

DEPARTMENT OF SOCIAL POLICY AND INTERVENTION



South African Social Policy: a Developmental or a Welfare State?

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Social Policy Models, Paradigms & Approaches

- Liberal...Corporatist...Social Democratic...
- South-South...
- Developmental Welfare

The developmental welfare state: normative and ideological underpinnings

Brings the social back in

- Concern with human capability
- Social policy is the link between protection and production

▪ **BUT**

Explicitly instrumental approach

- Social policy as investment in human capital
- Social expenditure justified in facilitating greater productivity and growth
- Social policy subordinate to overriding objective of economic growth

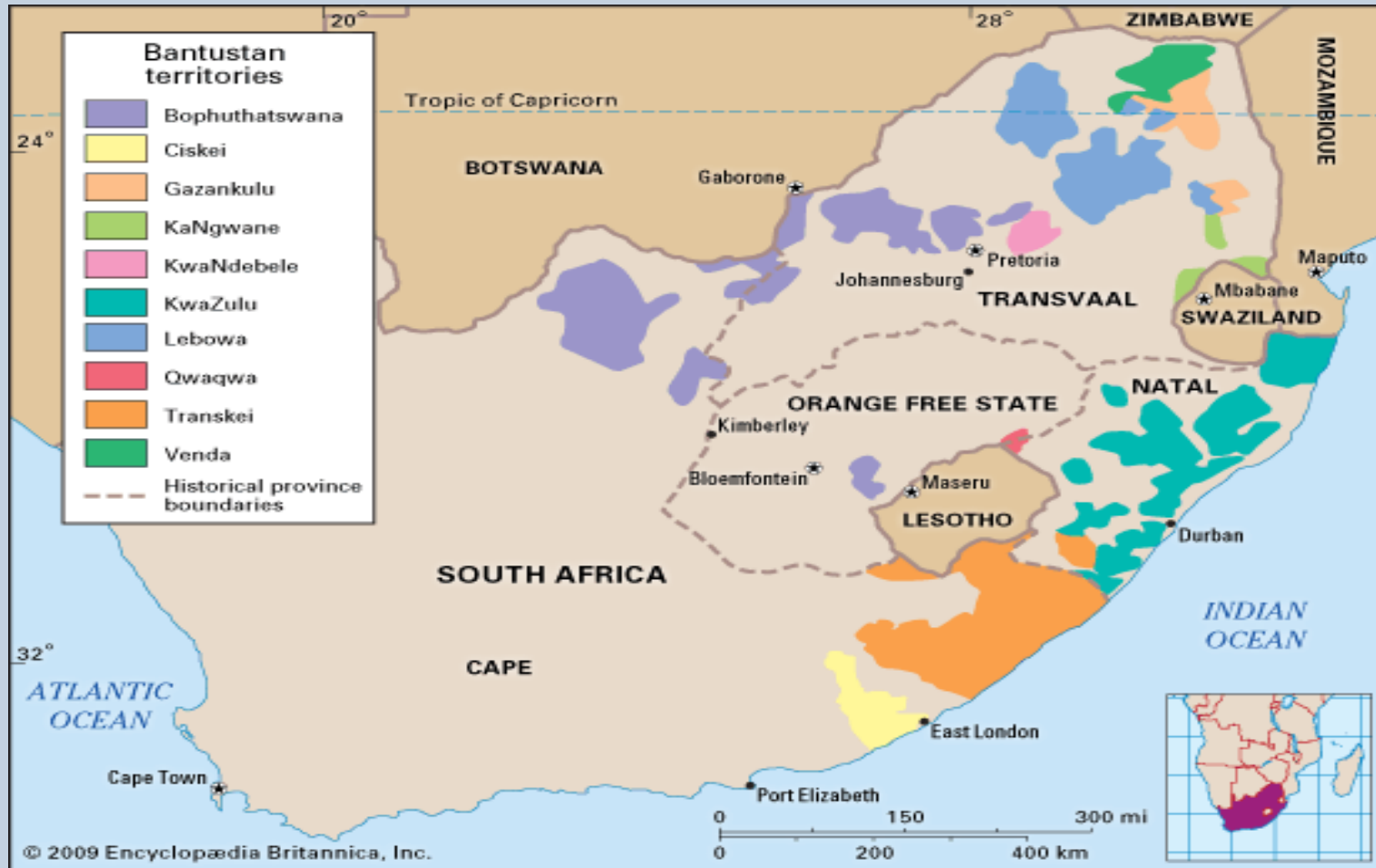
South African Welfare Model

- Discourse of developmental welfare introduced in SA in 2005
- Public ‘branding’ reflected post Mandela government and in keeping with wider trends in global South
- Influenced by success of Asian developmental state model
- Seen as a way of building state capacity and administrative apparatus
- BUT
- How feasible was a developmental approach for SA?
- Despite rhetoric – policy reality indicates a different model?

Apartheid System 1948 - 1994

- Brutal and discriminatory racial classification system which separated the population (43M) as: European (white) Asian (Indian) Coloured (mixed race) and Bantu (black)
- Apartheid determined where a person could live, work, go to school, whom they could marry, whether they could vote and the resources allocated to their education, health care, pension and social welfare
- 10 rural labour reserves (Bantustans/Homelands) demarcated for sole habitation by (black) Africans. Blacks from homelands denied citizenship in “white” SA and could enter into white urban SA only with passes and for employment

South Africa and Bantustan Territories 1948 - 1994



Social Indicators During Apartheid Era

- White South Africans = 12 % of the population living in 4 provinces (87% of the land)
- Black South Africans = 76% of the population forced to live on 10 Bantustans (13% of land)
- Bantustans – poor infrastructure, wide-scale poverty, minimal social services, political repression
- SA one of most unequal countries in the world...Gini coefficient in 1993 = 0.66
- Black Africans constituted 95% of those BPL / Colourds constituted remaining 5%

Social Indicators During Apartheid Era

- Infant mortality rate for African Blacks = 60 per 1000 live births / rate for whites was 7 per 1000
- 30% of Black South Africans were in secondary (+ 11) education
- Even by 1996...
- 48% of Black South Africans had piped water on site
34% of Black South Africans had flushed toilet on site
48% of Black South Africans had electricity for lighting
Life Expectancy = 53 years

Post 1994 South Africa



The new democratic SA: fragmented, heterogeneous and unequal...

- Federal system of government
- 9 Provinces with significant policy autonomy
- 55 million population
- 11 official languages
- Racial/linguistic/regional/diversity
- Social/economic/regional inequalities

Post 1994 Era

- First democratically elected government began programme of unprecedented political, social and economic transformation

'...most ambitious human resource development programme any country has ever attempted...'(Hirsch)

- 3 million subsidised houses built since 1994
- Supply of piped water, sanitation and utilities to 9 million households
- Expanded health infrastructure, facilities and clinics
- Free primary health care and expansion of available package of services...sliding fee scale for public sector hospitals
- Large social protection programmes implemented (cash transfers...)
- Expenditure on social grants – over 4% of GDP

Post Apartheid Framework of Citizenship, Rights, Legislation & Social Contract: **1996 South African Constitution**

Preamble

- *Heal the divisions of the past and establish a society based on democratic values, social justice and fundamental **human rights***
- *Lay the foundations for a democratic and open society in which government is based on the will of the people and every **citizen is equally protected by law***
- - guaranteed social rights of citizenship in W European social democratic tradition
- - established a social contract in which social welfare articulated in terms of the rights of individuals to welfare
- - state becomes responsible for social/economic wellbeing of population

South African Bill of Rights

Key Socio-Economic Rights

- Right to healthy and safe environment
- Right of access to adequate housing
- Right of access to land
- Right of access to health care services, including reproductive health care
- Right of access to sufficient food and water
- **Right of access to social security, including appropriate social assistance**
- Right to emergency medical treatment
- Children have the right to basic nutrition, shelter, basic health care services and social services
- Right to basic education, including adult basic education

Source: The Constitution of the Republic of SA Act, 1996

Judicial Enforcement of Social and Economic Rights

1996 - South African Constitution:

- Section 27 (1) (c) *'everyone has the right to have access to social security, including if they are unable to support themselves and their dependents, appropriate social assistance*
- Section 27 (2) *requires the 'state to take reasonable legislative and other measures within its available resources, to achieve the progressive realisation of rights'*
- Section 28 (1) (c) *further provides that every child has the right to basic nutrition, health care services and social services*

From Rights to Policy: Income Maintenance

- 4 main 'grants' (cash transfers):
 - Child Support Grant (12 m – 60% of all SA children)
 - Old Age Grant (3.1m)
 - Disability Grant (1.1m)
 - Foster Care Grant (600,000)

Total of 17 m beneficiaries (31% of population)

- 15% of Government Expenditure
- 4.5% of GDP

Child Support Grant

- CSG - largest non contributory means tested cash transfer in the entire continent
- Unique among cash transfers in developing countries in being 'unconditional' – has no mandated behaviour change requirements
- Contrast with Mexico's *Oportunidades*...Brazil's *Bolsa Familia Program* - **Conditional Cash Transfers (CCTs)**
- Reflects different ideological view of the causes of poverty...human nature...and human rights
- Embedded in 'activist' discourse – humanitarianism and moral imperatives NOT instrumentalist frameworks
- Social Justice NOT Social Investment

South Africa's Health Reforms

- Green Paper on NHI published on 12th August 2011
- White Paper December 2015

- Radical overhaul of the current health system:

- Introduce universal health care to all South African citizens: tax funded...comprehensive service free at the point of use...

- Move from a private dominated system to a state led system

International Comparisons

- Strong drive towards ‘universal’ health care across Latin America/Africa/Asia – WHO...WB...
- Productivist and developmentalist rationale
- Increasingly recognised that population health is an important determinant of economic development
- India = RSBY...Colombia/Mexico = formal insurance schemes for public sector workers... Rwanda/Ghana/Indonesia = community based schemes
- **Social Health Insurance/Contributory System** is the predominant model

Key Features of SHI vs NHS Systems

Social Insurance Systems

- funded by payroll contributions/compulsory SI
- private ownership of facilities & independent private sector doctors
- legally mandatory for all or most of population
- varied coverage by region/occupation
- higher costs/ greater patient choice

National Health Care Systems

- state finances/delivers health care/owns facilities
- medical profession employed by the state
- funded mostly through general taxation
- universal coverage + free at point of use
- high degree of equity
- lower cost/less patient choice

Objectives of S. Africa's Health Reforms

- Universality
- Integrated single system
- Social solidarity
- Care free at the point of use
- Comprehensive range of health care benefits
- Equitable provision and use of health services
- Efficiency in service provision and administration
- Quality and effectiveness

Principles Underpinning SA's Health Reforms – NHS not SHI

- *Health is a Social Good*

- *Solidarity - incorporating five specific cross-subsidies from:*

- healthy to sick
- well-off to less well off
- young to old
- individuals to families
- men to women

- *Mandatory Participation*

- *Tight Public Regulation*

- *Legitimacy of Public Sector/Capacity for Implementation*

Summary & Discussion

- SA social policy is **not** a new paradigm or model – Advocacy? Activist? Social Democratic?
- SA **not** a ‘classic’ Developmental state – diverges from traditional developmental model
- SA **is** divergent from other current developing country trends

Divergence in normative underpinnings and goals

- Developmental model = ***Instrumental?***
 - social policy as investment in human capital
 - social expenditure necessary for productivity & economic growth
 - social policy subordinate to fiscal/economic priorities
- SA Model = ***Activist?***
 - social policy justified in terms of Rights, Citizenship & Social justice and redressing historic inequality and disadvantage
 - social expenditure fair and morally right
 - social policy privileged in its own right

Divergence in instruments & mechanisms

- **Classic developmental approach:**
 - Skills & vocational training (further/higher ed)
 - Labour market activation (entrepreneurship & employment creation)
 - Social insurance or social assistance with conditionality
 - Regulatory and enabling state – not direct welfare provider
 - Market and family = key mechanism for welfare
- **South African activist approach:**
 - Redistribute social assistance
 - unconditional cash grants
 - universal health care
 - direct state role in providing social housing/health/pensions

Challenges to a developmental state model for South Africa

- Ideology
- Institutional capacity
- Authoritarian versus democratic state?
- Historical and political context