

The Social Development Approach

June 2001

Overview of the Social Development Approach

(1) Introduction

1. Over the last year the Strategic Policy Group of the Ministry of Social Policy has undertaken a number of projects aimed at improving the conceptual foundations of cross sectoral social policy and social development. This document includes two of these papers:
 - a framework for cross sectoral social policy; and
 - a strategy for social policy based around reducing social exclusion.

(2) A framework of cross sectoral social policy

2. Historically social policy analysis has been organised around functional interventions such as economic, education, housing, and health policies. The balkanised nature of this policy advice risks poorly co-ordinated and integrated policy. Policy advisors may fail to analyse either the positive or negative effects of proposed policies in other sectors. The framework for cross sectoral social policy aims to overcome this problem and improve the overall coherence of policy analysis.
3. The framework for cross sectoral social policy provides a conceptual model to structure thinking about policy. Such an approach requires:
 - a clear articulation of the desirable social outcomes that are the goals of policy;
 - a strategy for measuring these outcomes; and
 - consideration of how government action impacts on all these outcomes both directly and indirectly, and especially over the long-term.
4. There is a considerable diversity of opinion about the exact nature of government or broad societal goals. Nevertheless, the framework argues that a clear articulation of these goals is a necessary first step in the development of a more coherent approach to policy.
5. Following the Royal Commission on Social Policy, the framework argues that the notion of 'well-being' is a useful starting point for a description of overall

government goals. Well-being describes the life satisfaction of people, and is partly a function of a person's ability to make choices and live the type of life that they want to lead.

6. Well-being is not simply about access to income and resources. It is also related to health, education, social, cultural, environmental and political outcomes. For example, well-being includes free and open participation in family, wider kinship and community groups. It includes participation in formal and informal political processes that constitute governance at all levels in society, and also involves participation in cultural processes that create and sustain individual, group and collective identity.
7. At a very general level, the objective of government is to improve both the overall level, as well as the distribution of well-being. In other words, while policy is focussed on improving the average well-being of *all* members of society, it is also constrained by a need to ensure that:
 - all individuals achieve some level of well-being above some basic minima;
 - there is opportunity so that all have a fair chance to achieve their potential; and
 - the well-being of future generations is protected.
8. At a more specific level, the goals of government arise from the application of these principles across the different dimensions of well-being. This is attempted in the table of 'desirable social outcomes' set out below.

| Table 1: Suggested set of desirable social outcomes | |
|--|---|
| Health | All people have the opportunity to enjoy long and healthy lives. Avoidable deaths, diseases and injuries are prevented. People have the ability to function, participate and live independently |
| Knowledge and Skills | All have the knowledge and skills that provide the opportunity to participate fully in society. Lifelong learning and education are valued and supported. New Zealanders have the necessary skills to participate in a knowledge society and to become global citizens |
| Safety and security | People enjoy personal safety and security. Society is free from victimization, abuse, violence and avoidable injury |
| Paid work | Access to meaningful, rewarding and safe employment is available to all |
| Human rights | Civil and political rights, as well as economic, social and cultural rights, are enjoyed by all. The principles of the Treaty of Waitangi are recognised and incorporated into government decision-making |
| Culture and identity | Cultural diversity is fostered. People have the right to express different cultural values and practices and to pass cultural traditions on to future generations. Our national identity reflects the values and aspirations of Maori, European, Pacific Peoples and other groups and communities |
| Economic standard of living | Everyone has access to an adequate income and enjoys a standard of living that means they can participate fully in society and have choice about how to live their lives |
| Social connectedness | People enjoy constructive relationships with others in their families, whanau, communities, iwi and workplaces. They are able to participate in society and have a sense of belonging |
| The environment | A clean and healthy environment is maintained, sustaining nature, and meeting the needs of people now and in the future |

9. A key issue is the measurement of the extent to which society achieves these desirable social outcomes. This measurement involves selecting indicators of desirable social outcomes, which in the area of the economic standard of living might be, for example, average per capita incomes and measures of poverty. *The Social Report 2001* performs such a social monitoring function.
10. Effective policy requires explicit consideration of what works best to improve desirable social outcomes. There are different ways of achieving these outcomes, be they through traditional market instruments of monetary policy, or more social type interventions such as the provision of early childhood education.
11. An analysis of the effects of policy requires a comprehensive analysis of the direct and indirect effect of policies across a variety of outcomes. In particular, there are frequently long-term effects on a variety of different outcomes that must be considered. In order to do this, policy makers need to adopt a social investment orientation. This would require a comparison of the relative effectiveness of different government interventions at improving desirable social outcomes in an explicitly inter-temporal manner.
12. However, current inadequacies in the knowledge base for social policy mean that there is only limited scope for such an approach. The framework points to a number of areas where the knowledge base should be improved. These include a clearer definition of desirable social outcomes, the measurement of social outcomes and their distribution across the population, understanding the causes of good and bad outcomes, and analysis of the effectiveness of interventions across domains and across time.

(3) A strategy to reduce social exclusion

13. The framework for cross sectoral social policy provides a conceptual model for the analysis of the goals and instruments of policy. Part 2 of the social development approach uses this analysis to point to a focussed strategy for social policy that will enhance social development and promote the achievement of desirable social outcomes.
14. Social exclusion is argued to occur where people fall below some minimum threshold of well-being and are hindered from fully participating in society. Social exclusion occurs where people suffer separately or in combination:
 - poverty;
 - illiteracy and low levels of educational qualifications;
 - unemployment or poor quality employment;
 - poor health and avoidable mortality;
 - criminal victimisation;
 - social isolation;
 - discrimination; and
 - alienation from political participation.

15. Recent research highlights social exclusion as an important cause of poor outcomes in the future. Where individuals experience social exclusion, they are susceptible to such experiences in the future. For example, there is evidence of the links between experiences of poverty and future poor health. Similarly, there is considerable evidence of the links between educational failure and future unemployment and poverty.
16. There are good grounds on the basis of both 'fairness' as well as economic efficiency for tackling social exclusion.
17. Policies that reduce the extent of social exclusion are desirable as they improve the fairness or distribution of well-being across the population. In other words, they meet the goal of ensuring that all individuals can participate in society. Reducing social exclusion is also a key policy to promote equality of opportunity.
18. However, there are also important efficiency reasons for policies that focus on reducing social exclusion. For example, if reducing poverty will improve health outcomes – this may increase the productive potential of the economy through increasing participation in work, and also reduce expenditure on healthcare. Similarly, a focus on improving educational outcomes for those most at risk of failure will also have important economic benefits in the future through improved economic growth and lower levels of benefit receipt.
19. Both fairness and efficiency concerns are particularly acute where social exclusion involves children. Where children are denied access to physical security, economic resources, education, access to healthcare, then these are important and immediate concerns. However, where social exclusion involves children there is also likely to be damage to the future fabric of society and capacity of the economy.
20. A strategy of reducing social exclusion should focus on both protection and prevention. Protective policies include strengthening the income protection for those who suffer unemployment and ill health. Important preventive interventions include early intervention amongst at risk children, improved education and a focus on literacy, the alleviation of child poverty, and policies to expand employment through economic development.