

A New Tool Is Born – The Social Protection Floor Index

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In 2012, the international community adopted Recommendation 202, concerning national floors of social protection, in the International Labour Conference (ILC) in Geneva. The recommendation calls on the 184 member states to implement nationally defined guarantees of income security from childhood through economically active age to old age, as well as access to essential health care. The need for universal social protection policies was acknowledged and reinforced by heads of states in the Sustainable Development Goals adopted in September 2015 in New York.

But moving governments from easy promises at the global level to real policy action at the national level only happens, in many cases, under pressure. How can implementation of social protection policies be supported?

The Global Coalition for Social Protection Floors, founded in March 2012, played an important role in pushing for a strong recommendation at the ILC in 2012 (Global Coalition, n.d.). The coalition is a network of more than 90 civil society and trade union umbrella organisations committed to supporting social protection floors as key instruments to realise the human right to social security and the advancement of social justice. The Global Coalition represents millions of people organised in or affiliated to the umbrella organisations that are members of the Global Coalition.

While the coalition is a powerful voice for keeping social protection on the international agenda, the implementation of social protection floors at the national level needs substantial further engagement of all stakeholders in the field of social protection. One way forward seems to be for national coalitions of civil society and trade union organisations, following the example of the global coalition, to raise awareness and initiate a dialogue on the status quo of social protection in their countries.

The first global index for measuring the degree of implementation of national social protection floors has been developed by the Global Coalition, the Friedrich-Ebert-Stiftung, and researchers from the Maastricht Graduate School of Governance of the United Nations University of Merit to assist such processes.

How does the index work?

The recently published first edition of the Social Protection Floor Index (SPFI) measures the resources that would theoretically be required, as a percentage of a national GDP, to close gaps in the national social protection floor

(Bierbaum et al, 2016). It indicates the magnitude of financial resources a country would need to invest in social policies to rectify the shortfalls. A country's index value thus directly signals the extent of the policy and fiscal challenges that it faces should it wish to close the gaps. The index informs governments as well as trade unions, civil society organisations, and other stakeholders about the need for corrective policy action by comparing the implementation of social protection floors across countries, and, in future, by monitoring countries' progress over time.

An advantage of the SPFI is the ease of its interpretation, because it ranks and compares countries clearly. Another advantage is that it is directly linked to the UN concept of social protection floors, which allows for an inclusive assessment of social protection policies.

Recommendation 202 states that social protection floors should guarantee basic income security over the complete life-cycle. The index was therefore constructed in a way that shortfalls in basic social security guarantees are detected, rather than attainments. Looking at the results of the SPFI in 2012, it becomes obvious that many countries do not have to invest unreasonably large amounts to fully comply with Recommendation 202 and the social objectives of the new Development Goals. Showing that this is an affordable exercise makes it clear that providing social protection to all residents depends mostly on political will.

Why is the index useful?

Trade unions, civil society and other stakeholders can use the SPFI to convince decision makers that social protection floors are within reach in their country, and to initiate discussions about the priorities for national spending.

To illustrate how the SPFI could be used over time, we calculated the protection gap for Vietnam and Brazil in 2002 and in 2012. We found that the protection gap in Brazil decreased from 0.9% of GDP in 2002 to 0.3% of GDP in 2012. In Vietnam the figures are even more interesting because they show a reduction in the protection gap from 12.7% of GDP in 2002 to only 2.6% in 2012. In both cases the results show the progress of both countries in reducing poverty by investing in social protection policies in times

of economic growth.

What we still do not know is which programs worked best. Which factors had influenced the different SPFI results? To answer these questions, a closer look at the social-economic development of the country between 2002 and 2012 would be necessary. Such research can foster in-depth dialogue on shortfalls and successful implementation of national social protection policies. On the basis of the SPFI, such a dialogue can be initiated by any stakeholder (civil society, trade unions, governments or others) that has a vital interest in the improvement of a country's social protection coverage.

The need for international support for social protection floors

For the countries at the bottom of the ranking – for example countries where the required resources exceed 10% of GDP – the index shows clearly that international support must be made available in order to implement a floor of social protection in line with Recommendation 202 in those countries. The Global Coalition advocates strongly for a Global Fund for Social Protection, to finance or co-finance such investments in a reliable and predictable manner. The idea of the fund was first raised in 2012 by Olivier De Schutter, the UN special rapporteur on the Right to Food, and Magdalena Sepúlveda, the UN special rapporteur on Extreme Poverty and Human Rights (De Schutter and Sepúlveda 2012). Even though the idea of a fund was not taken up at the Addis Conference on Financing for Development in 2015, there are ongoing debates about how to provide international support for those countries that are unable to implement social protection policies by themselves.

Here again, the index could be used by trade unions, civil society organisations and other stakeholders to advocate for the provision of international aid for the implementation of sound social policy floors in all countries, especially the poorest, because social protection constitutes an important element of inclusive, equitable and sustainable development. It influences the economic, social and environmental dimensions of sustainability and preservation of livelihoods.

As this world becomes significantly richer, no woman, no man and no child need to live in social insecurity, poverty or apprehension. The SPFI should be used in order to raise awareness on the affordability of social protection floors and to push governments to comply with Recommendation 202 and the implementation of the Sustainable Development Goals.

References

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