

# “Globalization” and Social Policy in a Development Context

*Regional Responses*

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## Acronyms

<b>ANZCERTA</b>	Australia-New Zealand Closer Economic Relations Trade Agreement
<b>APEC</b>	Asia-Pacific Economic Cooperation
<b>ASEAN</b>	Association of Southeast Asian Nations
<b>ASEF</b>	Asia-Europe Foundation
<b>ASEM</b>	Asia Europe Meeting
<b>CARICOM</b>	Caribbean Community and Common Market
<b>EU</b>	European Union
<b>FTAA</b>	Free Trade Area of the Americas
<b>ILO</b>	International Labour Organization
<b>IMF</b>	International Monetary Fund
<b>Mercosur</b>	Southern Common Market (Mercado Común del Sur)
<b>NAFTA</b>	North American Free Trade Agreement
<b>NGO</b>	non-governmental organization
<b>SAARC</b>	South Asian Association for Regional Cooperation
<b>SACU</b>	Southern African Customs Union
<b>SADC</b>	Southern African Development Community
<b>SAPAP</b>	South Asia Poverty Alleviation Programme
<b>WTO</b>	World Trade Organization

## Summary/Résumé/Resumen

### **Summary**

This paper addresses how “globalization” shapes the possibility of realizing an inclusive, democratic and developmental social policy. This review is not undertaken through a belief that there are fixed constraints on the nature of policy reforms, or that answers lie in simple policy transplantation, or that social convergence is desirable. Rather, the paper is guided by the view that globalization entails multiple, contradictory processes and that there is a need for informed debate about the continued possibilities for progressive social reform and critical analysis of the nature of those reforms that are taking place. By way of contribution to this debate, this paper critically discusses the possibilities that regional and transregional forms of collaboration in social policy offer for such reform.

Apart from the European Union, regional formations have not received the attention they deserve within the global social policy debate, a debate that has mainly concentrated on the role of multi-lateral institutions and their explicit and implicit social policies. Nevertheless, regional formations are an important manifestation of state globalization strategies and integral to any analysis of the ways in which collective action is being recast at a transnational level. The discussion accordingly highlights the growth of regional formations over recent decades and the reasons for their popularity among political elites. The major problem identified, from a development perspective, is the difficulty of devising comprehensive social policies within regional formations that are mainly economic, and more particularly trade-oriented, in aim. Indeed, very few such formations have yet to develop any kind of collaboration in the social domain.

The almost exclusive preoccupation of these formations with economic issues has led to a reaction from international civil society organizations – which increasingly demand that social issues be addressed as well. There are major difficulties in extending the range of collaboration to include a social agenda or dimension, except in terms of safety net provision in line with social liberalist orthodoxy. Yet civil society demands are being articulated through the shadow summits and social forums that now regularly accompany intergovernmental meetings. This is laying the groundwork for the development of an inclusive, democratic and developmental social policy at regional level, which may, over time, prove decisive in reshaping the global social development orthodoxy.

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### **Résumé**

L’auteur s’intéresse ici à la façon dont la “mondialisation” influe sur la possibilité de mener une politique sociale démocratique, sans exclusive et axée sur le développement. Non pas parce qu’elle est convaincue que les réformes des politiques sont par nature forcément limitées ou que la réponse tient à une simple transplantation de telle ou telle politique ou encore qu’une convergence sociale est souhaitable. Elle est plutôt guidée par l’idée que la mondialisation recouvre des processus multiples et contradictoires et qu’il faut un débat éclairé sur les possibilités existantes de procéder à une réforme sociale progressiste et à une analyse critique de la nature des réformes en cours. Afin de contribuer à ce débat, l’auteur examine d’un œil critique les possibilités de réforme qu’offrent les formes régionales et transrégionales de collaboration en matière de politique sociale.

A part l’Union européenne, les formations régionales n’ont pas reçu l’attention qu’elles méritent dans le débat mondial sur la politique sociale, débat qui a surtout porté sur le rôle des institutions multilatérales et leurs politiques sociales, explicites et implicites. Elles sont pourtant une manifestation importante des stratégies des Etats en matière de mondialisation et font partie

integrante de toute analyse de la manière dont l'action collective est remaniée au niveau transnational. L'essai met donc en lumière le développement des formations régionales au cours des dernières décennies et les raisons de leur popularité auprès des élites politiques. Sous l'angle du développement, le principal problème reconnu n'est autre que la difficulté d'élaborer des politiques sociales complètes dans des formations régionales qui sont essentiellement économiques et surtout orientées sur le commerce. En fait, très rares sont celles qui ont encore à mettre au point une collaboration quelconque dans le domaine social.

Le fait que ces formations se préoccupent presque exclusivement de questions économiques a suscité une réaction de la part d'organisations de la société civile internationale, qui exigent de plus en plus que les questions sociales soient traitées, elles aussi. Étendre la collaboration pour qu'elle comporte un ordre du jour ou une dimension sociale pose des difficultés de taille, sauf lorsqu'il s'agit de prévoir des filets de sécurité conformes à l'orthodoxie libérale sociale. Pourtant, la société civile formule ses revendications lors des sommets parallèles et forums sociaux qui accompagnent maintenant régulièrement les réunions intergouvernementales. Elle pose ainsi les bases, au niveau régional, d'une politique sociale démocratique, sans exclusive et axée sur le développement qui, avec le temps, peut contribuer de manière décisive à remodeler l'orthodoxie mondiale pour ce qui est du développement social.

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### **Resumen**

El presente documento aborda la forma en que la "mundialización" contribuye a dar forma a la posibilidad de formular una política social que sea incluyente, democrática y orientada al desarrollo. El análisis no parte de la creencia de que existen limitaciones inamovibles a la naturaleza de las reformas de política, o que las respuestas se encuentran en el simple trasplante de políticas, o bien que es conveniente una convergencia social. El trabajo se guía más por la visión de que la mundialización entraña procesos múltiples y contradictorios y de que es menester iniciar un debate bien fundamentado sobre las posibilidades de alcanzar una reforma social progresiva y un análisis crítico de la naturaleza de aquellas reformas que se están llevando a cabo. Como contribución a ese debate, este documento analiza de manera crítica las posibilidades que las formas regionales y transregionales de colaboración en política social ofrecen para llevar a cabo esa reforma.

Aparte de la Unión Europea, las formaciones regionales no han recibido la atención que merecen en el debate mundial sobre la política social, el cual se ha centrado principalmente en la función de las instituciones multilaterales y sus políticas sociales explícitas o implícitas. No obstante, las formaciones regionales constituyen una importante manifestación de las estrategias estatales ante la mundialización y parte integral de todo análisis de la manera en que se reformula la acción colectiva a nivel transnacional. A la luz de lo anterior, el análisis destaca el crecimiento de las formaciones regionales en las últimas décadas y las razones por las que éstas han adquirido su popularidad entre las élites políticas. El principal problema que se ha detectado, desde la perspectiva del desarrollo, es la dificultad para concebir políticas sociales integrales al interior de las formaciones regionales, cuyo objetivo es fundamentalmente económico y, más específicamente, orientado hacia el comercio. En efecto, son contadas las formaciones de este tipo que han dado inicio a algún tipo de colaboración en el ámbito social.

La preocupación casi exclusiva de estas formaciones por los temas económicos ha provocado la reacción de las organizaciones internacionales de la sociedad civil, quienes exigen, cada vez con mayor frecuencia, que se traten también los temas sociales. Se enfrentan grandes dificultades a la hora de ampliar el terreno de la colaboración hacia una dimensión o una agenda social, salvo que se trate de la provisión de una red de protección social congruente con la ortodoxia social liberalista. Pero las demandas de la sociedad civil están articulándose a través de las "cumbres

paralelas” y los foros sociales que ahora acompañan regularmente a las reuniones intergubernamentales. Esto está preparando el terreno para el desarrollo de una política social incluyente, democrática y orientada al desarrollo a nivel regional, lo que con el tiempo puede resultar decisivo en la reformulación de la ortodoxia del desarrollo social en el mundo.

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## Introduction

This paper addresses how “globalization”<sup>1</sup> shapes the possibility of realizing an inclusive, democratic and developmental social policy.<sup>2</sup> This review is not undertaken through a belief that there are fixed constraints on the nature of policy reforms, or that answers lie in simple policy transplantation, or that social convergence is desirable. Rather, the paper is guided by the view that “globalization” entails multiple, contradictory processes and that there is a need for informed debate about the continued possibilities for progressive social reform. By way of contribution to this debate, this paper discusses the possibilities that transnational forms of collaboration in social policy offer for such reform.

The discussion is organized around two main parts. The first part addresses the implications of adopting a globalization perspective for social policy. Here the need to supplement traditional analyses of the national sphere with those that focus on the transnational sphere is emphasized, as is the need to highlight the formative role of social conflict and political struggle in accounts of institutional responses to globalization. These points are developed in the second part, which concerns itself with the possibilities of developing an inclusive, democratic and developmental social policy within regional and transregional formations. The major problem identified is the difficulty of developing such social policies within regional formations that are mainly economic in aim. However, the almost exclusive preoccupation of these formations with economic issues has led to a reaction from international civil society organizations demanding that social issues be included on their agendas. Through these demands, and the shadow summits, meetings and social forums through which they are organized and articulated, international civil society organizations are laying the groundwork for the development of an inclusive, democratic and developmental social policy.

## Integrating a Globalization Perspective into Social Policy

Over the last decade, a new field of social scientific study has emerged, which may be termed globalization studies. At the most basic level, “globalization” refers to the emergence of an extensive network of economic, cultural, social and political interconnections and processes which routinely transcend national boundaries. It is important to recognize from the outset that globalization is a highly contested term, the frequent usage of which obscures a striking lack of consensus with regard to what it entails, the circumstances under which it is to be invoked, explanations of how it operates, the directions in which it is heading and its consequent social and political impacts.<sup>3</sup> Taking these problems together, it could be argued that even asking whether globalization corresponds with a social reality, let alone analysing its implications for social policy, is to participate in sustaining a myth. At the very least, it is necessary to exercise caution in using “globalization”, as it is for any term that purports to offer a single, overarching descriptive or explanatory framework. Used carefully, however, a globalization perspective has much to offer social policy as a field of study and as a political practice, emphasizing as it does the necessity of attending to the interaction of national and transnational spheres, as well as to the possibilities of progressive sociopolitical projects therein.

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<sup>1</sup> The quotation marks are used here to signal that the construct is contested.

<sup>2</sup> Social policy refers to “collective interventions directly affecting transformation in social welfare, social institutions and social relations” (Mkandawire 2001:1). It entails actions by governments and non-governmental organizations (NGOs) supportive of the right to the means of social participation. This right is underpinned by services and arrangements to ensure an adequate income, a relevant education, affordable housing, a healthy existence and a sustainable livelihood. This formulation does not deny that social policies may be conceived and implemented with considerations other than the welfare of the public in mind, or that they may take on repressive, punitive and coercive forms, or that policies not conventionally identified as “social policies” may make a comparable or even greater contribution to the realization of social welfare and social participation. On this latter point, the conventional definition of social policy excludes the important policy domains of environment, energy, water, transport, land, trade, investment and finance.

<sup>3</sup> Amin 1997; Gordon 1987; Mittelman 1996; see Yeates (2001) for a review of these debates.

### ***Integrating the transnational sphere***

A globalization perspective emphasizes that social policy must be studied from both a national and a transnational perspective. Social welfare, social institutions and social relations are now entangled in material processes that extend beyond the bounds of the nation-state and their transformation can no longer be wholly understood within an exclusively national framework. Recognition of these transnational connections and the dynamics they engender must begin with an appreciation of the contemporary pluralistic global social governance structure which is “multi-tiered”, “multi-sphered” and “multi-actored”. Governments and representatives of capital, labour and non-governmental organizations (NGOs) all attempt to advance their interests and endeavour to influence how national territories, institutions and populations are governed by engaging in various types of political action in different spheres (institutional, economic) and at different levels (multilateral, regional, national, subnational). Multilateral and regional governmental organizations, agencies and formations are key institutional terrains on which ideological and political struggles over the desirable model of welfare and social development strategies are now fought, and are as necessary as national and subnational terrains to any understanding of the contemporary politics of social development.

Although the governmental sphere is where the most obvious attempts are being made to formulate transnational social policy, other social dialogues taking place at different levels and in various locations and sites outside the boardrooms and bureaux of international and regional institutions also shape the political processes that generate social policies (Smith et al. 1997; Yeates 2002). “Alternative” global social dialogues have been going on between social movements and transnational institutions in the shadow congresses that now regularly accompany meetings of the G8, International Monetary Fund (IMF), World Bank, World Trade Organization (WTO) and the European Union (EU). Indeed, global social dialogues proceed through a range of networks, coalitions and informal arrangements that lie beyond the direct control of governments and governmental institutions (Woods 2002; Yeates 2001, 2002).

The institutionalist bias in global social policy analysis must therefore be supplemented by an emphasis on social conflict, struggle and protest in order to account for the range of levels and spheres in which global social politics are fought out. Central to this enlarged concept of global social dialogue are market-based strategies that aim to socially regulate the productive and trade activities of commercial entities. While international investor and consumer campaigns and trade and labour boycotts may not find favour with more institutionally oriented global social reformists, these strategies have proved capable of successfully shaping and even blocking the progress of a government’s or corporation’s globalizing strategy by changing the economics of political reform (Yeates 2002).

If a transnational perspective essentially invites us to consider that the causes of, and solutions to, many social issues are not necessarily confined to national institutions and structures (Geschier and Meyer 1998; Pérez Baltodano 1999), then a central political and intellectual issue of our time is how to devise new forms of collective action that maximize social welfare around the world (Kaul et al. 1999; Scholte 2000). Although there appears to be little reticence on the part of governments, corporations and civil society groups to engage in transnational collective action, the most significant multilateral institutional reforms to have taken place over the last decade suggest that governments’ political priorities lay with guaranteeing commercial rights rather than social rights. On the intellectual front, the re-fashioning of concepts that historically underpinned and still underpin collective action in a national context—community, identity, territory, justice, rights and citizenship—in order to take account of the global context is a project that is largely in its infancy (Clarke 2000; Deacon et al. 1997). Nonetheless, insofar as the issue of social welfare-maximizing collective action remains on the political agenda, then the prevailing social model implied in much of contemporary transnational public policy is also open to contestation and reform.

It should be emphasized at this stage that the importance assigned to the transnational context does not entail subsuming the institutions and processes that take place within the national sphere to those that exist “outside” of it or that cut across it. After all, the unit itself has not been sur-

passed or rendered irrelevant even if its mode of interaction with the "internal" and "external" worlds may have altered. Criticisms that the social policies of international and regional institutions are "reducing to zero the space in which states can exercise management" (Amin, 1997:30) overlook the dependence of these institutions on the cooperation of national and local politicians and officials for the formulation and implementation of their treaties and policies. This structural dependence of international organizations on states and on non-state bodies for policy formulation, and especially implementation, inevitably leaves room for manoeuvre for national and local politics to mediate, even thwart, global policy intentions.

### ***Emphasizing political struggle***

Many analysts who implicate globalization in negative systemic changes to the funding, structure and goals of welfare states<sup>4</sup> advance the "strong globalization" thesis that stresses the primacy of global economic forces over national/domestic political ones, the existence of a unified, "borderless" economy in which de-territorialized capital flows freely between countries, the qualitative erosion of states' policy autonomy and the consequential limitations on the possibilities of progressive social development. This discourse typically emphasizes the decline of the social democratic politics and projects upon which advanced welfare states were built and the inability of governments to effect the socioeconomic outcomes they may desire. Expansionary, redistributive social and economic investment policies and programmes are expected to be replaced by those that engineer greater reliance on international trade and investment and prioritize the defence of the balance of payments, low inflation, stable exchange rates and fiscal austerity.<sup>5</sup>

The economic, financial and industrial policies of developmental states that control the involvement of transnational corporations in domestic economies, and discipline both capital and labour, are expected to be among the first casualties of globalization, as are nationalist economic policies and full employment objectives. Globalization, by this account, heralds not only a new welfare settlement but also the convergence of national economic, fiscal and social policy regimes "on a right-of-centre position with global capitalism driving policy rightwards" (Mishra 1999:55).<sup>6</sup> Universal welfare systems and comprehensive public provision are expected to be replaced by selectivist welfare states in which the state plays a greatly reduced role in welfare provision and the private commercial and voluntary sectors play a much bigger one. As Ratinoff argues, under this settlement, "social policy interventions are justified only under exceptional conditions, especially when human capital stock is inadequate to sustain economic growth or when the depth of inequities and discrimination prevent good governance" (1999:45).

The portrayal of globalization as an act of non-reciprocal penetration of the national sphere by transnational capital does not, however, recognize the importance of the state, social conflict and popular struggle in determining the success of globalizing strategies.<sup>7</sup> As Reiger and Leibfried (1998) have demonstrated, the internal transformation of developed welfare states plays a major role in the internationalization of trade, production and investment. Social policy is a key factor determining political action affecting the degree of closure or openness of national economies; it influences the circumstances under which open markets and economic change are perceived as opportunities to be broadly welcomed rather than unacceptably high risks to be resisted. By mitigating the social impact of economic restructuring, social policies provide the necessary room for manoeuvre to relax closure vis-à-vis foreign markets while maintaining social and political stability. Reiger and Leibfried accordingly attribute to social policies a decisive role in determining the pace, timing and extent of globalization (1998:366).

This emphasis on the continued importance of political agency and struggle is welcome in a literature that emphasizes its annihilation, as is the emphasis on the complexities and contradictions

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<sup>4</sup> Beck 2000; George and Wilding 2002; Mishra 1999; Perraton et al. 1997; Ratinoff 1999; Rhodes 1996; 1997; Scharpf 2000; Stryker 1998; Teeple 1995.

<sup>5</sup> Beck 2000; Esty and Geradin 1998; Goodman and Pauly 1993; Mishra 1999; Ratinoff 1999; Stewart 1994; Stryker 1998; Teeple 1995.

<sup>6</sup> See also Geyer (1998), Taylor-Gooby (1997) and Weiss (1997).

<sup>7</sup> Herod 1997; Moran 1998; Palan et al. 1996; Smith et al. 1997; Yeates 2001, 2002.

of globalization—not just flows, mobility and convergence but also closure, resistance and diversity. Globalization is neither inevitable nor hegemonic, in the sense of being uncontested or trampling over states and steamrolling over all areas of social life; the state remains a powerful agent, in no way dominated by transnational economic or political forces. Indeed, far from being victims of the forces unleashed by a social movement for global capitalism, states have supported, driven, steered and stabilized capitalist accumulation on a global scale. The “national interest” remains as strong as ever: global political and legal agreements, for example, can accommodate, even protect, national interests as much as they override them. Governments pursue policies that maximize their national competitive or comparative advantage, negotiate derogations or reservations from international treaties whenever they can, and generally try to limit the encroachment of international institutions on their public policy powers.

It is precisely because the totalizing elements in “strong globalization” theory allow for no resistance, and because the matter is not foreclosed, that globalization must be approached as a political strategy open to contestation or even failure. States and other interests act both domestically and outwardly in a variety of spheres and at a range of levels to determine the pace, course, timing and effects of globalization. Cruder analyses of globalization which revealed an unsubtle adherence to economic determinism and political defeatism are giving way to analyses that emphasize the necessity of treating globalization as an unfinished and contradictory set of processes that are uneven in scope, depth, intensity and impact. While some governments *are* adopting similar strategies, such as fiscal austerity, marketization, privatization, economic openness in trade, investment and finance, by no means have all governments followed the neoliberal route (Esping-Andersen 1996; Weiss 1997, 1999). If domestic politics no longer matter or are largely subordinate to dominant multilateral institutional policy prescriptions or multinational economic actors, then convergence should have already occurred between the welfare states of the triad countries where globalization is at its most intense. This clearly has not happened, nor is it likely to happen. States start from different cultural, political and economic positions and adopt various reform strategies. The form taken by these reform strategies depends on context, institutions, traditions and power relations. Thus, globalization strategies can be expected to differ according to countries’ economic and military position, or rank, within the international political economy, their cultural and historical traditions, institutional arrangements, and the national balance of forces between the state, labour, capital and civil society (Yeates 2001).

## **Transnational Social Policy Responses to Globalization**

Social policy responses to globalization are remarkably varied. They involve a range of actors operating collectively or individually, on a formal or informal basis, using a variety of methods and working with a range of multi-level and multi-range institutions. To the extent that these responses involve transnational collaboration, this collaboration can take numerous forms: exchange of information; identification of common issues and positions; collaborative action on specific issues; coordination of national laws, policies and practices; coordination of policy positions; and collective representation at other regional or international forums.

The following discussion is confined to major forms of transnational collaboration involving states and NGOs, and the models of social development that these collaborative strategies advance. The integration of transnationalism into social policy analysis has so far been preoccupied with the multilateral institutional framework to the neglect of sub-global frameworks for transnational cooperation in social policy. Following a brief review of the limits of multilateral responses for contextual purposes, the discussion therefore focuses on regional social policy responses. Questions as to whether these transnational frameworks are a feasible method of coordination, whether they are currently engaging non-triad and developing countries on their own terms in developmental strategies and, if not, whether they have the potential to do so, are all important. But they are political questions. Accordingly, the question as to whether national

governments in the developing world are willing to commit to transnational initiatives supportive of developmental social policy cannot be answered here.

### ***Multilateral cooperation***

The work of Deacon and his colleagues in the Globalism and Social Policy Programme has amply illustrated that the apparent "socialization of global politics" has not entailed the emergence of a unitary view either within or between international governmental institutions about the role and future of welfare states, the appropriate model of social development or the desirable level of global social regulation. That said, the range of welfare alternatives backed by these institutions is confined to variants of liberalism, and none are advancing a social democratic or redistributive agenda (Deacon and Hulse 1996; Deacon et al. 1997). More recent work on global social policy under the "post-Washington consensus" does little to suggest any shift away from social liberalism. Rather, this sociopolitical paradigm has been entrenched by the firm embrace of liberalization supplemented by some limited regulatory controls to avoid or mitigate its worst social excesses. Thus, the World Bank and IMF favour a limited role for the state in economic planning, and safety net public social provision. The recent emergence of the WTO as a policy actor in this field has lent support to this emphasis on private, commercial provision, supporting as it does the extension of liberalization in education, health, social services and social protection. The World Health Organization and International Labour Organization (ILO), once regarded as multilateral vanguards for comprehensive public social provision, also now support a greater role for the private commercial sector in health and pensions.

It may come as no surprise that this post-Washington global welfare settlement has enjoyed the backing of the more institutionalized sections of civil society. Business interests—already the largest sector of civil society influencing the global governance agenda—are actively attempting to extend commercial considerations to public welfare services. The international development lobby also benefits from the restructured international aid and development regime, which accords them a key role in social provision and anti-poverty programmes (Scholte 2000; Stubbs 2003). As Phillips and Higgott (1999) argue, the privileging of civil society–intergovernmental organization relations obscures the dominance of powerful states in global institutions and sustains the legitimacy of intergovernmental organizations dedicated to pursuing a liberalization agenda.

All of this casts doubt on the likelihood of a progressive redistributive social politics or a developmental social policy emerging as the dominant discourse or practice at the supranational level in the foreseeable future. It does not, however, deny the need for concerted political opposition to push for an alternative to neoliberal values and aims. Nor should we dismiss the importance of available "levers" as a means to progress of a social developmental model within the global social governance agenda, be it making use of the sustainable development model as an alternative to uncontrolled market forces or pushing for minimally acceptable international standards. Of note also are the policy pronouncements of multilateral institutions that embrace a more progressive position on social policy. Of particular importance is the United Nations challenge to the prevailing multilateral orthodoxy on social policy—namely that social policy "should be seen not simply as a residual policy function of assuring the welfare of the poorest but as a foundation at a societal level for promoting social justice and social cohesion, developing human capabilities and promoting economic dynamism and creativity" (United Nations 2001:paragraph 16).

Similarly, the ILO, the United Nations Educational, Scientific and Cultural Organization and the United Nations Children's Fund are currently aiming to (re-)establish the case for, and find ways of implementing, universal public provisioning in the policy fields of education, health and social security (Deacon 2002, 2003).

While the challenge for the global social democratic reform movement is to forge a credible political alliance that is capable of exerting greater leverage within global institutions, the feasibility of a single social model at global level must be questioned. Indeed, any attempt to institutionalize a global social developmental model would be likely to founder on the same contradictions that

besiege current attempts to impose a social liberalist model worldwide. Even at regional level, the construction of a distinct European social model over the past 50 years has been beset by national interests, opposition to supranationalism in the social sphere and markedly different national cultural, political, legal and social traditions. The EU comprises, from a world perspective, a relatively homogenous set of countries with developed social welfare and employment institutions. On a global level the differences between Western countries are greatly multiplied, and complicate any global agreement on desirable social policy. Global universal social standards have been resisted on the grounds that they constitute a new form of social protectionism against the South by the North, or that they embody and impose Western concepts and approaches on countries of very different cultural, political, economic and social contexts (Deacon 1999, 2002, 2003; Mishra 1999). Unless these differences can be reconciled, international law will simply reflect Western values and approaches and provoke renewed religious, cultural and political opposition to international social law and norms.

### ***Regional cooperation***

It is in the context of the apparent intractability of the global social policy orthodoxy, coupled with the political difficulties of agreeing a set of universally acceptable social rules, that regional formations are beginning to be examined as a possible means to establish a policy framework that is conducive to developmental goals. Regionalist responses tend to be either completely overlooked in the global social policy analysis focus on multilateral institutions and their relationship with individual nation-states and non-state groups, or else reduced to the role of conduit that facilitates the implementation of multilateral policy objectives. However, regional formations are an integral part of any critical assessment of the possibilities for transformative political agency in a globalization context. Indeed, they are important in their own right as sites of political struggle and contestation over the content and direction of a social policy that is attuned to the traditions, interests and needs of member countries and their populations.

Regional formations constitute a major statist globalization strategy. There are currently over 170 regional trade agreements (bilateral or plurilateral free-trade areas and customs unions), over half of which were concluded after 1990, covering all continents (Dunkley 2000). By 2005, the number of regional trade agreements is expected to exceed 180, with over half of all trade being conducted inside these agreements (WTO 2000). Just as states see no inconsistency between multilateralism and regionalism, many states belong to more than one regional formation. The United States, for example, is a member of the North American Free Trade Agreement (NAFTA), the Free Trade Area of the Americas (FTAA) and the Asia-Pacific Economic Cooperation (APEC) forum. But most often countries forge agreements with other countries located within the same political-geographic region. Regional agreements tend to be concentrated in the Euro-Mediterranean area (over half of all regional trade agreements are concentrated in this region), though agreements are currently being negotiated in the Americas and Asia-Pacific. Sub-Saharan Africa is the only region not negotiating any new agreements at the subregional level, although the Southern African Customs Union (SACU), an African regional group, is currently negotiating a cross-regional trade agreement with Mercosur, the Southern Common Market (WTO 2000).

Despite this apparent fondness for regional formations on the part of governments, they are sometimes regarded as an unwelcome distraction from, or even a direct threat to, progress toward a unified multilateral regime. After all, regional agreements by their nature discriminate against third countries and can emerge as protectionist blocs; they create multiple sets of trade rules and can entail potentially conflicting policy objectives. Politically, however, regional formations offer countries a number of advantages. They facilitate governments' pursuit of their foreign policy objectives. They also permit a more gradualist and selective approach to the construction of political collaboration. Since regional formations often entail groups of countries with similar cultural, legal and political characteristics, agreement on the scope and nature of transnational collaboration is more feasible and progress can potentially proceed more quickly than multilateral negotiations. Furthermore, they can offer countries access to a broader menu of policy alternatives, while for smaller and developing countries in particular regional formations offer enhanced access to

and influence over policy developments. In the EU, for example, small countries can have a strong blocking effect on the development of social policy. These national influences on regional formations are not necessarily negative: more socially developed countries within regional formations can force upwards social standards in the poorer members of that formation.

It is, however, necessary to be realistic about these formations when considering their potential contribution to an inclusive, democratic and developmental social policy. For a start, they originate in discussions and negotiations within policy-making elites and there has been little popular demand for such projects (Gamble and Payne 1996). This does not deny subsequent involvement by labour organizations and development agencies in regionalist political processes, or the fact that these organizations and agencies can use these processes to demand a stronger social dimension to national and regional policies. However, it does mean that these formations mostly exist purely or primarily as trade agreements of various kinds and their purpose is not a social developmental one. Indeed, very few of them have developed transnational social projects. Apart from the EU (which has developed regionalist social and labour standards and redistributive capacities via its structural and cohesion funds), most regional formations limit collaboration in social policy to little more than implementing the minimum social legislation necessary to facilitate cross-border labour mobility required for economic integration. Notable among such measures are:

- the partial or full removal of work visa requirements—Southern African Development Community (SADC); Caribbean Community and Common Market (CARICOM); and South Asian Association for Regional Cooperation (SAARC);
- mutual recognition of professional and educational qualifications and of educational institutions—Mercosur; Australia and New Zealand Closer Economic Relations Trade Agreement (ANZCERTA); and SAARC; and
- transborder social security entitlements (Mercosur, CARICOM, ANZCERTA).

That said, processes of regional integration can create greater awareness of a range of common issues, contribute to the forging of transnational political alliances and unleash political dynamics that may stimulate more substantial regional cooperation (Deacon 2001). Indeed, among the transborder social issues already being discussed in various regional forums without an institutionalized social dimension are the spread of communicable diseases, empowerment of women, trafficking and smuggling of humans, drug running and drug dependence, and the need for mutual recognition and common standards. It is this sustained, incrementalist project involving the participation of labour and development NGOs alongside governments and business interests that, after all, gave rise to the transformation in Western Europe of a customs union into a full-blown economic and political union with a relatively substantial institutionalized social dimension.

We might also recall that such developments and programmes were the result of political and social struggles, rather than a fully developed social policy handed to civil society on a plate. Indeed, we might also profitably note that regionalism gives an impetus not only to the state, but also to other social actors, to organize transnationally. Vaz's excellent description of the effects of regionalism shows that transnational alliances resulting from it are not confined to states:

Regionalism provides incentives for the establishment of international alliances as well as new forms of defending and promoting interests transnationally. ... It becomes a source of political and social dynamism as it brings new exogenous references to domestic groups, stimulating them to develop new forms of protagonism beyond their local and national frontiers through partnership, coalitions and international alliances. ... [Regionalism's effect] is expressed in the mobilisation of social actors at different levels for the sake of a more effective and direct political participation in policy making in the context of integration, on the one hand, and in their political activism in the defense and enhancement of economic benefits and existing social rights, on the other (Vaz 2001).

Here, hopeful signs include the formation of transregional alliances among trade unions, NGOs and social movements to shadow transregional formations, with incipient alliances, for example, between Asian and European civil societies being formalized in parallel with the Asia Europe Meeting (ASEM). Before the ASEM meeting in Seoul 2000, international civil society organizations and trade unions were calling for the creation of a social forum, which would be integrated into the ASEM dialogue. Finally, we can note the general problem that the weakness of most regional formations leads to their inability to adopt a rules-based or enforcement-based approach to policy implementation. Thus, regional policies are often denounced as mere rhetoric. However, once a collective position is reached it provides a powerful basis for demand-driven action (McKinnon 1999). We may also note, against those who deride safety net provision in Asia, that once even a partial, safety net social security system is conceded by the state, civil society organizations are then well-placed to expose its failings and call for increased provision. Social security then becomes another site of struggle nationally and a location for increased popular demands on the state.

To begin with, we will examine Mercosur, a small regional trade formation that originated as a customs union and evolved as a commercial initiative (Vaz 2001) and which comprises just four countries, two of which, Argentina and Brazil, are examples of successful late industrializers characteristic of developmental states (Amsden 1995). A pessimistic reading of this regional formation emphasizes that these countries' corporatist history is barely reflected in the institutional structure of Mercosur, even though it is regarded as one of the most "advanced" regional formations outside the EU due to its joint factory inspections, social security provisions and political declaration on labour rights (Deacon 2001). Social/labour demands are incorporated through the Economic and Social Advisory Forum which is dominated by commercial issues, and through technical working groups that are located at the lowest level in Mercosur's institutional framework (Vaz 2001). More optimistically, NGOs and labour groups are pressing for issues of civil and social rights to be addressed at regional level to redress exclusionary provisions that evolved from national corporatist structures. Together with ILO support for universalist approaches to social security in the region and Inter-American Development Bank support for an alternative approach to pension reform other than the World Bank orthodoxy, there is significant social policy debate regionally (Deacon 2001).

There are, however, doubts as to whether Mercosur itself, let alone its social dimension, can survive the creation of a mega-regionalist free trade project – the 34-country, United States-led FTAA. The model of economic integration underpinning these formations is quite different. Whereas Mercosur aims at the free movement of production factors, the FTAA is concerned with market access (goods, services and investment) (Vaz 2001). The United States is pushing for an expansion of NAFTA trade and investment rules to the FTAA, entailing, *inter alia*, the institutionalization of rights and protections for private investors that are superior to those of the public interest, banning performance requirements and the prohibition of capital controls (Anderson 2001). The FTAA's absence of a social agenda advancing the public interest and defending national autonomy has not gone unchallenged. Indeed, the FTAA process has generated the mobilization of social forces nationally and transnationally to oppose the FTAA (Anderson 2001; Hemispheric Social Alliance 2002). According to one commentator, the accomplishment of a social agenda within the FTAA hinges on the ability of these forces to forge "multilateralism from below" (Vaz 2001:12).

A more critical reading of regionalist social policies and of transnational sociopolitical projects more generally is that they legitimize and propel liberalization forces. SAARC may provide one illustration of this. Created in 1985 as a platform for cross-national collaboration between Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka, SAARC's stated aims are to "accelerate the process of economic and social development" among its members and "[promote] the welfare of the peoples of South Asia and [improve] their quality of life". A number of areas were identified for specific action: agriculture, rural development, health and population, transport, postal services, science and technology, sports, art and culture. The 1990s witnessed a clear swing to prioritizing economic liberalization over social development goals with the signing of



the SAARC Preferential Trade Agreement in 1993 and the commencement of negotiations on a South Asian Free Trade Agreement to accelerate cooperation in the "core areas" of trade, finance and investment.

It is in this context of fast-tracked cooperation in the economic sphere, and more specifically a push to trade liberalization, that SAARC's attempt to establish a stronger regional social development programme in the late 1990s can be placed. SAARC's response was to draw up a social charter specifying targets in poverty alleviation, population stabilization, empowerment of women, youth mobilization, human resources development, the promotion of health and strengthening child protection. It also established the Independent South Asian Commission on Poverty Alleviation to oversee a regional anti-poverty programme, the South Asia Poverty Reduction Programme (SAPAP). Reflecting the World Bank social development orthodoxy, SAPAP aims at poverty relief for the poorest of the poor through the creation and maintenance of appropriate safety nets, as well as social mobilization, decentralized agricultural development, labour-intensive industrialization and human resources development. It is financially assisted by the South Asian Development Fund, which also provides funding for industrial development, environmental protection, balance of payments support and promotion of economic projects. The explicit link between the "free" trade programme and the development of a social programme is clear from the following SAARC extract: "While seeking to evolve a regional strategy on poverty alleviation, emphasis is expected to be given to the linkage between economic liberalization within the region and poverty alleviation, so that the poorer and more vulnerable sections of the people are not adversely affected by liberalization."<sup>8</sup>

The development of regional action against poverty in the case of SAARC coincided with the restructuring of the international aid and development regime, central to which is policy coordination between international agencies and national governments. Being a major type of state strategy, regional formations are clearly central to the successful implementation of this regime. A key issue is whether regional formations have the capacity to become more than conduits that facilitate the implementation of multilateral economic and social policy and take a lead role in forging a developmental social policy. Similar problems are obvious with the attempt to develop inclusive, democratic and developmental social policy within the Association of Southeast Asian Nations (ASEAN). From the perspective of a global social democratic position, ASEAN, comprising Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Viet Nam, has one of the least developed regionalist social policies in the sense that it has no regional social or labour regulations or redistributive mechanisms and is confined to cross-border educational exchanges and cross-border trade in health services and insurance (Deacon 2001). This reluctance to engage in more substantive regional collaboration can be attributed to the combination of national histories, traditions and interests in the region combined with the manifestation of geopolitical considerations and the regional interests of multilateral development agencies.

A major problem that ASEAN faces in developing a more substantial regional social policy is that it is institutionally weak. It originated in the late 1960s as a Western-sponsored political alliance to counteract the "communist threat" in the region (emanating from China) and adopted a policy of non-interference in its members' internal affairs. Given this reluctance to interfere, even symbolically, in the internal affairs of other members, combined with the "ASEAN way" of organizing, which emphasizes relationship-building rather than institution-building, with a strong preference for pragmatism and flexibility over programme formation, attempts to raise social developmental issues onto the group's political agenda would anyhow have been frustrated by members' internal authoritarian political structures, the absence of a tradition of civil society political involvement and by their markedly different levels of development and types of welfare arrangements. The development of a more substantial trading bloc has been the formation's priority and it is currently evolving into a trade liberalization project; it linked with China and Japan in 2002 (and may also include India in the future)<sup>9</sup> and created the ASEAN Free Trade Area in 2003.

<sup>8</sup> See the Web site of the South Asian Association for Regional Cooperation, [www.saarc-sec.org](http://www.saarc-sec.org), accessed in November 2003.

<sup>9</sup> See the Web site of Global Network-Asia, [www.globalnetwork-asia.org](http://www.globalnetwork-asia.org), accessed in November 2003.

One reading of these developments is that this attempt to divert trade from other political blocs in the region, notably the United States-led APEC, may in time lead to stronger economic regionalization processes that in Western Europe at least were accompanied by the construction of a social dimension. However, hopes that ASEAN might play a stronger political role in the region and push for a social dimension to the trade liberalization project are dampened by the regional dominance of the Asian Development Bank. This institution has been unresponsive toward the emergence of ASEAN as a lead (rival) player in the region and has, according to Deacon (2001), been pushed by APEC to pursue a World Bank-inspired poverty and safety net policy. This development model favours private arrangements, notably commercial provision and family support, as social protection systems of the first resort, bolstered by philanthropic and voluntary efforts to compensate for withdrawn or pared-down public provision. All but the "critically poor" are expected to make their own private arrangements, and public schemes are relegated to little more than a residual role for groups for whom private commercial schemes are not available and/or who are unable to rely solely on informal sources of support. This model does not consider as a legitimate goal the promotion of a more egalitarian income distribution, be it achieved through tax-transfer mechanisms or comprehensive public goods provision (Holzmann and Jørgensen 2000; World Bank 2001).

All things being equal, it seems that if ASEAN is to develop any role in transnational regulation, it is most likely to be to regulate regional welfare markets that may further dampen the prospects for developmental social policy. That said, the inclusion of Japan and especially the Republic of Korea, with its tradition of militant political and social engagement, in the ASEAN+3 formation points to the increased likelihood of the intervention of civil society in the debate. The possibilities of transnational alliances among civil society organizations from north-east Asia and Southeast Asia may appreciably raise the level of social debate and opposition which ASEAN faces – a new experience for an organization used to a quiescent and repressed civil society.

### ***Transregional collaboration***

Regional formations are not only proliferating, they are undergoing consolidation. An expected development within the next two years is the emergence of a new category of regional formation, where all members already belong to a distinct formation (WTO 2000). Examples of this type of regional collaboration currently under negotiation are the EU-Gulf Cooperation Council, EU-Mercosur, and Mercosur-SACU (WTO 2000), but transregional collaboration also exists between SAARC and ASEAN, between SAARC and the EU, and between the EU and CARICOM. A key issue is whether this emergence of transregionalism and mega-regionalism will enhance or diminish prospects for transnational social policy collaboration supportive of a developmental approach. At one level, existing collaboration in the social development sphere is relatively limited, often amounting to no more than information exchange. However, there are concrete examples of more substantial collaboration. For example, the EU has funded a training centre for regional integration in Mercosur and has helped strengthen the secretariats of Mercosur and the SADC (Deacon 2001), though this type of collaboration is arguably more related to negotiations to develop a transregional trade framework. On the other hand, the EU-CARICOM health partnership entails the provision of services and technical assistance by the EU to strengthen institutional responses to HIV/AIDS among CARICOM member states.

Whether these transregional links will emerge as a means by which social issues are accorded greater priority on the economic agenda is an open question, but experience suggests that inter-governmental collaboration alone is unlikely to automatically result in a stronger social dimension. The issue, then, is the extent to which political forces are able to mobilize on a national basis and also forge transnational alliances that concertedly press for the integration of social development issues in transregional political agendas that may be primarily preoccupied with developing commercial collaboration. Given the centrality of the EU to the development of many of these transregional forms of collaboration, it has the potential to play an instrumental role in pushing for a stronger social dimension in these negotiations. However, as Deacon (2001) has noted, the EU is placing its regional commercial interests above social developmental ones.

The importance of civil society networks is, therefore, appreciable in forcing a social content into what are otherwise negotiations led by governments in collaboration with business interests. ASEM is of notable interest here, as an informal process between the EU and 10 Asian countries that began in 1996 (there have been four meetings to date).<sup>10</sup> It was initiated by the more "developed" ASEAN countries, which sought to develop transregional cooperation with the EU, at least partly in order to counteract growing United States dominance in the region through APEC. ASEM is primarily an intergovernmental process and aims to promote dialogue and exchange views on regional and global issues in the political, economic and social fields; these exchanges could eventually serve as a basis for substantive cooperation and coordination on specific issues of mutual interest in regional and international forums. However, ASEM's main priority is to promote interregional trade and this is reflected in its institutional structures. As Api Richards notes, "the role of Asian and European multinational corporations has been vital in forging the terms of engagement" through the Asia Business Forum which has demonstrated its capacity to construct "policy channels" to the ASEM process (Api Richards 1999:152). Action plans were drawn up almost immediately on issues of financial regulation, customs cooperation, macroeconomic policy consultation and trade barriers. The way in which the primacy of trade relations shapes the ASEM process can also be seen in the approaches to environmental issues, which have been considered within a trade framework, that is, through technology transfers (from the EU to Asia). An ASEM Trust Fund, to which over 50 million euros has been committed, was established in response to the Asian financial crisis to provide technical advice and training the financial sector. The Asia-Europe Foundation (ASEF), launched in 1997, acts as an umbrella organization to secure the cultural dimension of the process, and aims to represent the "engagement of civil societies of the two regions" in order to "bring to life the vision of Asia-Europe cooperation as seen by the ASEM leaders" (ASEF 1998, cited in Api Richards 1999:153). Its promotion of cultural-intellectual exchanges and interregional mobility has, however, been limited to identifying "young leaders" and accessing communication technologies that construct and maintain "borderless communities" of like-minded individuals" (Api Richards 1999:153).

All of this falls far short of the level of attention to the social agenda demanded by European and Asian NGOs and trade unions, which have repeatedly complained about their exclusion from the ASEM process and the exclusion of social development issues from the official agenda. Indeed the ASEM process has been vigorously opposed by "labour unions, consumer groups, environmentalists, human rights activists and citizens' organizations who regard its terms of engagement as detrimental to the interests of workers, local communities and citizens more generally" (Api Richards 1999:155). As in other regions, ASEM has also led to popular forums that meet at the same time as ASEM. The Asia-Europe People's Forum has sought to "challenge elite convergence and expand the possibilities for ameliorative action" (Api Richards 1999:155). In effect, popular movements and NGOs are running a different transregional process in tandem with the official one. From this, effects on ASEM social policy initiatives can be expected. Indeed, there are now some signs that issues of social policy and development are receiving a higher profile in the official agenda, although it must be emphasized that these are being justified on security grounds. At the most recent meeting (ASEM 4), the political cooperation pillar attended to measures to combat international terrorism and its causes, emphasizing poverty relief, education, employability and economic growth measures (Commission of the European Communities 2002).

Social policy discussion and development is already proceeding as a sideline to the ASEM process. Meetings in Europe in February and March 2002 usefully illustrate both sides of the social policy development process. From 21 to 23 February, under the auspices of ASEM, the World Bank, the Italian National Institute of Public Administration and the Italian Ministry of the Economy and Finance, a wide variety of governmental officials, administrators and academics attended a seminar on social policy making in Europe and East Asia, which dealt with social security, pension reform, labour market and health insurance policies, and new ventures in social policy (ASEM et al. 2002). Two points can be usefully made in respect of this event. First, even in this "official" meeting, positions opposing neoliberalism were articulated, with the rep-

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<sup>10</sup> See <http://asem.inter.net.th/asem-info/background.html>, accessed in November 2003.

representative of the Ministry of Labour, War Invalids and Social Affairs of Viet Nam underscoring "how far economic policy and social policy are interlinked and the importance that Vietnam gives to poverty and hunger reduction. Attacking poverty is the key" (ASEM et al. 2002:4). Second, the conclusions to the meeting echo an important point that has been emphasized elsewhere in this paper:

In this seminar, as in virtually all others under this project, the importance, and persistent difficulty, of linking economic and social policy was highlighted. ... Some European examples suggested that indeed social policy makers are taking their seats firmly at the policy table, along with the powerful finance minister, but this theme was much less clear among Asian participants. From many, there remains a nagging sense that social policy is not the main driver it should be as yet (ASEM et al. 2002:16-17).

A fortnight later, a parallel social policy discussion was under way in Berlin, where, under the auspices of the German Asia Foundation, the TransNational Institute and the Asia Europe Dialogue Project of the Heinrich Böll Foundation, participants from NGOs and trade unions, academics, government and EU officials focused on "How to bring the debate about social policy into the ASEM process". The following day, the international organizing committee of the Asia-Europe People's Forum met to coordinate NGO activities at the next ASEM summit. On 7 March 2002, the International Confederation of Free Trade Unions held an open dialogue on the social dimension of ASEM and the next day hosted an internal Europe-Asia trade union meeting to discuss its perspectives on and plans for engagement with ASEM.

The double effect of this civil society organizing is apparent. On the one hand, the demand advanced by civil society groups is for the integration of an official social forum within the ASEM process and, on the other hand, they are busily constructing their own social forum at the same time. Similarly, they are also laying out an agenda that they wish to be taken up by the eventual official forum. How much of this agenda will be taken on board, and how effectively, are, of course, open questions, answers to which are dependent on political factors. Nevertheless, the civil society organizations are making a strong case for the importance of social policy, arguing that social protection is not just an ethical matter but also an important foundation for sustainable economic development. In a paper written for the Berlin meeting, von Hauff concluded, "In the long term, economic cooperation among the ASEM states will only achieve greater significance and stability if social protection is included as an important and continuous part of the dialogue" (2001).

The dissatisfaction of civil society with the ASEM process was also demonstrated on the streets of Seoul during ASEM 3 in 2000, when tens of thousands of citizens rallied against ASEM-promoted globalization and liberalization. On the first morning, the Korean Federation of Trade Unions staged a rally in south Seoul, where some 4,000 people attempted to march on the ASEM venue and were blocked by some 3,000 riot police (the National Police Agency had mobilized 20,000 riot police for the ASEM meeting's two day duration). That afternoon, some 20,000 people attended an antiglobalization rally and march which was organized by the international organizing committee of the ASEM 2000 People's Forum, representing about 100 foreign NGOs and some 130 Korean civil groups (*Korea Herald*, 21 October 2000).

## **Summary and Conclusions**

The remit of this paper was to consider the globalization context of social policy, with specific reference to how globalization shapes the prospects for a socially inclusive, democratic and developmental social policy. The discussion began by emphasizing the need for careful use of the globalization concept and warned against the adoption of the defeatist and immobilizing "strong globalization" thesis due to its economic determinism and its acceptance of immutable, external constraints on social policy and development. This is not to deny that the balance of power be-

tween state, labour and capital and between local, national and transnational influences may have shifted, or that there are no common social development responses. It only indicates that the totalizing elements in this thesis refuse to acknowledge that globalization is a political strategy open to contestation and even failure, and that it is uneven in scope, depth, intensity and impact. A more credible interpretation of the implications of globalization for social policy emphasizes the continuing importance of political agency in both the domestic and transnational spheres, and opens analysis to various stages at which a multiplicity of actors interact in various ways, at various levels, and with various outcomes, none of which are predetermined.

The need to supplement the traditional national focus of social policy by attention to the wide variety of domains and forums in which political collaboration and conflict occur was then developed in the paper. It examined in particular the ways in which governments, businesses, labour organizations and NGOs in developed and developing countries alike are participating in various forms of transnational collaboration, be it to exchange views, define common interests and positions or commit themselves to cooperative action in the economic, social and political spheres. The discussion focused in particular on collaboration at the regional level as one way in which collective action is being recast in a globalization context, and where political struggles over the desirable model of welfare are being fought.

One problem with these regional formations in terms of their potential to support a developmental social policy is that they are primarily projects to liberalize trade and seek regional political dominance. Indeed, the proliferation of regional formations indicates a willingness on the part of governments to commit themselves to collaboration around trade issues, but these commitments have (so far) rarely extended to collaboration around social welfare or developmental ones. Since regional formations that have developed some form of social dimension are therefore relatively few and far between, it is important to understand the models of development they have adopted. The construction of regional formations clearly reflects the present preoccupation with narrow commercial objectives over broad social developmental ones, and the ascendancy of the free trade paradigm more particularly. Indeed, "inclusion", "democracy" and "development" can be found in some regional formations' social policy objectives and responses and provide useful policy levers for groups that wish to advance a more coherent regional social policy. However, responses that are at once inclusive *and* democratic *and* developmental are far harder to locate.

Of particular note is the recent move to greater transnational coordination in both economic and social policy. This entails, on the one hand, accelerated institutionalization of free trade agreements at multilateral and regional levels, and, on the other hand, the formulation of a more coherent development policy framework that enhances the prospects of implementation of the type of national social, economic and political institutional reform desired by development agencies. The evolution of many regional trade agreements into "free" trade agreements and the adoption of social development goals (by Southern regional formations in particular) was remarked upon critically. This is because, far from being (semi-)autonomous vehicles for transnational development collaboration on the terms of member states, these formations appear to be used as a conduit through which to channel multilateral and regional trade and development agencies' goals into national policy. Furthermore, international development agencies' recent re-evaluation of the importance of the state in socioeconomic development has not extended to a re-evaluation of the model of development itself. If anything, there has been an entrenchment of the existing commitment to global economic integration, through free trade and economic growth driven by private capital investment and trade, and to social development, through social and economic inclusion underpinned by safety net public social provision. Only now it is accompanied by more explicit attention to anti-poverty objectives.

While on the basis of current arrangements it is hard to conclude that current regional— and indeed multilateral—social policy paradigms are compatible with or conducive to an inclusive, democratic, developmental social policy, it would be inappropriate to conclude that this social policy model has no place in transnational— or indeed national—formations and arrangements.

It might be appropriate to conclude by returning to the importance of social and political struggle in deciding social policy. The main aims of existing regional formations are economic in nature and there are major difficulties in extending their range to include a social agenda or dimension, except in terms of safety net provision in line with social liberalist orthodoxy. Nevertheless, the preponderance of emphasis on economic issues has led to a response from civil society organizations demanding that social issues be considered by emergent regional formations. In making these demands, civil society is proceeding with its own form of social policy formation in opposition to neoliberal orthodoxy, and it is here, perhaps, that the greatest promise for the development of an inclusive, democratic and developmental social policy may be found. While this position is open to criticism from the political Left, it was, after all, the long slow march through the institutions that the only substantial regional social policy that has so far appeared—that of the EU—was constructed, and this was done through concerted and sustained social and political organization.

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