ILO's 75th Anniversary

Social security and protection in the developing world

Around the world, nations are restructuring their social security systems in an attempt to deal with various economic and political realities; by the year 2000, these systems may be vastly different from what they are today

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In retrospect, the 1980's and 1990's may appear as one of the great watersheds in the development of social policy. A large number of countries are at present contemplating, planning, or implementing major changes to their systems of social protection.[1] Some of them are undertaking large-scale expansions of their systems from a very limited economic base. There is now almost no country in the world in which some kind of reform, development, adjustment, improvement, or modification of its social security system does not figure into its political agenda. By the early years of the next century, the international landscape of social protection may have changed beyond recognition.

The list of countries affected is a long one. In China, the government is planning to introduce major reforms to pension schemes, employment injury insurance, unemployment compensation, and, later on, health care. In India, schemes for early retirement, unemployment compensation, layoffs, and retraining are being developed as a prerequisite for the restructuring of industry. In Thailand and in Palestine, for very different reasons and in very different circumstances, social protection programs are being developed from a highly limited base. In a number of countries, especially in South East Asia and in East Africa, national welfare funds are being converted to pension schemes. Conversely, in Latin America, many countries are contemplating a change to privately managed pension schemes based on individual accounts. In Central and Eastern Europe, most countries face an almost complete overhaul of their pension and health care systems, together with the establishment of new programs of unemployment compensation and social safety nets. In Africa, many systems, such as that in Madagascar, are being fundamentally redesigned in both their coverage and their organization and management. The timing of all of these maneuvers differs from country to country. Some, such as Chile, introduced major reforms several years ago. Others, such as Nigeria, are in the middle of their transformation. Still others, such as Vietnam and Mexico, are just beginning changes. Waiting in the wings are countries such as Cuba, South Africa, and Nepal. The history of the changes in each country also differs: Uruguay has a long tradition of social security, but is now planning a radical transformation of its existing system. The United Kingdom and the Netherlands have recently made important changes in their health insurance systems, and the United States may do the same. There is a great deal of discussion among member countries of the Organization for Economic Cooperation and Development (OECD) regarding the effectiveness, cost, and economic performance of current systems of social security.

The pressures for reform and development also vary widely from one country to another. In many

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countries, the impetus stems directly from a process of economic adjustment: expanded systems of social protection are required to deal with the social consequences of structural adjustment and economic stabilization. In a similar context, the huge transformations associated with the transition from a planned to a market-oriented economy principally, but not only, among the countries of Central and Eastern Europe have meant that many of the functions previously located in state-owned enterprises must now be redeveloped as authentic social security mechanisms. New systems of unemployment compensation and social safety nets must also be developed, to cope with the large number of workers becoming unemployed. In other countries, the prime force has been economic growth and urbanization: populations that were previously too poor or not sufficiently industrialized even to contemplate social security systems now see them as an essential concomitant of the move toward an affluent society. The process of democratization has also influenced events: in Brazil and a number of other countries of Latin America, new constitutions have included access to social security as one of the basic rights of all citizens, often on the basis of Conventions and Recommendations adopted by the International Labor Organization (ILO). And in a large number of countries, social protection systems are being restructured simply because they are perceived to have failed, in terms of their effectiveness, efficiency, and even basic design.

The climate of change

A number of common threads weave through the great tapestry of changes that are taking place in all of these countries. In the first place, what is striking about the current wave of reform is the willingness to envisage and implement changes on a large scale. Many of the reforms now being put in place in the various countries will have fundamental effects on the structure of their society and on their economy. Large numbers of individuals are involved, and the resources being redirected represent a significant fraction of the gross domestic product of each country. There will be significant impacts on the labor market in these countries. If the schemes are successfully implemented, they will have substantial effects on the health status of a country's population and the incidence of poverty among the elderly, the unemployed, and the disadvantaged. And in the longer term, there are likely to be significant influences on the general distribution of income as well.

As important as the scale of the changes is their speed. Social security programs in the developed countries came into being as the result of an evolutionary process. Their origins date back roughly to the end of the 19th century, but during the first half of the 20th century, they grew only slowly. Following the end of World War II, however, their growth accelerated throughout all OECD countries, to the point where, on average across these countries, they now account for nearly 25 percent of total national income. Thus, even for the developed countries, the history of social security has been short, largely compressed into the past four or five decades. Many developing countries are now trying to achieve the same results in a mere 4 or 5 years. This urgency places great strains not only on the politicians, policy analysts, and technicians who must design the new systems in these countries, but also on the population at large, which must endorse and accept the systems, and on the process of social consensus that must underlie it.

A third feature, emerging from the previous two, concerns the internationalization of the reform process. The construction or radical reconstruction of a social security system is a rare event in the history of public policy, and few governments and their policy advisers have had experience in designing and implementing fundamental change on a national level. Particularly in developing countries or in countries attempting to build social security systems for the first time, there is often some lack of technical and policy expertise. And the speed of reform means that these countries do not have time to "grow" experts. Instead, they must turn to other sources of ideas and experience, including those of the developed countries. They are now doing this in large numbers, gleaning information and expertise from numerous programs that endeavor to transmit the experiences the developed nations have acquired in matters of social security.

But the international transmission of ideas and experiences has dangers as well as benefits. When social security systems were first established in the advanced countries, the nuclear family and employment in the formal sector of the economy predominated. Then, the systems were expanded during a period of full employment and sustained economic growth, in a context of good governance, political stability, and a reasonably equitable distribution of income and earnings. And they were backed by a strong social consensus regarding their desirability. It is rare that these same conditions apply fully in the developing and transitional countries.

Quite apart from quantitative economic differences—such as the size of the informal sector of the economy, the level of industrialization and urbanization, the extent of poverty, and large disparities in incomes and earnings—there are less tangible, but still strong, cultural and social

Social security and social protection in selected developing regions

China

The process of economic restructuring, begun in 1978, has led to a parallel need for a complete overhaul of existing measures of social security and social protection. Many of the social protection functions previously undertaken by state enterprises must be transferred to more conventional types of social security schemes and institutions. At the same time, it is necessary to create a system of unemployment compensation as part and parcel of China's move to a competitive labor market. The scale of the problem is immense. The country's decade-long economic growth has been unevenly spread, making it difficult to introduce a uniform social security scheme. The rapid aging of the population may pose severe problems for the financing of pension schemes. In general, social protection reform has a long way to go in China, in terms of design, legislation, and implementation.

Bulgaria

Bulgaria is a country in transition and in crisis. Since 1989, gross domestic product has fallen by 30 percent. Unemployment is nearly 20 percent of the labor force, and the lev has been severely devalued. Prices rose by roughly 50 percent in the first half of 1994. External trade has been badly affected by the war in the Gulf, by the war in the former Yugoslavia, and by the collapse of trade with the Soviet bloc. Privatization and industrial restructuring, although begun, have not yet reached the larger state-owned enterprises. Agriculture, a sector in which Bulgaria has a comparative advantage, remains depressed. Inflation and unemployment have severely reduced the benefits and earnings that both the elderly and families with children receive. A major reconstruction is required to develop a viable and self-supporting social security scheme based on contributions from workers and employers in a newly privatized industrial environment. Similarly, reforms are required of the unemployment compensation and health care systems. The social and political climate is fragile, and it is uncertain whether the needed reforms can currently be carried out.

The Gaza strip and the West Bank of the Jordan

The Gaza strip and the West Bank of the Jordan River together are a highly dependent economy. At its peak, around 35 percent of the labor force found employment in Israel, mainly in construction, and 10 to 15 percent worked in the Persian Gulf States. Earnings and remittances from these two sources accounted for roughly one-quarter of national income. Small-scale agriculture provides about one-quarter of gross domestic product. The West Bank and Gaza possess no comprehensive social protection systems that would meet even basic international labor standards. As a result, a large proportion of the population is without social protection. International assistance will be needed to institute a new, comprehensive system of social security and health care. Especially required are a minimum-income social safety net and health care services. Reconstruction will place heavy demands on revenue sources.

Uruguay

Uruguay has a long tradition as a welfare state, dating back to the beginning of the century, when it had one of the highest per capita incomes in the world, based on livestock-related exports. Its economic prosperity allowed the development of a public infrastructure, financial institutions, and educational and social programs. Uruguay remains among those countries in South America that have the highest social security coverage, in terms of both benefits and population covered. Nevertheless, apart from short periods, since the 1930's it has not been able to maintain an economic base to support its social protection policies. Social security programs have lost much of their value and coherence, and successive reforms have tended to take place piecemeal, resulting in a patchwork of measures that reflect different origins and concerns and an uneven distribution of benefits and costs. There is general acceptance of the need for reform of the system, although perceptions differ as to the degree of urgency involved. Agreed upon are the need for a unified national policy; the need for closer linkage between the payment of contributions and entitlement to benefits; the need for a greater effort to combat the evasion of contributory payments; and the need for major improvements in the efficiency and effectiveness of the largest social security institution, the Banco de Previsión Social. The present government inherited a swelling public deficit and an immediate need for economic stabilization programs, which it is now pursuing.

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Thailand

A variety of social protection schemes have existed for some time in Thailand, but up to the beginning of the 1990's, they have been limited in either coverage or benefit levels and, frequently, both. Civil servants and the military were provided with pensions and other benefits financed from the general budget. A network of hospitals and clinics made some degree of health insurance available to all members of the population, but access and the quality of service were inadequate. There was no unemployment insurance, family benefits, or social safety net. The Social Security Act of 1990 introduced, for the first time, compulsory social security coverage for all employees of firms with 20 or more workers (later reduced to 10). Out of a total labor force of 33 million, only 11 million are employed in the formal sector, and of these, only about half are covered for social security. Those who lack coverage are persons working on their own account and unpaid family workers, of whom more than 15 million are occupied in agriculture and somewhat fewer than 5 million in nonagricultural pursuits. Reaching out to these individuals will be difficult.

Madagascar

In Madagascar, social protection is provided through a variety of ministries and institutions, but there is very little coordination among them. Problems are exacerbated by inadequate resources and the rapid change the country is undergoing from a centrally planned economy to one based on market forces. Economic and political changes (toward a market economy and greater democracy) call for a major restructuring of the whole social protection network, in the direction of making it more coherent and more efficient. Safety nets must be made to deal effectively with the consequences of economic adjustment, and new legislation and new criteria will be required for auditing, supervising, and monitoring social protection schemes. To be successful, the process of reconstruction must be comprehensive, coherent, and integrated.

differences between the developed and the developing countries. These raise doubts about whether, and to what extent, the social security frameworks of the developed countries can, and should, be replicated elsewhere. International experts carry with them their own intellectual baggage, much of which reflects the concerns of countries that are now questioning whether they have too much social protection rather than too little. Not only are many major analytical questions unresolved even in developed countries (which makes the giving and receiving of experience an uncertain process at best), but issues that appear of prime importance in the industrialized countries—such as the effect of formal social security schemes on economic performance—appear less relevant to countries with large informal sectors, high rates of unemployment, and limited financial markets. By contrast, questions of governance and administrative capacity, economic and political stability, and social cohesion—all of which are taken for granted in the developed countries—appear critical to the emerging systems in developing countries. For analysts of social policy, particularly those involved at an international level, this is an exciting decade; but it needs to be approached with pragmatism and flexibility, as well as a considerable degree of caution.

Objectives, reality, and constraints

In spite of their different histories, circumstances, and existing arrangements, almost all systems of social security and protection share a set of fundamental objectives related chiefly to their coverage, the contingencies they include, and the levels of benefits they provide. These objectives have evolved over time, but they were formally introduced in Convention No. 102 (1952) of the international labor standards. In general terms, this Convention stipulates that social security should be extended to the large majority of workers and their families, that benefit levels should, at a minimum, be sufficient to prevent severe hardship in case of accident, sickness, old age, or other contingencies, and that the following nine main types of benefit should be provided:

- medical care
- sickness benefit
- unemployment benefit
- employment injury benefit
- old-age benefit
- maternity benefit
- invalidity benefit
- family benefit
- survivors' benefit

The Convention also gives broad indications regarding the financing of these benefits, chiefly in the direction of a sharing of contributions between employers and employees. And it places clearly with the state the responsibility of ensuring that the stipulated benefits and services are in fact provided.[2] Convention No. 102 has subsequently been extended by further Conventions and Recommendations, which have enhanced its benefit and coverage provisions.[3]

Within the framework of this basic commitment, Conventions No. 102 and following display considerable flexibility in their provisions, in the requirements for their ratification by OECD states, and, most especially, in their administrative and financial organization, which allows for a variety of concepts of protection. In the words of one of the drafters of the Convention, it "regards social security as an end, and accepts any means which effectively attain that end, namely the guarantee of adequate benefit under conditions that respect personal dignity."[4] In effect, this statement endorses a variety of different types of social security mechanisms, including pluralistic structures embodying mixed forms of financing and delivery.

As far as developing and transitional countries are concerned, the international labor standards, together with more general international declarations, should be read as statements of ambitions and objectives, rather than as a reflection of the world as it is. In developed countries, social protection policies have mostly gone well beyond what is required in the Conventions. However, in developing countries, there is not only a great diversity in what is actually available, but also a great divergence between aspirations and reality. Although today more than 146 countries throughout the world possess some form of social security (compared with fewer than 50 countries in 1950), the list of deficiencies in many of these nations is great. In many, the population covered is restricted to a small minority of workers in the formal sector of the economy (sometimes only public employees); the level of benefits is often minimal and, too often, less than what could be regarded as adequate, even where incomes are generally low; and the deficiencies in structure, coverage, and benefit levels are frequently exacerbated by operational failures—of management, administration, and financial organization, so that even the intended benefits are not delivered.

It is this gap—between international ideals and outcomes, between legislation and practice, between needs and reality, and between advanced and developing countries—that explains the current momentum toward reform and development.

Appreciating the need for change is relatively straightforward, but implementing it is more difficult. There are a number of constraints. An obvious limitation is the proportion of the population that lives and works in the formal sector of the economy. Social security systems that are intended to be more than simple mechanisms of personal savings or insurance—that is, those which embody a degree of social solidarity or income redistribution—need to be anchored in a framework that can ensure compulsory contributions in return for entitlement to benefits. The conventional structure which permits this is that relating to formal employment: employment contracts can be monitored and assessed to guarantee contributions. Thus, the size of the formal sector broadly sets the bounds for the two revenue bases of employee and employer contributions. Outside this limit, it is difficult for social security schemes of the conventional type to reach out to the population as a whole. In Africa, less than 10 percent of the active population is employed in the formal sector. In Latin America, the proportion is much higher, and in Asia, the proportion varies widely. Central and Eastern European countries, in contrast, are emerging from planned economies where almost the whole active population was incorporated into the formal sector; now they find that the size of the informal, self-employed sector is growing rapidly. Thus, for many developing countries, and increasingly for both transitional and developed countries, a substantial proportion of the population lies outside the scope of contribution-based social security schemes.

An alternative is to use the tax base—both personal and enterprise income taxes and indirect taxes—as the financial base for programs of social security and protection. But countries with a limited formal sector usually find that the tax base is also limited. Direct taxes are difficult to collect from workers in the informal sector, especially those in agriculture, and there is often widespread avoidance and evasion on the part of upper income groups. Indirect taxes can partially fill the gap, but they are generally insufficient to fund a generalized social security program. A compromise that is sometimes reached is to use general revenues to fund basic universal benefits and services—usually basic health services, but sometimes family benefits—and to restrict the principal cash benefits, such as retirement pensions, to workers in the formal sector who can be identified and who are able to contribute.

An additional constraint is essentially social and political. Income in many developing countries is frequently distributed very unevenly, and this is reinforced by disproportionate access to political influence. It is sometimes difficult to persuade the more affluent groups of society to contribute to schemes that entail a significant

degree of solidarity and income redistribution, especially where contributions are themselves proportional to earnings. Where benefits are more or less proportional to contributions, on the other hand, resistance to the development of a comprehensive social security scheme may be lower. This the case for certain types of pension and insurance plans where the risks are more or less the same for all contributors and benefits are proportional to contributions. But where benefits are related to needs rather than means, there is likely to be greater resistance by groups of better paid workers. This is the case for most types of antipoverty programs, for pension systems that embody minimum benefit levels for all participants, and for health insurance plans in which treatment is determined by the illness rather than the history of contributions. In such situations, there is a tendency to develop multitiered systems that provide higher benefits to higher earners and contributors. Better paid groups may try to opt out of the generalized schemes, depriving them of much of their financial viability. And frequently, this occurs to the neglect of schemes directed at lower income groups and often to the exclusion of these groups from all forms of social security. In such circumstances, the extension of social protection, even to the limits indicated by the formal sector as a whole, becomes difficult and uncertain.

Design and governance

Two key issues needing attention by any country considering a major reform in the area of social security involve the design and governance of such a system. Design includes all those parameters which determine who pays how much under what circumstances and who receives how much under what entitlements and in what circumstances. It also subsumes a number of issues relating to the financial viability of the system and, in the case of health care systems, determines the relationship of the system to health care providers, their organization, the quality of services to be provided, and the amount and method of their remuneration. Governance embodies all those matters which ensure that the schemes, once established in design and legislation, can be made to work efficiently and effectively. It includes questions of institutional structure, management (including financial management), administration, operational methods, methods of ensuring compliance with the rules of the system, and the training of personnel. It also includes questions concerning the autonomy of the social security institution, its relationships with government, and the inclusion of workers, employers, and participants, as well as government representatives, on the governing board of the institution.

The two issues are clearly related. Other things being equal, countries will wish to adopt a design that meets their specific social objectives as closely as possible and that has the least adverse effects on the economy and the labor market. And the design of social security schemes must also take into account the aforementioned constraints and the need for widespread community support. But optimal designs are frequently complicated, not only in terms of their analytical complexity, but also in terms of their operational feasibility. If there are problems in making them work, it may be better to opt for something simpler. A plain, unadorned system that works is better than a more elaborate one that does not. Individuals who contribute to a scheme that, at the end of the day, does not provide adequate benefits are doubly deprived: they will have contributed to a scheme without receiving benefits, and they will not have set aside the personal provisions they might have set aside had the scheme not existed. Obviously, both good design and good governance are required, and reform proposals must take each into account.

As far as the design of social security and protection schemes is concerned, recent debate—chiefly, but not exclusively, in the industrialized countries—has focused on the development of pluralistic structures in which state-financed plans, contributory social security arrangements, and complementary, individual, and usually privately organized mechanisms all play a part. The various tiers of these structures provide sufficient flexibility to suit the circumstances of a wide range of countries and, at the same time, acknowledge both the economic and social constraints involved. They also correspond more closely than any single design to the objectives of social security and protection schemes, or at least to those objectives which appear most attainable.[5]

Regarding pension systems, the objectives are chiefly the following:

- protection against poverty in old age, during disability, or on the death of a breadwinner, for all members of the population;
- provision of an income, to replace earnings lost as the result of voluntary or involuntary retirement;
- adjustment of the preceding income to take account of inflation and, at least to some extent, a general rise in living standards; and
- creation of an environment for the development of additional provisions for retirement.

Thus, the structure that appears most appropriate to the objectives of social security and pro-

tection plans consists of a basic, universal, state-financed minimum pension; a defined-benefit tier based on a contributory social security scheme; and a complementary and personal third tier providing a defined-contribution pension plan, either privately or publicly managed.

In terms of health care schemes, the pluralistic structure reflects a more pragmatic approach, recognizing the existence of different sorts of providers and financing agencies and trying to match the design of the scheme to their availability. The different structural approaches include the following:

- a public system, universally available and financed from general revenues, that would provide basic health care to those without other forms of coverage;
- a contributory social security mechanism of health care financing, compulsorily covering all workers and their families; and
- a voluntary, complementary health care system, financed either on the basis of personal insurance or together with employers through collective agreements.

Possibly, none of these arrangements represents an ultimate goal. And of course, much depends upon how they are interpreted; at what benefit levels the various tiers merge into one another; what degree of solidarity, cooperation, and cross-subsidy can be built into the design; and to what extent public policy can be relied upon to finance the basic tier, support the central social security tier, and set the climate for the complementary tier.

In designing reforms, many other parameters are important, but one stands out: the question of the retirement age. In Eastern and Central Europe, in China, and in numerous other countries, the ratio of elderly to active persons is expected to rise very rapidly over the next few decades, both as a result of earlier declines in birth rates and as a result of increasing life expectancy. Meeting the needs of the elderly population is expected to be incompatible with a low retirement age, and many countries (especially the former Communist states) face the task of raising the age of retirement as part of their reforms, a process that often poses political problems in countries where the age has previously been set very low.

Alongside these questions of structure is the problem of governance. Social security systems are necessarily complex. They rely on accurate recordkeeping over a long period, especially in the case of pensions. They rely on full compliance with their regulations on the part of both employers and employees and on prompt and reliable disbursement of benefits on the part of the social security institutions. They rely on good management and a reasonable level of administrative costs. And they rely on the government not to divert resources earmarked for social security to other purposes, in order to ensure proper investment opportunities for social security funds and to monitor, regulate, and control the operation of nonpublic schemes. In many developing countries, these arrangements do not function or function so badly that the scope and effectiveness of the schemes fall far short of the coverage and benefits intended in the legislation. Management skills are in short supply, staff are insufficiently trained, computer technology and recordkeeping are limited, indexing procedures do not exist, health care costs are uncontrolled, and administrative costs can be very high, sometimes on the order of 20 percent to 30 percent of the premiums that are paid. In some cases, corruption can be significant. Government management of the supply, delivery, and cost of health care services is frequently weak. Pension schemes may be obliged to invest in government bonds, very often at negative real rates of interest. In other cases, social security funds are simply expropriated.

There would appear to be no single means of improving management and administrative functions. Rather, a range of measures is needed, including the following:

- the improvement of financial management, especially concerning the investment of social security funds;
- regular actuarial monitoring of health care and other programs, pensions, and the like;
- the development and implementation of electronic data-processing techniques and their application to recordkeeping;
- greater efforts to ensure compliance with regulations on the part of workers, employers, and, sometimes, government and greater willingness to pursue legal enforcement of those regulations;
- the implementation of training and personnel development programs, particularly at the middle-management level;
- greater attention to relations among central, regional, and local offices;
- better relations with clients—both contributors and beneficiaries—as concerns overall operations and costs and in terms of providing greater information and transparency;
- the creation of policy analysis, forecasting, monitoring, and survey units that are the basis for diagnosis and planning; and
- greater control and supervision of health care providers, especially as regards the cost and quality of their services.

Where several agencies undertake the task of providing a pluralistic structure of social security and health care programs, it may also be necessary to establish an overall supervisory body, at arm's length from both government and the different agencies. In this way, it is possible to ensure coordination between the different tiers and to regulate and monitor both the public and nonpublic forms of provision.

Strategy for change

In summary, a number of issues need to be confronted.

Coverage. Extending the coverage of social security and social protection programs to as wide a section of the population as possible entails two tasks: expanding conventional social security systems to the limits set by formal employment and tax regimes; and developing an alternative framework of social protection that can be extended to the informal sector of the population.

Economic constraints. Even granting the limitations of public revenues in developing countries, much could be done to expand public expenditures on social programs and to give them a higher priority relative to other outlays.

Normative constraints. Conscious approaches need to be developed, in line with international labor standards, to increase the willingness of upper income groups to support reform and to accept the greater degree of income redistribution implied by more comprehensive social security schemes.

Design. Flexible, pragmatic, feasible, and financially viable designs need to be adopted that best fit the limited circumstances and capacities of developing countries.

Governance. Above all, the management, administrative and, in general, governance capacities of social security schemes in developing countries need to be improved.

The task of construction and reform is at once large scale, dramatic, and complicated, and for those involved, it can be confusing. It is often easier to perceive what is lacking than it is to analyze the cause of a problem, and it is even more difficult to judge what is the best direction of reform. But the need for clarity is of overriding importance, more so than in other areas of policy debate, because some of the solutions to problems of social security and protection involve radical changes that, once undertaken, cannot easily be revoked. The development of social security is a community affair, the principal responsibility of which lies with the countries concerned. But the scale of the changes, as well as the fact that many of them are being undertaken for the first time, means that most countries reforming their social security systems will wish to draw on outside experience and assistance. In formulating their plans, and also in implementing them, they will seek the support of the international community and, in particular, institutions such as the ILO.

Footnotes

[1] The terms *social security* and *social protection* are used rather loosely in this article. The former generally refers to social security programs that are directed at meeting a specific need, that are usually financed on the basis of contributions, and that are available to beneficiaries on the basis of their participation and entitlements (although benefits are not necessarily proportional to contributions on an individual basis). The latter term is intended to encompass both social security programs and other forms of benefits and services (such as family benefits, universal health care services, and minimum-income provisions) that are generally available on a universal basis without regard to participation, contributions, or employment status (although they may include a test of means). In any event, the distinction is not a rigorous one.

[2] This does not exclude the possibility of social security or social protection being financed wholly or partly out of general public revenues. Nor, on the other hand, does it require the state to deliver the benefits and services itself; rather, the state only ensures that they are in fact provided.

[3] These include Conventions No. 103 (1952, Maternity Protection); No. 121 (1964, Employment Injury); No. 128 (1967, Invalidity, Old Age and Survivors); No. 130 (1969, Medical Care and Sickness); and No. 168 (1988, Employment Promotion and Protection against Unemployment).

[4] Maurice Stack, *Minimum standards of social security: the proposed international convention*, vol. 5 (Geneva, Bulletin of the International Social Security Association, 1952).

[5] For a more detailed account of possible pluralistic structures, see C. Gillion, A. Otting, M. Cichon, and S. Iyer, "Health care and pensions in developing countries: The basis for strategy," *International Labor Review*, vol. 132, no. 2, 1993.