

SYLLABUS GRADUATE SEMINAR

SOCIAL WELFARE REFORM IN LATIN AMERICA

University of Wisconsin, La Follette School of Public Affairs, Winter Term 2011

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A. Seminar Description

This is a research seminar that covers the evolution of two of the major social protection policies in Latin America: Social Security and Health. Income inequality in Latin America is the worst among all the regions of the world. Access to public services is also extremely unequal for Latin American citizens, but there are extremely important differences among sub-regions and countries. Citizens' differential access to social policies like Social Security and Health mirrors the regions' inequality, but the differences among countries are huge since Latin America is not a homogeneous region.

The seminar will address the following questions, among others: What are the reasons of such inequality and such inter-country differences? How the institutional arrangements of social policies show the distribution of social resources among citizens? How social policies contribute to the deployment of power by different social groups and corporative actors? How a society conceptualizes problems like poverty and inequality and transforms such concepts and ideas into social policies? How ideas about policies impact institutions? Looking through history, how state institutions are build, crystallize and transform pre-existent power relationships? Analyzing the policy making process is a powerful tool for answering these general questions. In order to deal with these questions the seminar will cover the emergence, evolution and the changes operated in social security and health in Latin America along the Twenty Century. The seminar will emphasize in the following general topics: Social policy in Latin America (Social Security and Health), the political economy of social policy, and the evaluation of the impact of different policy alternatives on issues related to social justice. In order to achieve these goals the course will describe and explain the emergence of these policies according different theoretical interpretations; explain these social reforms that started in the seventies until now, and evaluate the impact of the more recent reforms on the coverage and quality of social security and health policies.

B. Course Objectives

1. To get a general knowledge of the different social security and health policies in the region,
2. To be able to create typologies of policy systems and compare them according a structured set of variables,
3. To be conversant with the theories that explain the differences among policy systems in the Latin American region,

4. To get a general knowledge of the emergence and change of social security and health policies in the region as well as the different theories (global as well as specific for regional or national cases) that explains such evolution,
5. To evaluate the impact of the more recent social security and health reforms (from the eighties until now) on social justice,
6. To be able to make structured presentations (both written and oral) about project proposals and theoretical as well empirical related topics,
7. To be able to adopt a scholarly relationship with your colleagues when discussing yours and others presentations' (defend your own positions, accept others point of view and accept others critiques).

C. Methodology

The literature for this course will be both theoretical and empirical. Empirical sources of information will be provided by the instructor in this syllabus. Library as well as internet searches are expected to be conducted by the students. The seminar will be structured around the development of a research paper that each student must present by the end of the semester. Consequently students will be expected to:

1. Write a research paper on one or more Latin American country or region (Central, South or Andean region) showing a deep knowledge of a policy area in these countries or region. The paper could be:
 - a. A historical analysis of the evolution of a selected policy area (social security or health) in a given period of time, explaining the changes and continuities of the policy sector and/or,
 - b. A comparative analysis of a policy area in two or more Latin American countries (or regions). The analysis should explain the differences in the policy trajectories, institutional configurations and/or outcomes.
 - c. A comparison of both of the policy areas in one country or region.

In any of these cases, students are expected to show enough empirical knowledge of the countries' policies as well as deep knowledge of alternative explanatory theories of policy changes and outcomes. The research paper is due the last day of class,

2. Make an oral and written presentation of the paper's draft project, receive comments and have them incorporated into the final project's written presentation (no less than six pages and no more than eight without selected bibliography and data sources). The written presentation is due four days before the fifth class when the oral presentation will be deliver,
3. Make a literary review of the selected theoretical framework and of its explanatory potential in comparison with other theoretical alternatives adjusted to the selected empirical subject (no less than five and no more than eight pages, due four days before the eighth class).

4. Present and discuss with the professor and your classmates a set of selected empirical variables (or data) that will be used in the final paper and explain how they will be employed in relationship with the theoretical framework you have chosen (oral presentation in the tenth class).
5. Make all the assigned readings before each meeting and have an active and proactive participation showing a clear understanding of the readings as well as being able to present and defend alternative points of view.

D. Grading

1. Research paper: 50%
2. Written document of the research proposal: 20%
3. Written presentation of the theoretical background and quality of the scholarly discussion: 15%
4. Oral discussion of the relationship between the theory and the empirical evidence selected to test the main research hypothesis: 15%

E. Textbook and Supplementary Required Readings

Readings will be in English and in Spanish and a few of them in Portuguese. Most of the readings for the national cases as well as regional publications including those with empirical information (ECLAC, IADB, etc.) are in Spanish. A good amount of “gray” literature is also in Spanish.

The main textbook is: Carmelo Mesa-Lago, *Reassembling Social Security: A Survey of Pension and Healthcare Reforms in Latin America* (Oxford: Oxford University Press, 2008).

All students must come to class with the whole required readings done before each class. All of you who want to have a broader knowledge of all the topics are strongly advised to do all the readings. Once you have selected a research topic, the related readings included in this syllabus, are mandatory and must be included in the research paper.

F. Seminar structure by class and stages of the research paper.

January 20. Discussion of the syllabus, discussion of potential themes for research papers and adjustment of office hours for discussing individual research projects.

January 27. Overview of comparative and historical policy methodologies. In this class we will discuss the methodology of case studies (longitudinal in depth analysis) and comparative case studies (cross sectional and historical; few cases, several variables)

Eckstein, Harry. 1975. Case study and theory in political science, In Fred Greenstein and Nelson Polsby (Eds.). Handbook of Political Science, Volume 7. Reading, Mass.: Addison-Wesley series in political science.

Becker, Howard and Charles Ragin (Eds.). 1992. What is a case? Exploring the foundations of Social Inquiry. New York: Cambridge University Press (Introduction, and chapters 9 and 10).

Przeworski, Adam and Henry Teune. 1970. *The Logic of Comparative Social Inquiry*. New York: Wiley-Interscience (chapters 1 and 2)

February 3. Social Security and Health policies in Latin America. Emergence and regional configuration of policy systems according key concepts: administration, coverage, financing, quality (sufficiency in cash transfers), and equity. Which variables explain the different national configurations?

Abel, Christopher and Colin M. Lewis (eds.). 2002. *Exclusion and Engagement. Social Policy in Latin America*. London: Institute of Latin American Studies, University of London.

Filgueira, Fernando. 2005. *Welfare and Democracy in Latin America: The Development, Crises and Aftermath of Universal, Dual and Exclusionary Social States*. Draft working document, UNRISD. Geneva.

Huber, Evelyn & Stephens, John. *Welfare Capitalism in Latin America*.

Kaufman, Robert R. and Joan M. Nelson (eds.). 2004. *Crucial Needs, Weak Incentives. Social Sector Reform, Democratization, and Globalization in Latin America*. Washington, D.C.: Woodrow Wilson Center Press.

Lloyd-Sherlock, Peter (ed.). 1992. *Healthcare Reform & Poverty in Latin America*. London: Institute of Latin American Studies, University of London.

Malloy, James M. 1985. "Statecraft and Social Security Policies and Crisis: A Comparison of Latin America and the United States." In *The Crisis of Social Security and Health Care. Latin American Experiences and Lessons*, ed. Carmelo Mesa-Lago. Pittsburgh: CLAS, Latin American Monograph and Document Series, N° 9.

Mesa-Lago, Carmelo. 1978. *Social Security in Latin America: Pressure Groups, Stratification and Inequality*. Pittsburgh: University of Pittsburgh Press.

Filgueira, Fernando. 1995. "A Century of Social Welfare in Uruguay. Growth to Limit of the Batllista Social State." Kellogg Institute, Democracy and Social Policy Series, Working Paper # 5.

Malloy, James M. 1978. *The Politics of Social Security in Brazil*. Pittsburgh: University of Pittsburgh Press.

Rueschemeyer, Dietrich, Evelyn Huber and John Stephens. 1992. *Capitalism, Development and Democracy in Latin America*. Chicago: University of Chicago Press.

February 10. Social Security and Health policies in Latin America. Emergence and regional configuration of policy systems according key concepts: administration, coverage, financing, quality (sufficiency in cash transfers), and equity. Which variables explain the different national configurations?

February 17. Student's presentation of the research project. The draft has to be handled to the professor and the classmates four days in advance (Monday 14).

February 24. Twenty years of social policy reforms in Latin America (eighties to nineties): To what kind of needs do they responded? A debate on the main policy ideas informing the policy reforms. In this class the policy ideas of the IFIs as well as the leaders of the reforms in different national settings will be discussed.

- Gillion, Colin, John Turner, Clive Bailey and Denis Latouilpe (Eds.). 2000. *Social Security Pensions. Development and Reform*. Geneva: International Labor Office.
- Haggard, Stephan, and Robert R. Kaufman. 2008. *Development, Democracy, and Welfare States. Latin America, Asia, and Eastern Europe*. Princeton, NJ: Princeton University Press.
- Kaufman, Robert R. and Joan M. Nelson (eds.). 2004. *Crucial Needs, Weak Incentives. Social Sector Reform, Democratization, and Globalization in Latin America*. Washington, D.C.: Woodrow Wilson Center Press.
- Lloyd-Sherlock, Peter (ed.). 1992. *Healthcare Reform & Poverty in Latin America*. London: Institute of Latin American Studies, University of London.
- Mesa-Lago, Carmelo. 2008. Reassembling...
- Riesco, Manuel (ed.). 2007. *Latin America: A New Developmental Welfare State in the Making?* New York: Palgrave Macmillan/UNRISD.
- Segura-Ubierno, Alex. 2007. *The Political Economy of the Welfare State in Latin America. Globalization, Democracy, and Development*. New York: Cambridge University Press.
- Weyland, Kurt. 2006. *Bounded Rationality and Policy Diffusion. Social Security Reform in Latin America*. Princeton, NJ: Princeton University Press.
- Williamson, John. 1990. "What Washington Means by Policy Reform." In *Latin American Adjustment. How Much Has Happened?*, ed. John Williamson. Washington, D.C.: Institute for International Economics.

- Arenas de Mesa, Alberto and Carmelo Mesa-Lago. 1999. "The Chilean Pension System. Evaluation, Lessons and Challenges." In *Do Options Exist? The Reform of Pension and Health Care Systems in Latin America*, ed. Carmelo Mesa-Lago and María Amparo Cruz-Saco. Pittsburgh: University of Pittsburgh Press.
- Borzutzky, Silvia. 1999. "Chile. The Politics of Privatization." In *Do Options Exist? The Reform of Pension and Health Care Systems in Latin America*, ed. Carmelo Mesa-Lago and María Amparo Cruz-Saco. Pittsburgh: University of Pittsburgh Press.
- Caetano, Marcelo Abi-Ramia. *Perspectives and Challenges to Social Insurance: The Brazilian Case*. UNRISD.

- Castiglioni, Rossana. 2000. "Welfare State Reform in Chile and Uruguay: Cross Class Coalitions, Elite Ideology, and Veto Players." Paper Delivered the 2000 Meeting of the LASA, Miami. [\[Hay libro\]](#)
- Clark, Mary A. 2001. *Gradual Economic Reform in Latin America. The Costa Rican Experience*. Albany: State University of New York Press.
- Falleti, Tulia. 2010. "Infiltrating the State. The Evolution of Health Care Reforms in Brazil, 1964-1988." In Mahoney & Thelen (eds.), pp. 38-62.
- Filgueira, Fernando and Jorge Papadópulos. "Putting Conservatism to Good Use? Long Crisis and Vetted Alternatives in Uruguay." *The New Politics of Inequality in Latin America: Rethinking Participation and Representation*, ed. Douglas Chalmers et al. Cambridge: Oxford University Press.
- Fleury, Sonia, Susana Belmartino, and Enis Baris (eds.). 2001. *Reshaping Health Care in Latin America: A Comparative Analysis of Health Care Reform in Argentina, Brazil, and Mexico*. IDRC Books.
- Melo, Marcus Andre. 2008. "Unexpected Success, Unanticipated Failures: Social Policy from Cardoso to Lula." In Peter Kingstone & Timothy Power (eds.), *Democratic Brazil Revisited*, Pittsburgh: University of Pittsburgh Press, pp. 161-185.
- Papadópulos, Jorge. 1998. "The Pension System Reform in Uruguay. A Delayed Reform." In *Do Options Exist? The Reform of Pension and Health care Systems in Latin America*, ed. María Amparo Cruz-Saco and Carmelo Mesa-Lago. Pittsburgh: Pittsburgh University Press.

March 3. Twenty years of social policy reforms in Latin America (eighties to nineties): The political economy of change. In this class we will discuss the main theories that dealt with policy reforms in Latin America (and elsewhere): economic crisis, international conditionality, the role of political regimes, parties, bureaucrats, institutions, policy ideas; the transformation of social risks.

March 10. Social security and health policies reforms: Theories of policy changes. Student's presentations.

- Ashford, Douglas. 1986. *The Emergence of Welfare States*. Oxford: Blackwell.
- Collier, David and Richard E. Messick. 1975. "Prerequisites Versus Diffusion: Testing Alternative Explanations of Social Security Adoption." *American Political Science Review* 69.
- Esping-Andersen, Gosta. 1998. *The Three Worlds of Welfare Capitalism*. Princeton, NJ: Princeton University Press.
- Gusfield, Joseph R. 1989. "Constructing the Ownership of Social Problems: Fun and Profit in the Welfare State." *Social Problems*, Vol. 36, N° 5.
- Haggard, Stephan and Robert Kaufman. 1992. "Introduction: Institutions and Economic Adjustment." In *The Politics of Economic Adjustment. International Constraints, Distributive Conflicts and the State*, ed. Stephan Haggard and Robert Kaufman. Princeton: Princeton University Press.

- Hall, Peter. 1993. "Policy Paradigms, Social Learning, and the State." *Comparative Politics*. April.
- Huber, Evelyne and John Stephens. 2001. *Development and Crisis of the Welfare State. Parties and Policies in Global Markets*. Chicago: University of Chicago Press.
- Korpi, Walter, and Joakim Palme. 2003. "New Politics and Class Politics in the Context of Austerity and Globalization: Welfare State Regress in 18 Countries, 1975-95." *American Political Science Review* 97(3): 425-446.
- Mahoney, James, and Kathleen Thelen (eds.). 2010. *Explaining Institutional Change. Ambiguity, Agency, and Power*. Cambridge: Cambridge University Press.
- Malloy, James M. 1989. "Policy Analysts, Public Policy and Regime Structure in Latin America. *Governance*, 2 N° 3.
- Pierson, Paul (ed.). 2001. *The New Politics of the Welfare State*. New York: Oxford University Press.
- Rudra, Nita. 2007. "Welfare States in Developing Countries: Unique or Universal?" *The Journal of Politics* 69 (2), pp. 378-396.
- Rueda, David. 2005. "Insider-Outsider Politics in Industrialized Democracies: The Challenge to Social Democratic Parties." *American Political Science Review* 99(1): 61-74.
- Sabatier, Paul. 1988. "An Advocacy Coalition of Framework of Policy Change and the Role of Policy-Oriented Learning Therein." *Policy Sciences* 21.
- Sabatier, Paul. 1991. "Toward Better Theories of the Policy Process." *Ps. Political Sciences* 24.
- Schamis, Hector E. 2002. *Re-Forming the State. The Politics of Privatization in Latin America and Europe*. Ann Arbor: The University of Michigan Press.

March 24. The reconfiguration of social security and health policies in Latin America by the nineties: A new typology of social policy systems? What new typologies of social security and health systems emerged after the reforms? Are they convergent or divergent? The divergence or convergence is related to the old system's configuration (path dependence) or to the impact of other external and local variables?

Martinez, Juliana & Voorend, Koen. *Distributional Coalitions and Welfare Regimes in Latin America*.

Mesa-Lago, Carmelo. 2008. *Reassembling...*

Riesco, Manuel (ed.). 2007. *Latin America: A New Developmental Welfare State in the Making?* New York: Palgrave Macmillan/UNRISD.

Segura-Ubierno, Alex. 2007. *The Political Economy of the Welfare State in Latin America. Globalization, Democracy, and Development*. New York: Cambridge University Press.

Weyland, Kurt. 2006. *Bounded Rationality and Policy Diffusion. Social Security Reform in Latin America*. Princeton, NJ: Princeton University Press.

March 31. Data Analysis for the study of social security and health policies: Student's presentations.

April 7. An evaluation of the reforms: Their impact on the main variables according to the reformers' proposals expected outcomes. In this class we will evaluate the reforms based upon the reformers' explicit expectations rather than on external criteria of evaluation.

Demigürc-Kunt, Asly and Anita M. Schwartz. 1996. "Taking Stock of Pension Reforms Around the World." Paper delivered at the Conference Pension Systems: From Crisis to Reform. Washington, D.C., The World Bank, November 21-22.

Mesa-Lago, Carmelo. 2008. Reassembling...

Riesco, Manuel (ed.). 2007. *Latin America: A New Developmental Welfare State in the Making?* New York: Palgrave Macmillan/UNRISD.

Segura-Ubierno, Alex. 2007. *The Political Economy of the Welfare State in Latin America. Globalization, Democracy, and Development.* New York: Cambridge University Press.

Weyland, Kurt. 2006. *Bounded Rationality and Policy Diffusion. Social Security Reform in Latin America.* Princeton, NJ: Princeton University Press.

April 14. An evaluation of the reforms: Their impact on administration, coverage, financing, quality (sufficiency in cash transfers), and equity. What are the positive and negative impacts of the reforms when comparing the old social policy configurations and the old ones according the above mentioned variables?

Haggard, Stephan, and Robert R. Kaufman. 2008. *Development, Democracy, and Welfare States. Latin America, Asia, and Eastern Europe.* Princeton, NJ: Princeton University Press.

Mesa-Lago, Carmelo. 2008. Reassembling...

Riesco, Manuel (ed.). 2007. *Latin America: A New Developmental Welfare State in the Making?* New York: Palgrave Macmillan/UNRISD.

Segura-Ubierno, Alex. 2007. *The Political Economy of the Welfare State in Latin America. Globalization, Democracy, and Development.* New York: Cambridge University Press.

Weyland, Kurt. 2006. *Bounded Rationality and Policy Diffusion. Social Security Reform in Latin America.* Princeton, NJ: Princeton University Press.

April 21. An evaluation of the reforms: Their impact on administration, coverage, financing, quality (sufficiency in cash transfers), and equity. What are the positive and negative impacts of the reforms when comparing the old social policy configurations and the old ones according the above mentioned variables?

April 28. The Twenty First Century, the social democrat wave in Latin America and the social policy reform of the reforms. What have changed? In this class we will discuss the reforms and the adjustments of the nineties' on social security and health policies. Are these new adjustments and reforms enough in order to confront new social risks attaining equality and efficiency?

Huber, Evelyne and John D. Stephens. 2004. Combating Old and New Social Risks. Unpublished paper.

Filgueira, Fernando

- Stiglitz

Riesco, Manuel (ed.). 2007. Latin America: A New Developmental Welfare State in the Making? New York: Palgrave Macmillan/UNRISD.

May 5. Conclusions. In this class we will have a general discussion of the evolution of social policy in Latin America. How social policy could improve income distribution and better access to public goods. Since Latin America is not a homogeneous region, what kinds of capacities (political, institutional and financial) are needed in the different sub-regions of to achieve better level of social justice? Are social policies enough to achieve this objective? What kind of role should play other sector reforms to improve the quality of social policies (i.e. state, fiscal and political reforms)?