
FORMS OF WELFARE IN LATIN AMERICA: A COMPARISON ON OIL PRODUCING COUNTRIES

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June 15, 2015

Wellness is a concept full of normative and epistemological meanings

welfare state is a system in which power is organized deliberately in the effort to modify the market forces:

- 1) Providing individuals and families a minimum income
- 2) Reducing the level of insecurity: individuals and families are able to face certain social contingencies (illness, old age, unemployment)
- 3) To all citizens without distinction of status or class should be offered the best possible standard in relation to a specific range of social services.

Purpose of the welfare state is to provide de-commodification of the individual (actor)

The level of de-commodification is a function of social stratification

The balance between family, market and state as areas of need satisfaction is subjective, ultimately, it's the key factor that defines a specific model of welfare.

Gosta Esping-Anderson's (1990) 'three worlds' of welfare capitalism

- Liberal or largely residual model (e.g. English-speaking countries, not including the UK)
- Social democratic or largely redistributive model (e.g. the Nordic countries)
- Conservative or largely industrial (corporatist) model (e.g. continental Europe, including France and Germany)

Latin American welfare systems

Mesa Lago (1989) proposes a classification from social security systems - identifies three groups of countries:

1) Pioneer Group - High: Uruguay, Argentina, Chile, Cuba, Brazil and Costa Rica

Group characterized by being the first to establish social security systems in the region, in the twenties and thirties,

-greater coverage and development of such systems,

-population was relatively aged and life expectancy was high.

-problems suffered: no stratification, high costs and financial deficits

2) - Intermediate Group: Panama, Mexico, Peru, Colombia, Bolivia, Ecuador and Venezuela.

-Programs started in the forties and fifties.

-Coverage and medium development of their systems, they were less stratified, its cost was lower and their financial situation better than in the first group, although they had already some imbalance problems.

3) Late comers Group: Paraguay, Dominican Republic, Guatemala, El Salvador, Nicaragua, Honduras and Haiti.

-Begin programs in the sixties and seventies,

-Population was younger with lower life expectancy, their systems were unified and suffered relatively less financial problems, but had the lowest coverage and development than others groups.

Filgueira (1995) - 3 types of welfare regimes from 1930 to 1980.

The development of social welfare systems are deeply linked to the model of import substitution industrialization (ISI) so its extension is partly linked to the development of this model:

- 1) Stratified Universalism
- 2) Dual Regimes
- 3) Excluding Regimes

Stratified universalism: Uruguay, Argentina and Chile

- The closest to the conservative model of Esping-Andersen.
- These countries coincide with early development of their welfare systems and protects most of the population through social security mechanisms.
- The characteristic feature are high levels of commodification and strong stratification of benefits and conditions of access to these mechanisms
- 16,5% GDP

Dual regimes: Brazil and Mexico

-The stratification of the previous model is accentuated and territorial heterogeneity is more pronounced; deprotection

-low democratic intensity favors this dualism.

-Within the dual systems can distinguish two different types of welfare regimes: some countries have moved towards a mature model of stratification from the exclusionary logic of late models, such as Costa Rica, which has made progress in coverage levels and offer quality services without incurring in the errors of stratification of the pioneers systems

-10,1% GDP

Excluding regimes: Dominican Republic, Guatemala, Honduras, El Salvador, Nicaragua, Bolivia, Ecuador

-Elitist and exclusionary social security systems (only about 20% of the incorporated population) and dual education

-The elites take over the state apparatus, generate income from commodities and avoid the generation of public goods.

-5% GDP

Some variables that are taken into account in classifying countries :

- coverage of the social security system
- health system coverage
- coverage of educational policies
- extension of spending on these areas

Gough (2004) we need to incorporate other dimensions to the analysis:

- liberal regime
- informal economy
- an increase of quasi-markets in public provision
- a greater presence of the nonprofit sector in the field of welfare services
- deregulation of the labor contract
- lower social security presence
- greater individualization in the purchase of well-being through personal savings and capitalization as a generalization of the commodification of social risks

Martinez (2008): Latin American welfare regimes are full of informal measure, since most people can not overcome the economic insecurity and social risks involved through their participation in the labor market.

Del Valle (2008) - need to incorporate the informal market study to understand the reality of the region.

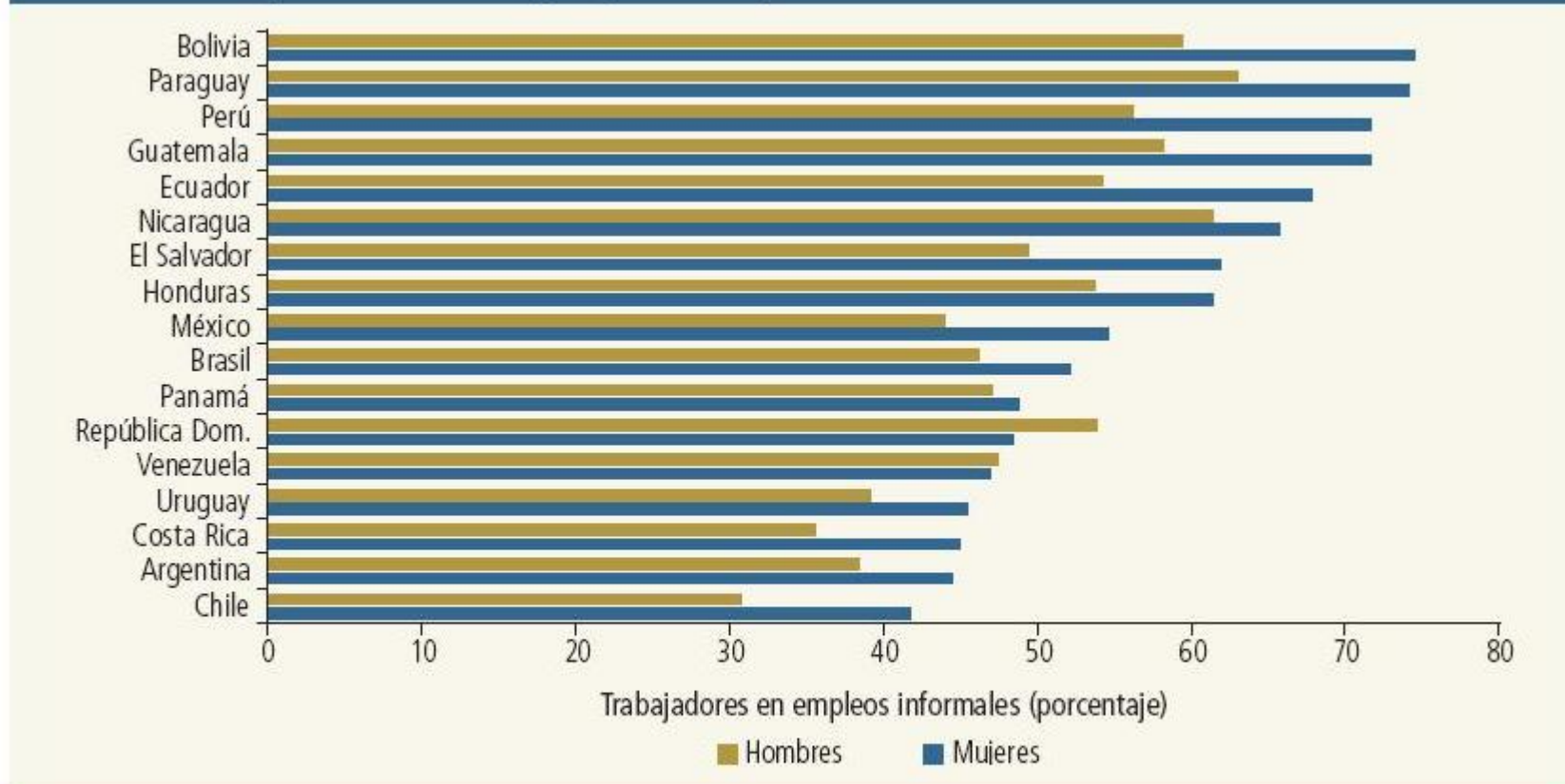
Political Map of Latin American countries

Panorama político de América Latina



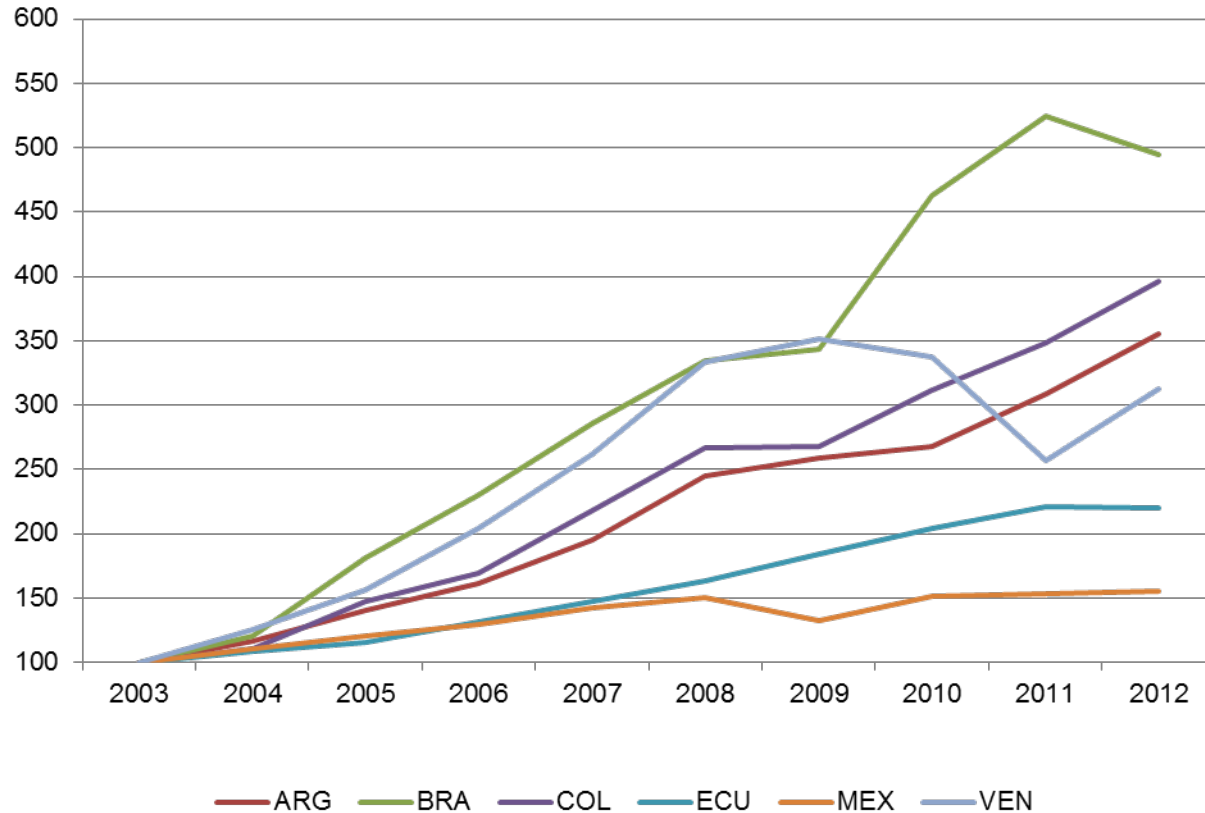


Gráfico 7 Participación de hombres y mujeres en empleos informales



Fuente: Base de Datos Socioeconómicos para América Latina y el Caribe (febrero de 2010). Disponible en: <http://www.depeco.econo.unlp.edu.ar/sedlad/>.
Nota: El empleo informal se define como el trabajo asalariado en pequeñas empresas (empresas con menos de cinco trabajadores), el trabajo por cuenta propia no profesional y el trabajo no remunerado.

Health expenditure per capita (2003=100)



GINI index (World Bank estimate)

