

## **Concept Note - ESRC-DFID supported two-year research project (start May 2016)**

### **Improving research infrastructure on social assistance in low and middle income countries**

The development trajectory of high income countries in the second half of the 20<sup>th</sup> century demonstrates that social protection institutions are essential to effective poverty and inequality reduction as well as a crucial driver for social and economic development (Hemerijck 2013; Kenworthy 2011). Since the turn of the century, low and middle income countries have rapidly scaled up social protection, especially social assistance - programmes and policies addressing poverty and deprivation (Barrientos 2013). The rapid growth in social assistance in developing countries has highlighted acute gaps in conceptual frameworks, indicators and data, capable of supporting comparative research on emerging social protection institutions.

The **main objective** of this research project is to secure a step improvement in research infrastructure on social assistance in low and middle-income countries, through developing concepts, indicators, and data to support comparative analysis of emerging welfare institutions.

#### *Why a comparative perspective?*

A comparative perspective on welfare institutions in low and middle-income countries will make a significant contribution to knowledge.

- It is essential to understand and assess the current expansion of social assistance including the political and economic factors driving it.
- It is essential to assess the contribution of social assistance institutions to poverty and inequality reduction.
- It is fundamental to understanding the shape and configuration of welfare institutions in low and middle-income countries and their likely contribution to economic and social development.
- It is central to our understanding of the pace and quality of social and economic development and state-building.

In a high income country context, the influential work of Esping-Andersen (1990; 1999) identifying three main ideal types of welfare capitalism or welfare regimes (Nordic, conservative, and liberal) demonstrates the crucial contribution that comparative analysis of welfare institutions can make to our understanding of development. In his work, ideal types or welfare regimes capture the underlying essential features of institutions and policies responsible for ensuring human wellbeing and human development, from among a wide range of diverse institutions, programmes and policies. Ideal types or regimes provide the necessary basis for theory construction.

#### *Main research questions*

From a comparative research perspective, the **main research questions** in low and middle-income countries include:

- Do social assistance programmes in particular types of countries cluster into ideal types or regimes?
- What political and economic conditions explain the emergence, change, and sustainability of social assistance regimes?
- What factors explain their emerging institutional configuration?
- How effective are social assistance ideal types or regimes in reducing poverty?
- What are the implications of the growth of social assistance ideal types for emerging social protection systems in developing countries?

Currently, we lack adequate research infrastructure to support comparative research on these important questions. This proposal addresses this infrastructure gap.

### *Current literature and approaches*

Comparative analysis of social protection institutions in developing countries is scarce (Haggard and Kaufman 2008; Huber and Stephens 2012). Early attempts at characterising different types of social development (Midgley 1984; Ahmad et al. 1991) have been followed by work adapting and extending Esping-Andersen's welfare regime framework to developing countries (Gough and Wood 2004; Abu Sharkh and Gough 2010) including regional studies (Barrientos 2009; Martinez Franzoni 2008; Kwon 1997). This work is valuable but it takes as its starting point the particular configuration, and evolution, of the welfare institutions which emerged in European countries.

In particular, it provides only a limited coverage of the recent expansion of social assistance in low and middle income countries, and especially in low income countries where social assistance is dominant (Niño-Zarazúa et al. 2012). And some of the organising concepts at the core of the welfare regime approach need critical reconsideration and adaptation to a developing country context. In particular, the concept of decommodification - understood as the degree to which social policy makes individuals independent of the market for their income or consumption - and path dependence - highlighting welfare regimes' resistance to structural change - require critical reconsideration in a developing country context. Arguably, social protection institutions in low and middle income countries are more productivist than decommodifying, in so far as their main objective is to support economic and political inclusion (Room 2000). They also show considerable fluidity, as demonstrated by the recent expansion of social assistance and the relative decline of social insurance (Barrientos 2009).

The scarce comparative literature on social protection in developing countries offers a good platform, but critical reconsideration leading to further conceptual development is needed to advance our understanding of emerging welfare institutions in developing countries. Improving existing research infrastructure is essential to this task.

### *Current research infrastructure*

Regarding **data infrastructure**, several initiatives are making good progress.

- The Social Assistance in Developing Countries database ([http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1672090](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1672090)), versions 1 (March 2005) to version 5 (March 2010) was one of the first initiatives to construct research infrastructure to study the emerging social assistance programmes in low and middle income countries (Barrientos, Niño-Zarazúa, and Maitrot 2010).
- The World Bank ASPIRE dataset (<http://datatopics.worldbank.org/aspire/>) provides country level analysis of social protection based on household survey data.
- The ILO combines social protection data from several sources to support their World Social Protection Reports.
- Regional development banks have developed their own databases. ECLAC manages a database of conditional cash transfers (<http://dds.cepal.org/bdptc/>), while the Asian Development Bank developed its own social protection index and database (<http://spi.adb.org/spidmz/index.jsp>).
- Age International's PensionWatch tracks social pensions (<http://www.pension-watch.net/about-social-pensions/about-social-pensions/social-pensions-database/>).

These databases collect and organise information on social protection and include social assistance. They are valuable but limited in their capacity to support comparative research. The main issues are: (i) they are often focused on operational as opposed to analytical objectives; (ii) their scope and classifications reflect the specific approach and advocacy of the relevant organisations and as a consequence there is limited consistency across databases; (iii) some databases rely on a particular source of data, e.g. Aspire relies solely on household surveys, and as a consequence they fail to include valuable information from other sources, for example administrative data from programme agencies; (iv) they focus mainly on cross-section data, and provide only limited panel data if any; (v) they generally focus on specific inputs (expenditure) and outcomes (coverage) but lack coverage of institutional and political indicators.

### *The research project and components*

The **research project** has three components summarised below with respective outputs:

The development of a conceptual framework to study the emergence of social assistance in low and middle-income countries will be the first component of the research project. The conceptual framework will define the scope of social assistance, provide a classification of social assistance programmes, indicate their expected effects, and study patterns of institutional development. The conceptual framework will support the data collection and the empirical analysis. The main output is **a conceptual note identifying key social assistance indicators** needed to support comparative research in low and middle-income countries. The indicators will be organised into four main topics: programme design and objectives, institutionalisation, outcomes, and political and economic conditions.

The second component involves collecting and harmonising data on social assistance at the programme and country level, leading to the construction of **a harmonised panel dataset of social assistance indicators 2000-2015** covering low and middle-income countries with more than 1 million inhabitants. The database will be collected at programme level and then aggregated at country level. It will be supplemented by country level data on political and Institutional variables. The database will include a 2000 baseline to capture data from country programmes implemented before 2000.

The third component will provide a comparative analysis of the dataset with a view to throwing light on the main research questions identified above. The main output will consist of **two research papers** based on the database addressing the following questions: (i) Are there social assistance ideal types or regimes? (ii) What political and economic factors explain the emergence and sustainability of social assistance clusters?

### *Data type and sources*

Current databases focus almost exclusively on coverage and expenditure indicators (ILO, WB, ADB). This makes sense in terms of the operational needs of the relevant institutions but limits the effectiveness of the data in supporting comparative analysis of social assistance as emerging welfare institutions. The concept note will develop in addition indicators of social assistance design, implementation and change; indicators of social assistance institutionalisation (Székely 2008); indicators of outcomes; and country level political and economic indicators. They are needed to support comparative analysis of emerging welfare institutions.

Some existing databases rely on single sources of programme and country data. Our approach will be to make full use of all available data sources while carefully ensuring validity, consistency, and comparability.

Available data on social assistance programmes include (with dimensions typically covered in brackets)

- Institutional programme data [design, entitlements, implementation];
- Administrative data [reach, selection, monitoring];
- Household survey data [participation, profile, impact];
- Evaluation data [impact]; and
- Expert reports [programmes, finance]

Country level data on social assistance institutions, policies, and expenditure will be collected directly from country (government websites)/region (regional banks' websites) /global databases (e.g. World Development Indicators). The project will also collect country level data separately through aggregation of programme data, for example coverage and expenditure. Where there is insufficient information in the public domain, we shall contact the relevant agencies directly to seek the information needed.

Data on country level politics and institutions is mostly available from dedicated databases. The data from these databases has been collected and made available through the Quality of Government database at the University of Gothenburg (<http://qog.pol.gu.se/data>) and our database will draw from

the QoG datasets. It will also draw from the ICTD Government Revenue Dataset (<http://www.ictd.ac/en/node/436/>).

Data availability issues are particularly acute for low and lower-middle income countries. We will support expert reports on countries and sub-regions in Africa and South, and South-East, Asia where reliable information is scarce and localised.

Data collection will require the development of appropriate protocols and documentation, intensive checks of the raw data, and checks with expert informants and collaborators. These will be reflected in the published data and manuals.

To achieve the main objective of the research project, to generate infrastructure for comparative research, the construction of appropriate indicators from the raw data is as, if not more, important than the data collection. This will involve triangulating conceptual developments, data collection and harmonisation, and the requirements of appropriate analytical techniques.

The harmonised database will be made available through an online platform, and the final dataset will be available to all researchers globally.

### *Analysis*

The dataset from the harmonised database will be used to develop two research papers. The papers will serve to disseminate and publicise the database. They will test the dataset and identify its potential limitations. However, the primary objective of the papers is to make a substantive contribution to the comparative analysis of social assistance in developing countries.

The first paper will identify ideal types or regimes in social assistance provision in low and middle-income countries. The paper will deploy cluster analysis and alternative data reduction techniques to group countries based on common factors (Gough 2001; Abu Sharkh and Gough 2010; Powell and Barrientos 2004). The analysis will then explore alternatives such as non-linear principal components analysis and latent class analysis (Ferragina and Seeleib-Kaiser 2011) to test the grouping identified in the first pass at the data. The paper addresses the question whether there are social assistance ideal types or regimes in developing countries.

Paper 2 will follow with a deeper analysis of potential correlation between the ideal types or regimes identified on the one hand and political and economic variables on the other. The paper will connect social assistance ideal type or regime identifiers with a range of variables capturing demographic, economic and political characteristics and proposed as explanations for social assistance development in the literature. For example, the extent to which the expansion of social assistance is associated with expansion of the franchise, democratisation, or left coalitions (Brady 2009; Esping-Andersen 1990; Gough and Wood 2004; Barrientos 2014; Pribble, Huber, and Stephens 2009). The analysis will make use of multiple regression, including panel and multilevel regression techniques (Plumper, Troeger, and Manow 2005) applied to the harmonised database and country level variables. The paper will throw light on the political and economic factors capable of explaining the emergence and sustainability of social assistance.

### *Research Team*

The **research team** consists of Prof. Armando Barrientos (Manchester) as the PI for the project; a Research Fellow based Manchester (to be appointed); a team of expert informants in charge of collecting and checking data in lower income countries where information is scarce and localised. They will also advise on the construction of the dataset, in low and lower middle income countries. The research team will work in close collaboration with Miguel Niño-Zarazúa, research fellow at UNU-WIDER, both on the research papers and the development of a harmonised panel dataset of social assistance indicators.

For more information, contact Prof. A. Barrientos at [a.barrientos@manchester.ac.uk](mailto:a.barrientos@manchester.ac.uk)

Postal address: Arthur Lewis Building Room 2.041, University of Manchester, Oxford Road, Manchester M13 9PL, United Kingdom.

References:

- Abu Sharkh, Miriam, and Ian Gough. 2010. "Global Welfare Regimes: A Cluster Analysis." *Global Social Policy* 10 (1): 27–58.
- Ahmad, E., J. Dreze, J. Hills, and Amartya Sen. 1991. *Social Security in Developing Countries*. Oxford: Clarendon Press.
- Barrientos, Armando. 2009. "Labour Markets and the (hyphenated) Welfare Regime in Latin America." *Economy and Society* 38 (1): 87–108.
- . 2013. *Social Assistance in Developing Countries*. Cambridge: Cambridge University Press.
- . 2014. "On the Distributional Implications of Social Protection Reforms in Latin America." In *Falling Inequality in Latin America: Policy Changes and Lessons*, edited by Giovanni Andrea Cornia. Oxford: Oxford University Press.
- Barrientos, Armando, Miguel Niño-Zarazúa, and Mathilde Maitrot. 2010. "Social Assistance in Developing Countries Database Version 5." Report. Brooks World Poverty Institute.
- Brady, David. 2009. *Rich Democracies, Poor People. How Politics Explain Poverty*. Oxford: Oxford University Press.
- Esping-Andersen, Gosta. 1990. *The Three Worlds of Welfare Capitalism*. Cambridge: Polity Press.
- . 1999. *Social Foundations of Postindustrial Economies*. Oxford: Oxford University Press.
- Ferragina, Emanuele, and Martin Seeleib-Kaiser. 2011. "Welfare Regime Debate: Past, Present, Futures?" *Policy and Politics* 39 (4): 583–611.
- Gough, Ian. 2001. "Social Assistance Regimes: A Cluster Analysis." *Journal of European Social Policy* 11 (2): 165–70.
- Gough, Ian, and Geoff Wood. 2004. *Insecurity and Welfare Regimes in Asia, Africa and Latin America*. Cambridge: Cambridge University Press.
- Haggard, Stephan, and Robert R. Kaufman. 2008. *Development, Democracy and Welfare States. Latin America, Asia and Eastern Europe*. Princeton: Princeton University Press.
- Hemerijck, Anton. 2013. *Changing Welfare States*. Oxford: Oxford University Press.
- Huber, Evelyne, and John D. Stephens. 2012. *Democracy and the Left in Latin America. Social Policy and Inequality in Latin America*. Chicago: University of Chicago Press.
- Kenworthy, Lane. 2011. *Progress for the Poor*. Oxford: Oxford University Press.
- Kwon, Huck-Ju. 1997. "Beyond European Welfare Regimes: Comparative Perspectives on East Asian Welfare Systems." *Journal of Social Policy* 26 (4): 467–84.
- Martinez Franzoni, Juliana. 2008. "Welfare Regimes in Latin America: Capturing Constellations of Markets, Families, and Policies." *Latin American Politics and Society* 50 (2): 67–100.
- Midgley, James. 1984. *Social Security, Inequality, and the Third World*. New York: John Wiley & Sons.
- Niño-Zarazúa, Miguel, Armando Barrientos, Samuel Hickey, and David Hulme. 2012. "Social Protection in Sub-Saharan Africa : Getting the Politics Right." *World Development* 40 (1): 163–76.
- Plumper, T., Vera Troeger, and Philip Manow. 2005. "Panel Data Analysis in Comparative Politics: Linking Method to Theory." *European Journal of Political Research* 44 (2): 327–54.
- Powell, Martin, and Armando Barrientos. 2004. "Welfare Regimes and the Welfare Mix." *European Journal of Political Research* 43 (1): 83–105.
- Pribble, Jennifer, Evelyne Huber, and John D. Stephens. 2009. "Politics, Policies, and Poverty in Latin America." *Comparative Politics* 41 (4): 387–407.
- Room, Graham. 2000. "Commodification and Decommodification: A Developmental Critique." *Policy and Politics* 28 (3): 331–51.
- Székely, Miguel. 2008. "Midiendo El Nivel de Institucionalidad de La Politica Social En America Latina." Mimeo.