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The Dynamics of Redistributive Social Policy in Latin America

Collective Mobilizations, Political Allies and Institutions

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Abstract

Latin America remains the most unequal region in the world despite a long history of welfare state development. The first social protection schemes in the 1920-40s were circumscribed to a small number of politically influent groups (e.g. military, civil servants), but a progressive turn toward more inclusive social policies in the 2000s has extended coverage to low-income households, informal and rural workers. Comparative analyses of social policy expansion in Latin America highlight the importance of political factors such as democratic legacies and left party involvement, but several case studies have also observed an effect of extra-institutional forms of political participation routinely used by citizens to express their discontent and influence governments. The aim of this paper is to explore the determinants of universalistic social policies in 18 Latin American countries starting from the 2000s taking into account social mobilization, politics and socio-economic institutions. The analysis focuses on two sectors – social assistance (programas de transferencias condicionadas, pensiones sociales) and healthcare – which in contrast to social security programmes target outsiders, i.e. individuals out of formal employment and not covered by contributory social insurance.

Keywords

Social policy; social assistance; outsiders; inequality; protest; Latin America

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Introduction

Latin America remains the most unequal region in the world despite a long history of welfare state development. The first social protection schemes in the 1920-40s were circumscribed to a small number of politically influent groups (e.g. military, civil servants), but a progressive turn toward more inclusive social policies in the 2000s has extended coverage to low-income households, informal and rural workers. Comparative analyses of social policy expansion in Latin America highlight the importance of political factors such as democratic legacies and left party involvement (Huber and Stephens 2012a), but several case studies have also observed an effect of extra-institutional forms of political participation routinely used by citizens to express their discontent and influence governments. The aim of this paper is to explore the determinants of universalistic social policies in 18 Latin American countries starting from the 2000s taking into account social mobilization, politics and socio-economic institutions. The analysis focuses on two sectors – social assistance (programas de transferencias condicionadas, pensiones sociales) and healthcare – which in contrast to social security programmes target outsiders, i.e. individuals out of formal employment and not covered by contributory social insurance.

The paper is organized as follows: first, it traces the main historical phases of welfare states in the region; secondly, it reviews theories explaining the inclusive turn in Latin American social policies in the 2000s; thirdly, it looks at trends in collective mobilization and presents a preliminary analysis of the social policy impacts of protest in the region. The final section discusses these findings in light of the future avenues for research.

Social Policy in Latin America: historical phases

Welfare state trajectories in Latin America are in many ways different from those of the advanced economies of Western Europe and North America. In this section, we outline the main phases of the history of the welfare state in the region. While recognizing that the way social policies are financed, designed and administered vary significantly across the region, our main interest here is on the common traits and trends of Latin American welfare states rather than the details of national systems.

In Latin America, the foundations of the welfare state were generally laid between the 1920s-1940s under authoritarian regimes or in the context of weak democratization, and resulted in the construction of stratified and regressive welfare systems (Mesa-Lago 1978). The history of welfare state development in the region is generally viewed as a top-down process as the "history of elite accommodation, elite's state building and elite's attempts to co-opt and control non-elite sectors than a history of popular achievements and shaping from below" (Filgueira 2005:4). Argentina, Brazil, Chile, Costa Rica, Uruguay were the pioneers in this period. The first social policies targeted strategic and privileged groups (military, civil servants) with new social security schemes progressively developed in the 1950-70s to incorporate other social groups (urban working and middle classes). These welfare systems worked according to Bismarkian principles with social rights linked to social contributions, and did not offer protection from many social risks such as invalidity, old age and lack of formal employment. In many ways this model represented an exclusionary version of European corporatism because of the lack of a non-contributory social assistance pillar. The progressive extension of social rights to the working classes left the most vulnerable social groups without protection and especially

those outside formal labour relations or living in rural areas who did not pay payroll taxes. Welfare systems were also inherently gender biased since women were over-represented in the informal economy and enjoyed fewer social rights, often only as dependents of formal sectors male workers. Social policies were financed prevalently through high payroll contributions which were made possible by the high tariff protections enjoyed by the manufacturing sector (Import Substitution Industrialization, ISI). Therefore, governments could expand social policies without strengthening tax systems and having to come to terms with economically dominant groups, which was to remain a major weakness of social security systems in the region thereafter (Huber and Stephens 2012a).

In the 1980s, the thrust towards the progressive incorporation of increasing shares of the population came to an end due to the break-down of the ISI model, deep economic crises and the need to obtain external financial aid. Widespread debt crisis in the region provided institutions such as the International Monetary Fund (IMF) and the World Bank (WB) with considerable leverage to impose structural adjustment policies inspired by the neoliberal doctrine (the so called "Washington consensus"). In the area of social policies, recommendations emphasized the privatization of social security, increasing reliance on market providers in education and healthcare, and the targeting of public resources to the neediest only (Huber and Stephens 2012a). These prescriptions did influence policies directly through the conditionality of funds and indirectly through domestic networks of technocrats. Despite a clear trend in the region toward more competitive and representative political systems, the economic situation and international pressures constrained the new democratic governments' ability to expand social policies.[1] Reforms in this period were driven by concerns with reducing fiscal deficits rather than strengthening protection. The Chilean pension reform of 1981 paved the way to the full or partial privatization of pension funds in almost all countries with advanced systems of social protection in the region (Brooks 2009). In the field of healthcare and education, reforms were not as straightforward because of the higher number of stakeholders involved, but they also tended to promote greater privatization and decentralization (Huber and Stephens 2012a; Mesa-Lago 2008). Social protection was also weakened by labour market and trade reforms which produced loss of industrial jobs and the expansion of the informal sector, which effectively reduced both the coverage and the funding sources of social security systems in the region.

Since the early 2000s, Latin America is considered to have entered a post-neoliberal phase and decisively taken an inclusive turn (Huber and Stephens 2012a). Across the region, countries have introduced reforms aimed at greater inclusivity in education, healthcare and pensions. These changes marked a stark departure from both the long standing tendency to privilege middle and upper class formal-sector workers and the neoliberal turn of the previous period (Brooks 2015). Even if welfare systems in the region continue to a large extent to be stratified, sustained efforts have been made to increase coverage to those sectors of the population formerly without social protection and to rethink the boundaries between contributory and non-contributory cover (Cecchini et al. 2014; Filgueira 2005). Scholars have identified a number of factors for these developments such as the left turn in government, the commodity boom, electoral competition, and widespread social mobilizations. International financial institutions such as the World bank and development agencies also shifted from advocating social security

[1] Government ability to resist these international pressures varied greatly shaped by various constellations of factors (size of the economy, strategic international position, policy legacies, balance of political power (Huber and Stephens 2012a; Pribble 2013).

privatization to vigorously promoting the expansion of social assistance for vulnerable social groups (particularly, children from the poorest households) (Brooks 2015).

The magnitude of social policy change has been striking. Almost every country in the region has now introduced some form of basic social assistance (Holland and Schneider 2017). The share of people living in poverty in the region fell from 45.9 percent to 30.7 percent between 2002 and 2014 and the decline was especially high in rural areas (-17.5 percent) (CEPAL 2018). Although Latin America remains the most unequal region in the world, the Gini index also fell on average 5 percent during this period (CEPAL 2018). Reforms were inspired by ideas of basic universalism targeting large sectors of the populations (starting from the poor) (Cecchini et al. 2014) and swept across all major policy sectors. Measures included flat-rate social pensions, guaranteed minimum citizenship incomes, and publicly financed coverage for defined sets of health risks (Cecchini and Atuesta 2017). In 2004, Chile's president Ricardo Lagos introduced a programme (AUGE) to guarantee people's rights in relation to health care for a specified list of conditions (initially set to 56 and progressively expanded to 69 by 2011) (Pribble 2013). Lagos also promoted Chile Solidario, a programme which offered income support and access to a variety of social services to the extremely poor. Also in Chile, president Michelle Bachelet reformed the pension system in 2008 by introducing a solidaristic pillar that guaranteed a minimum pension to those below 60 percent in the income distribution (Huber and Stephens 2012a).

Between 2003-2006, Nestor Kirchner in Argentina extended the system of non-contributory pensions and allowed 60-year-old housewives to retire even in the absence of contributions (Niedzwiecki 2014). Other countries also introduced universal non-contributory pensions in this period: Bolivia (Renta dignidad, 2008), Colombia (Programa de Protección Social al Adulto Mayor, 2003), el Salvador (Nuestros Mayores Derechos, 2009), Ecuador (Pensión para Adultos Mayores, 2003), Guatemala (Aporte Económico del Adulto Mayor, 2005), Mexico (Programa 70 y más, 2007), Peru (Pension 65, 2011), Venezuela (Amor Mayor, 2011). These measures represented important advancements of the right to a basic income in old age for low-paid workers, people in rural areas and women. Many governments across the region adopted similar measures in reforming their pension, healthcare and social assistance systems.

Data on aggregate social expenditure provides some indication of the ability of Latin American governments to build more inclusive social protection systems (table 1). More than half the increase in social expenditures between 1990 and 2013 comes from relatively inexpensive cash transfer programs (Holland and Schneider 2017). Patterns of social spending on services such as healthcare and education are more complex with spending rising in some countries (particularly in Chile, Colombia, Costa Rica, Ecuador, Nicaragua) but falling in others. Health care in particular accounts for only a small share of financial resources compared to other sectors (on average 1.9 percent of GDP in 2015, with several countries spending less than 1 percent). Contributory social insurance remains instead largely untouched and absorbs a substantial amount of public budgets (on average 3.4 of GDP in 2014, and nearly as much as 10 percent in some countries). Despite these common trends, there is persisting divergence in the region both in welfare effort and outcomes. Garay (2016) distinguishes two paths towards universalism (restrictive vs. inclusive), while Pribble (2013) as many as four (pure, advanced, moderate and weak) as well as cases of no, regressive and failed reforms. Moreover, reforms often occurred through a process of institutional layering with new social policy created on top of the old ones,

thereby creating two-tier welfare systems which leave unaddressed many of the weaknesses of the contributory systems (Holland and Schneider 2017).

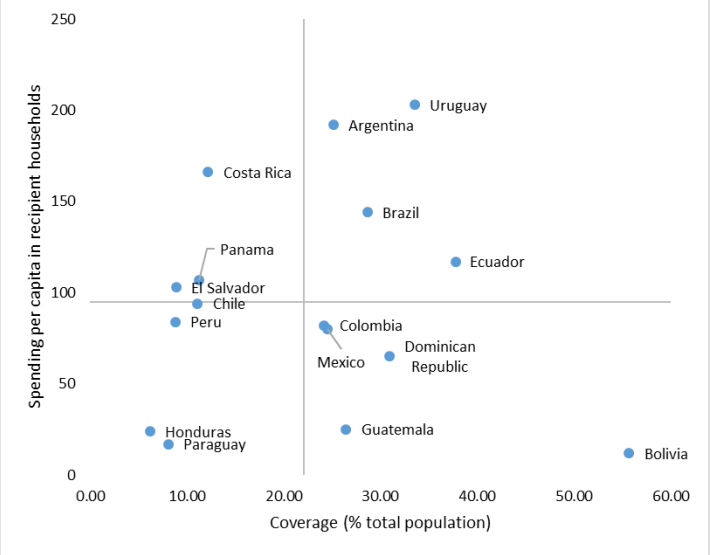
Table 1: Change in social spending in Latin American Countries as % of GDP, 2000-2015

	% of population living in poverty 2014	Gini Index 2014	Total Social expenditure 2014	% Change in total social expenditure	% Change in Health expenditure	% Change in Education expenditure	% Change in Social security expenditure
Argentina	n/a	n/a	13.4	3.9	-0.1	0.7	2.8
Bolivia	39.1	0.49	11.6	0.0	0.2	0.0	-0.2
Brazil	13.3	0.55	12.2	0.9	-0.2	0.0	1.4
Chile	14.4	0.51	15.1	0.9	1.4	0.8	-1.4
Colombia	28.5	0.54	9.6	5.0	1.5	1.2	1.7
Costa Rica	22.4	0.51	10.8	4.8	0.7	3.8	0.0
Dominican Republic	34.6	0.52	7.8	2.9	0.4	1.9	1.0
Ecuador	22.5	0.45	8.8	6.3	1.7	3.0	0.8
El Salvador	31.8	0.44	7.5	0.9	0.7	0.6	0.9
Guatemala	59.3	0.55	7.5	1.0	-0.1	0.5	0.1
Honduras	62.8	0.56	9.7	1.8	-0.1	1.0	0.7
Mexico	53.2	0.49	10.8	3.8	0.7	0.8	1.5
Nicaragua	29.6		10.3	3.6	1.0	1.2	-0.6
Panama	25.6	0.52	8.4	-0.1	0.0	-0.8	-0.2
Paraguay	27.2	0.54	11.2	n/a	n/a	n/a	n/a
Peru	22.7	0.44	6.0	n/a	n/a	n/a	n/a
Uruguay	9.7	0.38	14.3	n/a	n/a	n/a	n/a
Venezuela	32.6	0.41		n/a	n/a	n/a	n/a
Latin America*	28.5	0.49	10.0	2.3	0.6	0.6	0.8

**Source: CEPALSTAT, Social Indicators and Statistics.* Poverty rate on Chile is from 2013. Gini coefficient for Bolivia, Chile, Honduras, Venezuela is from 2013 and 2009 for Peru. % change in social expenditure for Brazil and Uruguay refer to 2001-2014 and for El Savador 2002-2014. Data for Latin America includes Cuba, Jamaica, Haiti and Tobago and Trinidad.

Looking at non-contributory programs, we can observe great diversity both in coverage and benefit levels across countries. Figure 1 shows that we can distinguish at least four grouping of countries with regard to conditional cash transfers (CCTs): those that offer generous benefits to large segments of the population (Argentina, Uruguay, Brazil and Ecuador); those that give a little also to large segments of the population (Colombia, Dominican Republic, Guatemala; Mexico); those that provide generous benefits only to a few well-defined groups (Costa Rica, Panama, El Salvador); those that give little only to those in extreme poverty (Chile, Honduras, Paraguay, Peru).

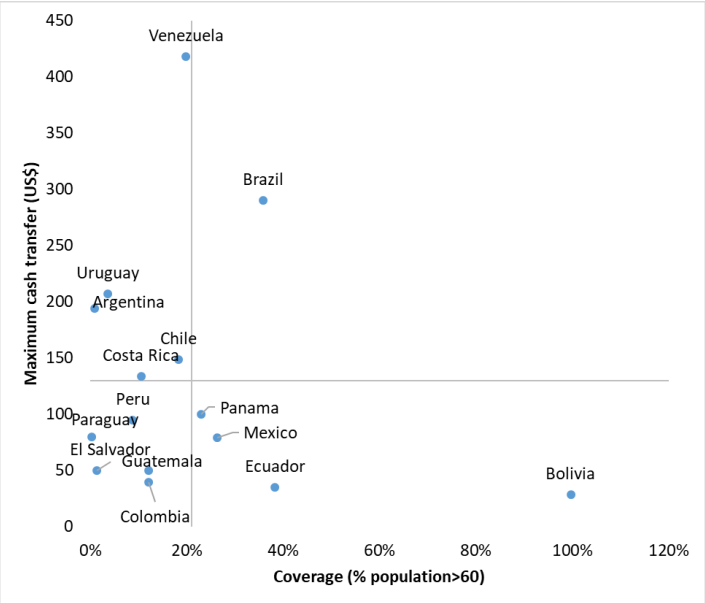
Figure 1: Coverage and spending per capita of CCTs in Latina American countries, 2010



Source: Own elaboration based on data from Cecchini and Atuesta (2017)

Cross-national differences are also visible, although not as marked, in social pensions (i.e. unconditional cash transfers targeting older individuals who do not have access to contributory pension) (figure 2). The majority of countries offers only low benefits to elderly people in situations of extreme need (Colombia, Guatemala, El Salvador, Panama, Peru, Paraguay). A few countries with well-developed pension systems (Argentina, Chile, Costa Rica, Uruguay) provide a minimalistic pension tier for those not entitled to contributory pension. A third group (Ecuador, Mexico, Panama) also provides low benefits but to larger portions of the population. Two cases in particular stand out. In Brazil, the Beneficio de Prestação Continuada introduced in 1993 warrants the right to an income equal to the minimum wage people older than 67 with per capita household income below 25 percent of minimum wage. Bolivia instead is one of the few countries in the world to provide a universal old age pension (Renta Dignidad), even if its value remains low.

Figure 2: Coverage and maximum transfer of non-contributory pensions in Latina American countries, 2010



Source: Own elaboration based on data from CEPAL, Base de datos de programas de protección social no contributiva en América Latina y el Caribe. Data for Venezuela and Peru refers to 2012

Explaining the inclusive turn in Latin America Social Policy

In this section we present the state-of-the-art in explaining the inclusive turn in Latin American countries starting from the 2000s. We focus in particular on the introduction of measures targeted to outsiders and the influence of social mobilizations on social policy innovation in the region. Latin American countries are characterized by deep insider-outsider divides because large segments of the population work in the informal economy and lack social protection (Garay 2016). In this view, studying the socio-economic and political determinants of social policies for outsiders in Latin America can generate insight which is germane also to high income countries such as those of Western Europe, where insider-outsider cleavages have been on the rise (Rueda 2014; Emmenegger et al. 2012).

The theoretical frameworks used to explain trajectories of social policy expansion in Latin America have highlighted the importance of combinations of economic, institutional and political factors (table 2). According to Pribble (2013), differences in policy legacies, electoral competition and the character of political parties determine governments' ability to undertake universalistic social policies. Franzoni and Sánchez-Ancochea (2016) highlight instead the importance of policy architecture and the presence of state actors involved in international policy networks, stating that these are the key factors behind the reforms. Several studies have also noted the importance of social mobilizations from below, in particular when they enter alliances with strong labour unions.[2] The timing of social policies also matters with factors gaining relevance in specific periods, for instance democratization between 1980 and 2005 (Filgueira 2005; Huber and Stephens 2012a). Several authors also highlight variation in the constellations factors shaping reforms across policy sectors and instruments.[3]

Table 2: Main explanatory factors of universalistic reforms in Latin American countries (2000s)

Type of factors	**Description**
Economic	Economic factors such as globalization and economic growth shape the set of constraints and opportunities faced by political actors when attempting to reform existing programs. The rise in commodity prices in the 2000s and the consequent increase in state revenues are generally considered important determinants of social policy expansion. In this view, the adoption of universalistic measures depends on policymakers' perceptions of budgetary constraints and the fiscal costs of reforms (Castiglioni 2018). However, resource availability alone does not explain why governments decided to 'invest' in protecting outsiders (Garay 2016; Pribble 2013). Undoubtedly the favourable economic climate has increased government room for manoeuvre, but is not sufficient to explain policy reform.
Institutional	*Social policy legacies* Authors have identified a number of mechanisms through which pre-existing social policies influence prospective reforms. First, policy legacies define which social problems are important and should be addressed, and consequently where governments should focus their efforts (Niedzwiecki and Pribble 2017). Secondly, social policies shape the distribution of power and interests inside specific policy sectors, which in turn shapes the electoral costs and benefits that government face when trying to implement reforms (Pribble 2013). Existing policy architectures contribute to define the set of feasible policy options for reform (Franzoni and Sánchez-Ancochea 2016). Finally, the

[2] Castiglioni 2018; Garay 2016; Niedzwiecki 2014; Anria and Niedzwiecki 2016.
[3] Castiglioni 2018; Holland and Schneider 2017; Mesa-Lago 2008.

	scope and levels of existing benefits influence possibilities for the formation of coalitions supporting reforms. Universal and egalitarian schemes favour the formation of broad social coalitions based on commonality of interests, while segmented schemes hinder the formation of such alliances (Garay 2007). *Democratic legacies* Several studies find that democratic states tend to invest more in welfare programmes. Democratic rule influence social policy by allowing groups in society to organize politically and by rendering state repression of collective mobilization costly (Huber and Stephens 2012a; Garay 2016). Furthermore, democracy brings electoral pressure to the fore making political leaders more sensitive to the social needs and demands of the poor (Segura-Ubiergo 2007). Democratic rule is generally viewed as a precondition for the expansion of social policies.
Political actors	*Partisanship* Several authors emphasize the impact of the left turn in the 2000s when 10 Latin American countries elected left-wing executives (Huber and Niedzwiecki 2015; Huber and Stephens 2012a). This argument rests on the idea that leftist governments are programmatically committed to the reduction of inequalities and the expansion of social rights (Weyland et al. 2010; Levitsky and Roberts 2011). While left parties clearly play a role in the adoption of universalistic reforms, this theory has been criticized on several fronts. First, left parties have been most active in advancing the rights of formal sector workers rather than outsiders (Garay 2016). Secondly, theories that focus on left-parties dominance cannot account for several instances in which measures favouring outsiders were undertaken by conservative and right-wing governments (Colombia, Chile, Mexico) (Fairfield and Garay 2017; Niedzwiecki and Pribble 2017). Finally, authors argue that to understand the effect of left parties on policy expansion, further conditions must be included such as the type of party organization, external linkages, and mobilizations of societal actors (social movements, associations of stakeholders, business organizations).[4] In the highly presidentialist systems of Latin America, parties across the ideological spectrum are more likely to embark on large-scale expansion of non-contributory benefits when they face competition for outsider votes in presidential elections (Garay 2016; Fairfield and Garay 2017); this dynamic is particularly strong when right-wing parties face competition from the left (Pribble 2013). *Social Movements* Contrary to the literature on advanced welfare states which tends to emphasize institutional actors (parties, organized interests), studies of pro-outsider policies in Latin America highlight the importance of social mobilizations on the adoption of such measures. In a study of Chile, Uruguay, Mexico and Brazil, Garay (2016) argues that inclusionary reforms occurred in countries that experienced large-scale social mobilization propelled by coalitions of social and labour movements. Anria and Niedzwiecki (2016) show that alliances between left parties, unions and popular movements played a decisive role in achieving the universal pension scheme (Renta Dignidad) in Bolivia. The introduction of a Unified Health System in Brazil in 1988 was the result of pressures from the Sanitarista movement (Niedzwiecki 2014). Movements have influenced policymaking through institutional channels and by staging large-scale protests. Three types of alliances seem important for mobilizations to produce policy impacts: 1) broad social coalitions among outsiders, 2) support from labour organizations; 3) alignment with existing political parties (or the creation of new parties as, for instance, in Bolivia and Venezuela).

Source: own elaboration.

[4] Pribble 2013; Garay 2016; Castiglioni 2018.

The factors described above interact through conjunctural causation to produce uneven patterns of social policy reforms. Differences in how these variables combine account both for the adoption (or lack) of universalistic social policies and differences in the kind of policies enacted (Garay 2016; Pribble 2013). Two distinct paths leading to universalistic reforms are generally identified. The first characterized as "universalism from above" occurs when incumbents face strong electoral competition for outsiders (Chile, Mexico). The second involves instead a bottom-up process of coalition building by social movements and labour union pushing for reforms through large-scale social mobilizations (Argentina, Brazil, Uruguay). The latter approach is more likely to achieve fuller or more inclusive forms of universalism than the former which often leads to the creation of two-tier systems.

Protest and collective mobilization in Latin America (1990-2014)

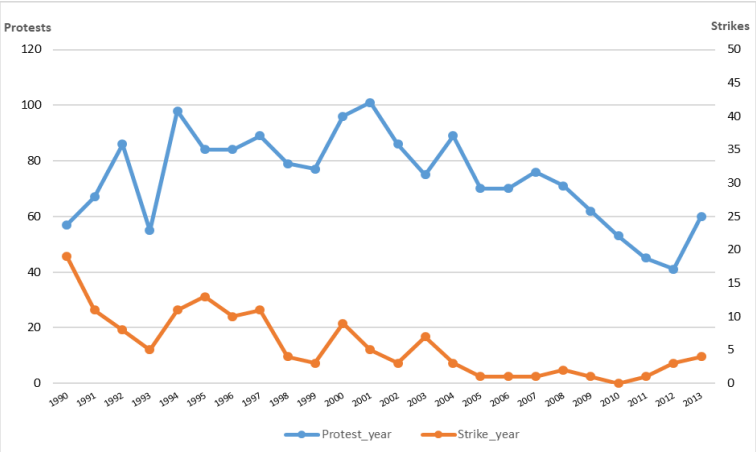
Social movements seek to influence social policies through a variety of mechanisms: 1) putting pressure on governments through institutional channels (e.g. lobbying); 2) building linkages with political parties; 3) staging protests (Tilly 2008). While social movements may simultaneously adopt all three strategies, organizations (such as those of outsiders) who have little access to policy-making generally privilege protest (Garay 2016). There is a substantial body of literature showing that protests influence social policies by disrupting regular activities, by shifting public opinion and creating electoral threats for incumbent governments or by increasing the salience of an issue (Amenta et al. 2010; Giugni 2004). Such mobilizations have been a critical factor in expanding benefits to outsiders in Argentina and Brazil (Garay 2016). In this section, we provide a preliminary analysis of the impacts of protest on two policy areas that reflect the degree of commitment with universalism of different countries in the region: healthcare and social assistance.

To measure protests, we use the Mass Mobilization (MM) data project of the University of Binghamton (Clark and Regan 2016). This dataset contains events in 162 countries, covering the period 1990-2013. The MM project uses Lexis-Nexis to search the terms "protest", "demonstration", "riot" and "mass mobilization" in four newspapers (New York Times, Washington Post, Christian Science Monitor, and Times of London). A minimum threshold of 50 protesters had to be met for the events to be counted. More than 10,000 events were coded globally. Industrial action locates at the interface between institutional and contentious politics and is an important manifestation of social conflict, and has thus been included in this analysis. Since the MM dataset does not code strikes, we use the Cross-National Time-Series (CNTS) Data Archive (Banks and Wilson 2017). The CNTS includes "any strike of 1000 or more industrial or service workers that involves more than one employer and that is aimed at national government policies or authority."

Figure 3 summarizes the trajectory of protests and strikes between 1990 and 2013. As the sources of both of protest and strikes differ, their magnitudes are not comparable. In this article, we are not interested in the exact amount of strikes or protests but in depicting meaningful trajectories of the social conflict among countries and between periods. Looking first at the frequency of protests, we can observe that the number of protests grows all through the 1990s and reaches its peak in 2001 (101 protests). According to Almeida (2007), protests included important social sectors such as working class groups (unions) and students mobilizing against

perceived threats to economic benefits and social citizenship rights. Other social groups such as neighbourhood groups, NGOs, women's groups, indigenous communities, local churches, pensioners, and debtor associations were also part of multisectoral coalitions confronting the state. Following 2001, large-scale protest enters a declining phase which spans over a decade. Data for 2012 suggests that there might have been a resurgence of social conflict but we don't have enough data to corroborate this trend. As regards to strikes, it can be noticed that events of political character follow a descending trajectory during this 24-years period. Every peak after 1990 locates at lower levels than the preceding ones. Thus, strikes and protests follow a similar declining trajectory during the 2000s. As it is apparent from Chart 1, there is no clear-cut relationship between protests and strikes (correlation=0.04).

Figure 3: Protest and strikes in Latin America, 1990-2013



Source: Own elaboration based on MM and CNTS data

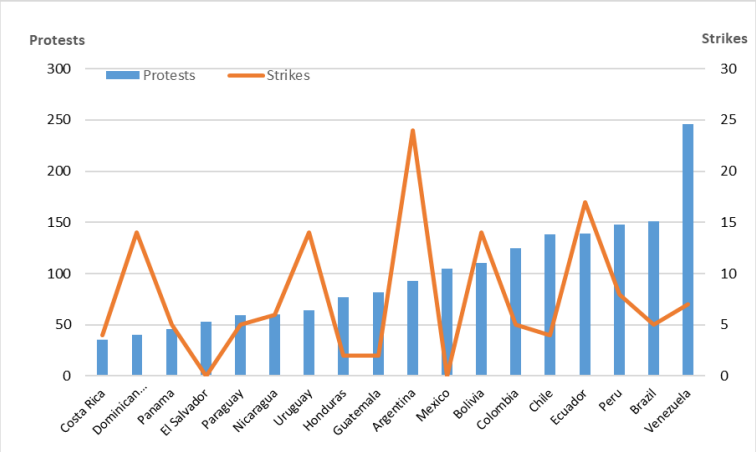
While an analysis of the region as a whole is useful to identify regional trends, not all countries exhibit similar trajectories or levels of social conflict. As shown in figure 4, countries with low/high frequency of protest do not generally coincide with those with those with low/high frequency of strikes –except Costa Rica, Panama, Paraguay, Nicaragua, Ecuador, Bolivia. The explanation for Argentina's below-average levels of protest –while showing the highest level of strikes in the region – is particularly interesting. In this country, community and territorial associations, and organizations of unemployed workers have developed close relationships with labour unions after the second half of the 1990s, and labour unions still retain a significant role in managing social conflict (Almeida 2007). Garay (2016) talks about the emergence of social movement unions to refer to cross-sector alliances between social movements and labour unions which ended up forming alternative labour-union confederations. Other countries with high levels of strikes include Ecuador, Bolivia, Uruguay and Dominican Republic. The combined analysis of both strikes and protests confirms that unions have retained a central role as initiators of large-scale collective mobilization against political authorities in Argentina, Uruguay and Dominican Republic. While in Ecuador, Bolivia and Nicaragua, unions have shared centrality with other civil society organizations, in particular with associations of indigenous people and rural workers.

As many as 14 percent of 1,825 total events of protest occurred in Venezuela, which experienced a very convulsed quarter of century in the aftermath of the Caracazo of 1989.[5] According to Lopez-Maya (2003) "the Caracazo was a turning point in Venezuela's political

[5] The Caracazo refers to the popular protest which broke out in 1989, with unprecedented violence in Caracas and surrounding towns in the context of economic recession and scarcity of basic food products.

history, producing an irrevocable change in the relationship between state and society, above all in the way Venezuelans gave expression to their demands and feelings of malaise". Other countries with rather high frequency of protests are Brazil and Peru (8 percent), Ecuador, Chile and Colombia (7 percent), and Bolivia and Mexico (6 percent). On the other hand, the lowest levels of contention can be found in Costa Rica, Dominican Republic and Panama (below 3 percent). It is also worth noticing that Chile exhibits rather high levels of protest despite being often depicted as an exemplar of stability in the region because of its sustained economic growth and successful transition to democracy (Haggard and Kaufman 2008). Indeed, countries that have experienced intense periods of social conflict such as Ecuador and Argentina do not significantly differ from Chile in terms of overall frequency of protests. Finally, Costa Rica in line with other studies shows the lowest levels of protests in the region (Franzoni and Sánchez-Ancochea 2016), which provides indication of the correctness of the estimates derived from the MM dataset. However, the fact that the countries with the lowest level of accumulated events are those with the smallest populations in the region, suggests that we may need to distinguish countries located in Central America and the Caribbean from those of South America.

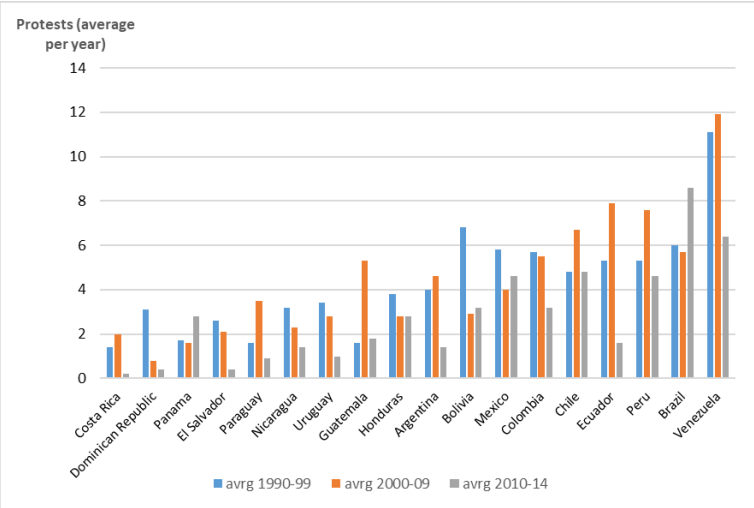
Figure 4: Frequency of protests and strikes per country, 1990-2013



Source: Own elaboration based on MM and CNTS data

Looking at trends in protest over time, we also observe considerable cross-national variation (figure 5). In some countries, the most intense social conflict occurred during 1990s (Mexico, Bolivia, Honduras, Uruguay, Nicaragua, El Salvador, Dominican Republic). In Mexico and Bolivia, significant popular unrest was triggered by major privatization programmes. In Peru, Ecuador, Chile, Guatemala and Paraguay, the most convulse years occurred during the 2000s. The authoritarian government of Alberto Fujimori in Peru (1990-2000) justified repression of popular movements in the name of anti-terrorist operations against guerrilla groups (Sendero Luminoso). In Chile, discontent with the socioeconomic and political institutions emerged with the dictatorship became apparent with the student protests of 2001, 2006 and 2011 (Guzman-Concha 2012). In Venezuela, Brazil, Colombia and Argentina, levels of contention remained high across the two decades.

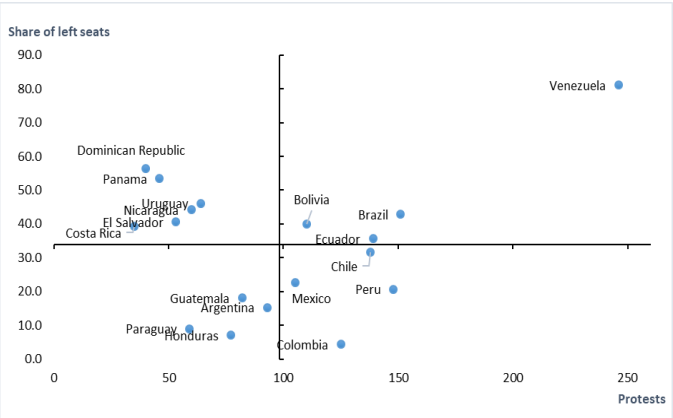
Figure 5: Protest frequency per country by decade (average per year), 1990-2014



Source: Own elaboration based on MM and CNTS data

In figure 6 we look at the political contexts in which protests took place. Political partisanship plays an important role in determining the responsiveness of governments to protest. In a previous study (Ciccia and Guzman-Concha 2018) on advanced economies, we show that governments are more responsive to large-scale mobilizations when left-wing parties are at the opposition and can be more sympathetic to the demands of protestors. While left-wing parties in opposition may benefit in electoral terms in lending support to protestors, once in government they are constrained by existing policies and other forces. We assumed that protests have indirect effects on policymaking, while the institutional power of left parties has more direct effects in shaping reforms. Here, we look at the relationship between the relative power of the left (measured as the share of the seats occupied by left politicians in parliament 1998-2008)[6] and protest (cumulative frequency of events 1990-2008). Our assumption is that protests have a rather indirect effect on policymaking, while the institutional power of left parties has a direct effect in shaping policy reforms. This is usually considered the period of emergence and consolidation of the left turn in Latin American politics which started with the election of Hugo Chavez as president of Venezuela.

Figure 6: Protest and left-wing seats in parliament, 1998-2008



Source: Own elaboration based on MM and the Latin America and the Caribbean Political Dataset

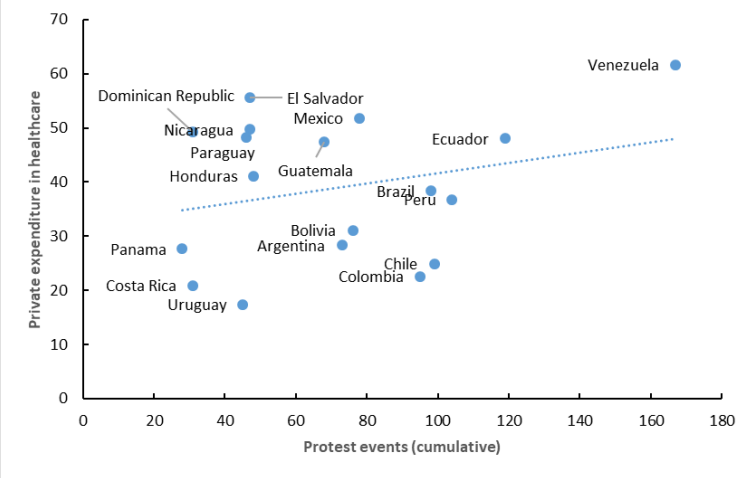
[6] In the presidential systems of Latin America, the share of seats in parliament gives a more accurate measure of the power of the left than the share obtained by left-wing candidates in presidential elections since the former depicts the constraints faced by presidents in their capacity to implement social policy reforms which normally require parliamentary approval and negotiations with various political actors represented in parliament.

In Brazil, Bolivia and Ecuador, intense social mobilizations (over 98 events) took place when the parliament was held for the majority by left-wing parties. Interestingly, this group includes some of the most paradigmatic cases of the left turn in the region. The other countries which are usually included in the left turn (Uruguay, El Salvador, Nicaragua, Dominican Republic, Panama) show low levels of protest (together with Costa Rica). Protest levels were also high in Colombia, Mexico, Peru and Chile where the left held a minority of seats in parliament during this period. Finally, Paraguay, Honduras, Guatemala, Argentina show relatively low levels of protest and lower presence of the left in parliament.

In the next paragraphs, we turn to exploring the relationship between social policies and protest and the prevalence of left-wing parties in parliament. We look at two sectors – social assistance and healthcare – which have seen the introduction of numerous reforms during the 2000s aimed at providing social protection to outsiders. Although the data does not allow to distinguish protests based on their content (e.g. the issue raised), the cumulative frequency of protests provides indication about the extent to which contention represent a regular feature of political participation in a given country. Therefore, while we cannot assess any direct relationship between particular events and specific policy responses, we can use this data to infer about the cumulative effect of protest on trajectories of policy reform.

We first look at the relationship between the level of protests between 1993 and 2008 and the share of private health expenditure to see if social policy legacies shaped collective action. Out-of-pocket expenditures have traditionally been the most important source of financing healthcare, suggesting both insufficiency and inequity in provision (Mesa-Lago 2008). At the beginning of the 2000s, the amount of private expenditure as percentage of total health expenditure was very variable across the region, ranging from 20.5 percent in Costa Rica to 58.7 percent in Ecuador. In much of the literature on outsiders in advanced economies, a pessimistic view prevails on their ability to engage in coordinated action and influence national policies. In the face of extensive mobilizations in several Latin American countries, it is important to identify conditions which favours the emergence of such movements. One such condition is the presence of social programs which create grievances and provide a common target for demands across societal sectors (Garay 2016). Such widespread mobilization is more likely to coalesce around universalistic programmes such as healthcare and education. Figure 7 provides some evidence that several countries with higher levels of private health expenditure have experienced more frequent protests (r=0.26).

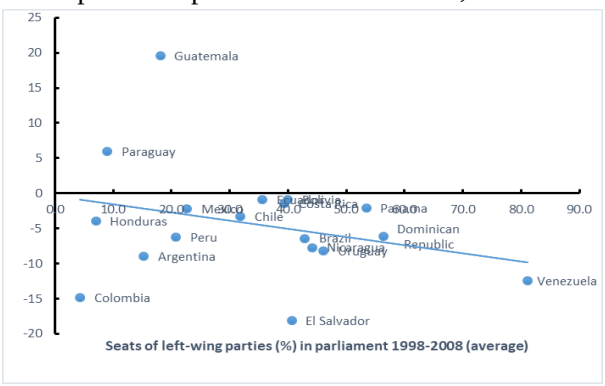
Figure 7: Relationship between share of out-of-pocket expenditure in healthcare (1998) and frequency of protest in Latin American countries, 1990-2009

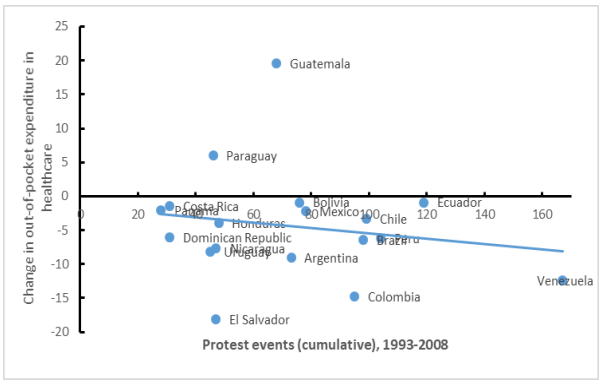


Source: Own elaboration based on MM and CEPALSTAT data

By 2008, sixteen countries had successfully reduced the share of private health expenditure. Only in Paraguay and Guatemala private expenditure had risen (respectively, +6.0 and +19.6 percent). In Costa Rica the existing healthcare system (the Caja Costarricence de Seguro Social, founded in 1941) offers universal coverage to all citizens (including illegal migrants), which explains the small reduction in private expenditure. This country's turn to universalism long preceded the period under examination (Franzoni and Sánchez-Ancochea 2016). Bivariate analysis suggests that both protest (r= –0.21) and the share of left-wing parties (r= –0.28) in parliament are positively associated with higher reductions in out-of-pocket expenditure in healthcare between 1998 and 2008 (figure 8).

Figure 8: Relationship between protest and left-wing seats in parliament and change in share of out-of- pocket expenditure in healthcare, 1998-2008

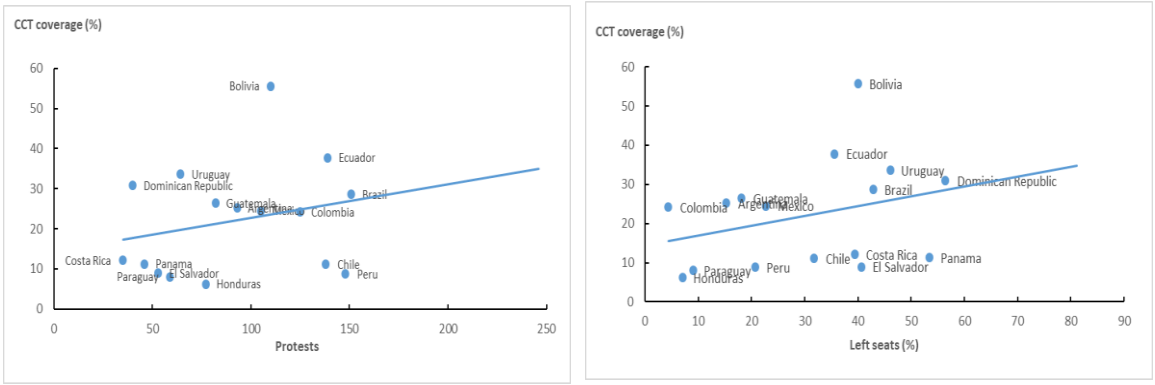




Source: Own elaboration based on MM, and Huber and Stephens (2012b)

Conditional cash transfers (CCTs) are often considered the centrepiece of inclusive social policies in Latin America and by 2015 there were as many as 31 such programs in the region covering 20.9 percent individuals of the total population (Cecchini and Atuesta 2017). CCTs programs combine more efficient targeting and human development goals such as improving children access to education and health (Barrientos et al. 2008). Figure 9 shows that the coverage of CCTs in 2010 is positively related both to protest levels over the period 1990-2009 and the share of left-wing seats in parliament (1998-2008). Indeed, the correlation coefficients are similar for both independent variables (0.30), which can be interpreted as evidence that when protests are more frequent and the left controls parliament, CCTs reach wider populations.

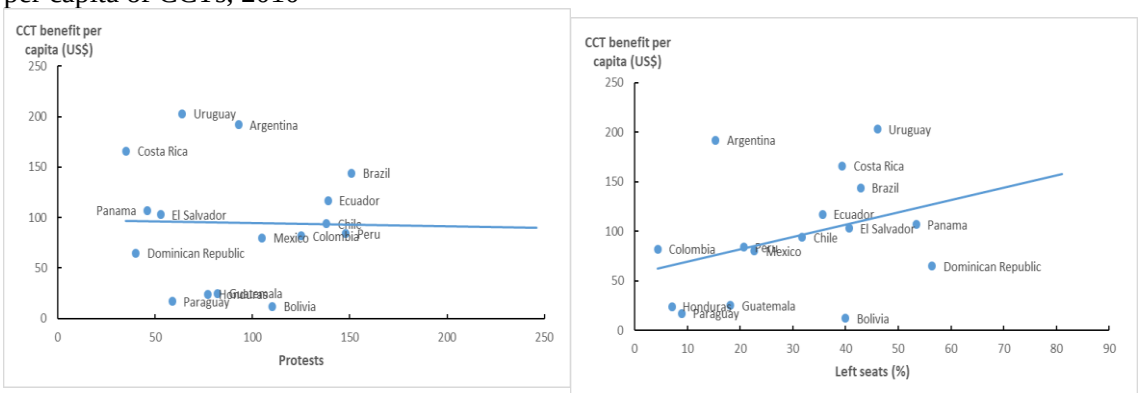
Figure 9: Relationship between protest and left-wing seats in parliament and coverage of CCTs (% total population), 2010



Source: Own elaboration based on MM, Cecchini and Atuesta (2017) and Huber and Stephens (2012b)

Looking at benefit levels of CCTs (figure 10), we observe a strong correlation with the share of left-wing seats in parliament (0.35) but no relationship is apparent with the frequency of protest (-0.01) (1990-2009). This suggests that protests could have been influential in shaping the inclusion of a higher number of social groups (coverage), while the electoral power of the left has influenced both coverage and the generosity levels of CCTs. Several countries (Uruguay, Costa Rica, Brazil, Ecuador, El Salvador, Bolivia) show very dissimilar benefit levels in spite of similar level of left-wing seats in parliament indicating that further conditions must occur for the left to produce this outcome.

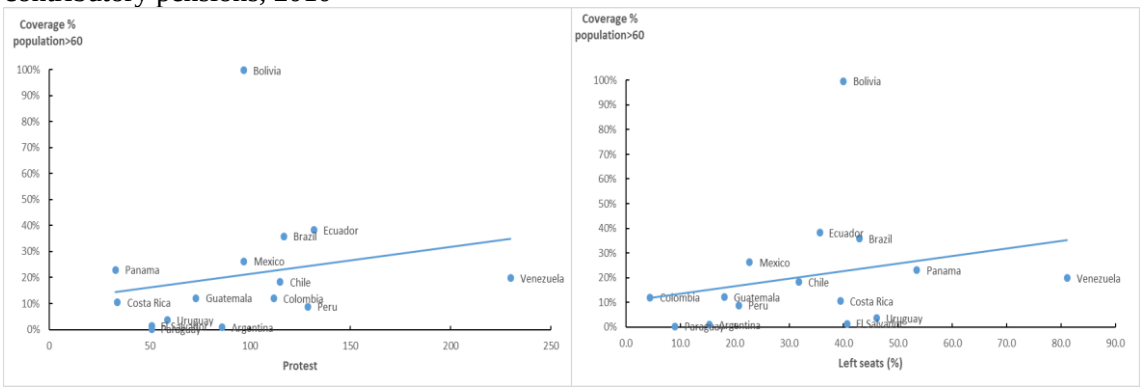
Figure 10: Relationship between protest and left-wing seats in parliament and maximum benefit per capita of CCTs, 2010



Source: Own elaboration based on MM, Cecchini and Atuesta (2017) and Huber and Stephens (2012b)

Non-contributory old-age pensions is another area of social protection where there has been considerable policy innovation over the last decades. Figure 11 shows that both the frequency of protests (r= 0.21) and the share of left-wing parties in parliament (r= 0.24) had a positive influence on pensions coverage. The more frequent the protests and the higher the share of parliament held by the left, the higher the increase in coverage. Bolivia stands out here for providing nearly universal coverage, but other countries with similar levels of protests (Argentina) and presence of the left in parliament (Costa Rica, El Salvador, Uruguay) present very limited coverage.

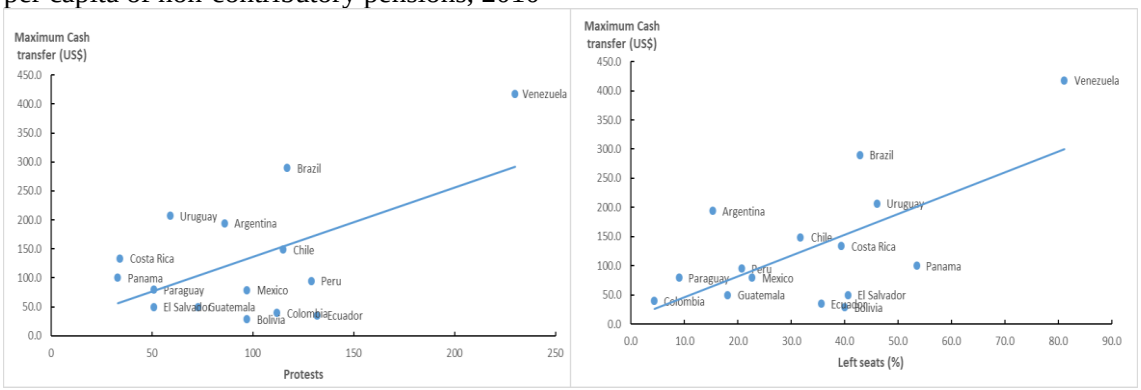
Figure 11: Relationship between protest and left-wing seats in parliament and coverage of non-contributory pensions, 2010



Source: Own elaboration based on MM, Huber and Stephens (2012) and CEPAL, Base de datos de programas de protección social no contributiva en América Latina y el Caribe

To conclude this preliminary analysis, we look at the generosity of non-contributory old-age pensions (figure 12). We observe a clear positive relationship between the maximum amount of benefits and both protest levels (r= 0.55) and the share of left-wing seats in parliament (r= 0.64). This suggests that the generosity of benefits has been generally higher in countries where protests have been intense and parliaments exhibited a higher presence of left-wing politicians.

Figure 12: Relationship between protest and left-wing seats in parliament and maximum benefit per capita of non-contributory pensions, 2010



Source: Own elaboration based on MM, Huber and Stephens (2012b) and CEPAL, Base de datos de programas de protección social no contributiva en América Latina y el Caribe.

Conclusions

This paper is a first step in a more ambitious research effort to investigate the inclusive turn in Latin American social policies in the 2000s. Our central question is to what extent and under which conditions collective mobilizations influence government's propensity to adopt measures targeting outsiders in Latin American countries, and how this varies based on economic and political factors and the type of social policy considered. Previous studies suggest that there is a two-way mechanism between collective mobilization and social policy. On the one hand, social policies create or hinder collective mobilization by influencing the formation of common interests and identities. On the other hand, mobilizations can have a real effect on social policy. Recent events in Chile, Nicaragua and Argentina show that vast social unrest pushed governments to introduce new legislation or withdraw unpopular reforms in education, pensions

and social security. In these countries the presence of broad social coalitions and/or responsive political actors in government were key factors determining these outcomes.

Our preliminary analysis offers evidence of the impacts of protest movements on policies targeting outsiders in Latin America. In particular, we have seen that in countries where protests have been more intense, reforms have been more universalistic and social assistance has been extended to cover larger segments of the population. However, the relative power of left-wing parties in parliament seems to be a decisive factor to explain the generosity of such programs. Politicians are the key actors in policymaking and parliaments remain the main arena where demands are accommodated and diverging interests negotiated. Still, parliaments and institutions are not the only legitimate arenas of political exchange, and Latin America provides strong evidence of the power of contentious politics. Building on welfare state theories and studies of contentious politics, we expect the impact of protest on policymaking to be contingent on contextual factors the configuration of power and the structure of political alliances.

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