

Redistributive, Neoliberal or New Paradigm?

NEW DIRECTIONS IN SOCIAL POLICY IN SOUTH AFRICA

Social policy in South Africa appears to be at a crossroads. Both redistributive social aims and neoliberal economic objectives compete to shape its current trajectory. It remains uncertain whether social policy is moving towards a more redistributive model, whether it serves as a mere complement to primary economic goals, or if it is in fact moving in a new direction. The South Africa case study for the UNRISD project, *New Directions in Social Policy: Alternatives from and for the Global South*, aims to assess whether we are seeing a transformative shift in South African social policy.

Competing Paradigms

Understanding social policy in South Africa means making sense of the backdrop of apartheid and subsequent political change in the country. Shortly after the transition to democracy in the mid-1990s, South Africa adopted a strong commitment to social developmental policies. However, progress has been hampered by serious fiscal resource constraints and conflicting professional, organizational and sectoral interests. In addition, policy makers have had to contend with a historical legacy of extreme, multidimensional poverty and inequality, exacerbated by persistently high unemployment rates.

Driven by these challenges, South Africa has on the one hand taken a redistributive approach, investing considerably in social assistance as well as health, education and housing, and achieving relatively high social spending for a middle-income country. This investment is shored up by constitutional protection of civil, political, social and economic rights. The focus on social policy was anchored in the 1997 White Paper for Social Welfare which frames social and economic development as interdependent within a broad policy framework. Restructuring the administration of the social security system and establishing the South African Social Security Agency in 2006 has further supported this approach.

Progress has, however, not been without tensions arising from conflicts between this redistributive approach and increasingly pervasive neoliberal ideas, norms and policies. For example, contrary to the government's commitment to social goals, the 1997 Growth, Employment and Redistribution programme (GEAR) focused on creating a globally competitive economy and emphasized fiscal austerity. Similarly, contradictory directions can be observed in social policy, such as the introduction of conditionality in the Child Support Grant on the one hand, and moves toward making the Old Age Pension universal on the other.

Research Themes and Questions

Is social policy development in South Africa moving toward a more comprehensive redistributive model or will social policy simply end up playing a complementary role to neoliberal policies? Or are we seeing a new paradigm that combines the two, and which could potentially become a model to be adapted to other contexts?

This case study will aim to answer these questions by investigating cross-sectoral policy linkages,

New Directions in Social Policy

Project Objectives By examining the emergence, nature and effectiveness of recent developments in social policy in selected emerging economies and low-income countries, this three-year research project aims to contribute evidence and analysis that will improve understanding of alternative policies for social development in the 21st century.

This research aims to shed light on the policy options and choices of emerging/developing countries; how economic, social, political and institutional arrangements can be designed to achieve better social outcomes given the challenges of the contemporary development context; how the values and norms of human rights, equity, sustainability and social justice can be operationalized through "new" social policies; and how experiences, knowledge and learning about innovative approaches can be shared among countries in the South. A project brief is available at www.unrisd.org/pb4

UNRISD Research Team The Research Coordinator for this project is Ilcheong Yi, and Elizabeth Koechlein is the Research Analyst.

Funding This project is made possible with the generous support of the Swedish International Development Cooperation Agency (Sida).



Case Study Information

South Africa is one of the seven country and cluster cases for the *New Directions in Social Policy* research project running from 2015 to 2017.

For more information, see www.unrisd.org/ndsp.

Methodology

Quantitative and qualitative datasets will be examined and interviews with key stakeholders will be conducted to produce the primary data. Secondary data will comprise social policy overviews drawing on available literature. These data will be analysed using an analytical framework derived from welfare state and social development literature.

Outputs

The South Africa case study will comprise three research papers and one synthesis paper. Other outputs will include comparisons with findings from other case studies in the project.

South Africa Research Team

The country research is conducted by Marianne Ulriksen, Sophie Plagerson, Laila Patel and Tessa Hochfeld at the Centre for Social Development in Africa (CSDA) at the University of Johannesburg.

political economy and institutional factors, as well as social and economic outcomes in South Africa, in line with the overarching framework of the *New Directions in Social Policy* project (see box).

Linkages between social, economic and environmental policies in South Africa

The discourse of development in South Africa is one of integrated and intersectoral policy reform. Yet in reality, disconnections between policy areas are triggered by segmented administrative structures and budgets, and the conflicting interests of different actors and stakeholders. This considerably weakens the capacity to tackle multidimensional issues, such as persistently high levels of unemployment. The case study will

examine the relationship between social, economic and environmental policies in the mining and public work sectors and identify how they are affected by competing development paradigms.

A political economy and institutional analysis of social policy development in South Africa

The case study will examine two key social policy institutions: the National Health Insurance (NHI); and the South African Social Security Agency (SASSA), which is responsible for the cash transfer system. It will examine the impact of shifting power relations between change agents and defenders of the status quo on continuity and change in social policy programmes. Investigation of these policy cases aims to uncover which political economy factors influence social policy choices and how key institutions affect social policy development.

Gendered social and economic outcomes of social security

Social assistance and social insurance systems are prominent social security mechanisms for women's financial independence. However, as programmes such as the Old Age Pension and Child Support Grant have shown, they can also re-enforce women's traditional social reproductive responsibilities. This third theme assesses the gendered impacts of social assistance and social insurance policies in South Africa and seeks to understand how these systems can support both financial independence and care roles without compromising either.

What is the overall direction of social policy in South Africa?

The findings of the three research themes above will be combined to produce an overall analysis of the complex web of social, economic and environmental policies and provide an evidence-based appraisal of current social policy developments in South Africa. It will explain the factors that shape the nature and contents of social policy making and examine whether tensions between redistributive and neoliberal tendencies are, in fact, producing a new paradigm for social policy in South Africa.

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Through our work, we aim to ensure that social equity, inclusion and justice are central to development thinking, policy and practice.

UNRISD is grateful to the governments of Finland, Sweden and Switzerland for providing institutional funding in 2014. Our work would not be possible without their support.



About Project Briefs

UNRISD Project Briefs pose questions, flag ideas and contribute knowledge that can improve the quality of development debates, policy and practice. They provide a concise summary of an UNRISD research project, situating it within wider social development debates; outlining its focus, objectives and methodology; and highlighting interim findings.

This Project Brief was prepared by Roosa Jolkkonen and Joannah Caborn Wengler.

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