisive element of the rights perspective that is to characterise Swedish development cooperation. Sweden's Policy for Global Development places special emphasis on this area as being vital to promote and support and this approach is reflected in the Govern-

ment communication entitled "A child rights perspective in international development cooperation" from 2001. This communication specifies four strategic areas aimed at the realisation of children's rights: social reform, health and medical care, universal education and activities for especially vulnerable children.

In the Convention on the Elimination of All Forms of Discrimination against Women, *CEDAW, (1979),* certain articles are directly connected to activities aimed at social security and social policy. This concerns, for example, the ratifying states' commitment to take all appropriate measures, including legislation, to suppress all forms of traffic in women and exploitation of prostitution of women (Article 6). They undertake to take all appropriate measures to eliminate discrimination against women in the field of employment and to ensure "the right to social security, particularly in cases of retirement, unemployment, sickness, invalidity and old age and other incapacity to work, as well as the right to paid leave" (Article 11). Rights for rural women include to "benefit directly from social security programmes" (Article 14).

The Convention on the Rights of Persons with Disabilities was adopted by the UN General Assembly in *December 2006.* This Convention covers practically the whole of society including requirements for accessibility to premises and communications as well as information and services. This Convention will enter into force when it has been ratified by 20 member states.

International Labour Organisation, ILO

A number of conventions have also been established within the framework of ILO activities, the most important being the *Social Security (Minimum Standards) Convention.* This formulates the minimum requirements for social security within health and medical care, sickness benefit, unemployment insurance, for elderly people, for occupational injuries, for people with disabilities and for families, for maternity and for survivors. Member states may initially undertake to provide social security within three of these areas and then gradually expand to include the others.

In 2001, governments, employers and unions agreed that highest priority would be given to "policies and initiatives that bring social security to those who are not covered by existing systems", and tasked ILO to run the *Global Campaign on Social Security and Coverage for All* which began in 2003.

Copenhagen Declaration on Social Development

The UN World Summit for Social Development in Copenhagen in 1995 forms the point of departure for a considerable part of international cooperation within this field. The meeting was characterised by the wish to move social issues higher up the international agenda. The 189 participating states united concerning three central goals:

• Elimination of poverty
• Creation of full employment
• Promotion of social integration

The meeting adopted a declaration consisting of ten commitments that emphasise that economic development may never occur at the cost of social development but must be regarded in a context. These commitments reflect the determination of the participating countries to award high priority to social development, nationally and internationally, and to place the individual centre stage in development.

At national level the states undertook to develop policies for proper economic and social protection in cases of unemployment, medical care, maternity, for widows, for people with disabilities and in old age (Commitment 2d). According to this commitment the states would also develop and implement policies to ensure that everyone enjoys adequate financial and social protection during unemployment, ill health, maternity, child-rearing, widowhood, disability and old age.

According to the same commitment, states will strive to ensure that the international community and international organisations, particularly the multilateral financial institutions, assist developing countries – and any other country in need – in their efforts to achieve the overall goal of eradicating poverty and ensuring basic social protection.

The fourth commitment deals with promoting social integration. The countries undertake to strengthen institutions that enhance social integration, recognising the central role of the family and providing it with an environment that assures its protection and support while understanding that, in different cultural, political and social systems, there are different forms of family. They also undertake to address the problems of crime, violence and illicit drugs as factors of social disintegration.

The countries also committed to increasing significantly, and/or utilising more efficiently, the resources allocated to social development in order to achieve the goals of the Summit through national action and regional and international cooperation.

The Summit Meeting also adopted a *Programme of Action* that established guidelines for the work of implementing the countries' commitments. Social security is covered in Chapter 2 that deals with eradication of poverty. Social security systems are to be strengthened and expanded in order to protect people from poverty in situations such as unemployment, illness, disability, old age, maternity or child rearing, caring for ill or aged relatives, after natural disasters, civil war, war or forced flight from their homes.

After this, ten sections are listed including practical measures connected to the national context that should be included in order to strengthen social security systems. These measures include insurance programmes for social security, strategies for the expansion of social security programmes, the design of programmes aimed at helping people to become self-supporting as quickly as possible and programmes for social support that fulfils the needs of women.

Other points (39 and 40) state special inputs intended to protect children, young people, the elderly and the disabled.

This Summit Meeting has been followed up twice by the UN – in 2000 and in 2005.

On the first occasion the UN General Assembly noted a growing awareness of the positive effects of efficient social policies on economic and social development, consequently the goal of creating greater alignment between economic and social policies was expanded to include national and international programmes and strategies.[23]

In 2005 the Secretary General of the UN stated that the broad consensus on the approach to social development from the Summit Meeting in Copenhagen had gradually narrowed. This was reflected in, for example, the Millennium Development Goals and the World Bank Poverty Reduction Strategy Papers, documents which approached poverty reduction from a primarily economic point of view.

However certain progress could be observed: global extreme poverty had decreased and the number of women elected to political positions had increased, as had democratisation. Civil society organisations had become important partners for social development. While in other areas no progress was obvious. Unemployment had increased since 1995 and the full employment and social integration goals had not been fully integrated into development activities. Gender-based injustice still existed as did unfairness in access to social services and legal rights. Increased income gaps within and between countries threatened social integration and the alleviation of poverty.

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[23] UN A/55/344, Page 7

The Millennium Development Goals

The Millennium Declaration, an international, jointly agreed agenda for global development that was signed in 2000 by the heads of the world's states and governments, established that global development requires a holistic approach. Inputs aimed at the reduction of poverty, education, health care, peace, security, the environment, human rights and democracy all fit together. In order to realise the intentions of the Declaration, eight, measurable and time-limited Millennium Goals were established, one being the aim of reducing poverty by half by 2015.

It is the duty of all countries to report to the UN on their progress towards the fulfilment of these goals. One of Sweden's responses to the Millennium Goals is its Policy for Global Development that was passed by the Riksdag (Swedish Parliament) in December 2003.

The World Bank

After the Copenhagen Declaration, the World Bank shifted its rhetoric and policy to a certain extent and introduced a new development agenda, which included support to sustainable development, fighting poverty and promoting improved governance. Social development has simply been awarded more space on the World Bank agenda[24].

Even if social security systems have always been included in World Bank activities, developments during the 1990s – including the difficulties in Eastern Europe and the financial crisis in East Asia – illustrated the necessity of stronger social safety nets, for example reliable pension systems. World Bank lending for social security systems increased six fold over a period of ten years, to 12 percent of lending in 2003.

MPIAA

In the *Madrid International Plan of Action on Ageing, MIPAA* from 2002, 159 countries committed to including the elderly in all social and economic policies and to, in line with the Millennium Goals, reduce poverty by half among the elderly by 2015.

The aim of the plan is to ensure that all individuals can grow old safely and with dignity everywhere, and that they can continue as full citizens, participating in the life of society. The Programme of Action emphasises the rights of the elderly to development and an end to age discrimination. It also states the necessity of including the situation of the elderly high up on the development agenda.

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[24] "The World Bank as a Knowledge Agency", John Toye and Richard Toye, UNRISD, 2005

Annex 3 More reading within the field

www.un.org/esa/socdev/

Department for Economic and Social Affairs, UN, responsible for the follow up of the Copenhagen Agenda. Please refer specially to the report entitled Social Policy, National Development Strategies, Isabel Ortiz, 2007

www.unrisd.org

United Nations Research Institute for Social Development, presents books and papers under the 'flagship' project Social Policy in a Development Context

www.ilo.org/publns and

www.ilo.org/public/english/protection/secsoc

Social security systems are one of ILO's pillars within the *Decent Work Agenda*. Please refer especially to the reports 1) Social security for all – Investing in global social economic development. A consultation. Issues in Social Protection; Discussion Paper 16, 2006. 2) Can low income countries afford basic social protection? First results of a modelling exercise. Discussion Paper 13, 2005, and 3) The Right to Social Security and National Development: Lessons from OECD experience for low-income countries. Discussion Paper 18, 2007

www.undp-povertycentre.org

at UNDP International Poverty Centre, there are extensive reports on social and economic development and on the effects of cash transfers within the framework of the "cash transfer research programme"

www.odi.org.uk/plag/PROJECTS/cash-transfers.html

Overseas Development Institute carries out studies on cash transfers and reduction of poverty

www.helpage.org/Researchandpolicy/Socialprotection

HelpAge International is an organisation dealing with social policy issues in developing countries, especially concerning pensions for older people, also lobbies donors to cooperate with developing countries on these issues

www.ids.ac.uk/ids/pvty/socialprotection/index.html

Institute of Development Studies, Sussex University, researches and compiles research within the Centre for Social Protection as a part of the Vulnerability and Poverty Team, on social policy issues in developing countries

www.worldbank.org

the World Bank maintains websites for both social policy and social protection and undertakes extensive activities within both areas Comprehensive Social Policies for Development in a Globalizing World, report based on an Expert Meeting at Kellokoski, Finland, November 2006, Ministry for Foreign Affairs of Finland, STAKES and Ministry of Social Affairs and Health, 2006
http://formin.finland.fi/developmentpolicy

World Conference, Social Protection and Inclusion: Converging Efforts from a Global Perspective, Lisbon 2–3 October, 2006, ILO, European Commission, Government of Portugal, report
www.ilo.org/publns

Halving poverty by 2015 is one of the greatest
challenges of our time, requiring cooperation
and sustainability. The partner countries are
responsible for their own development.
Sida provides resources and develops knowledge
and expertise, making the world a richer place.