Redesigning citizenship regimes after neoliberalism. Moving towards social investment?

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While often having quite different political histories, the Americas and Europe nonetheless share important similarities in social citizenship practices. Currently, some countries in Latin America have on-going experiments with social citizenship that are not that different from Canada and several European countries' choices about how to design a citizenship regime for the next decades

In the last two decades of the 20th century, almost all countries were subjected to pressure for change in their citizenship regimes, with neoliberal political forces operating both within and from outside the country. There is now consensus that neoliberalism profoundly challenged and destabilized post-1945 political projects, policy arrangements and practices of governing. Both in the global South, where the Washington consensus reshaped economies and political institutions, and in the OECD states have moved away from the policies and practices of the three decades after 1945. This encounter with neoliberalism in the 1980s and first half of the 1990s has altered the relationship, designed in the post-1945 years, among markets, families, the community sector and the state, with significant consequences for citizenship regimes. In particular, there were concerted efforts to roll back existing guarantees – limited as they were – to social protection and practices of interest intermediation, in the name of a larger role for the market, families and communities.

Beyond the recognition that there was a move towards neoliberalism at the end of the 20th century, agreement breaks down, however. Two principal positions exist. One is that neoliberalism is still hegemonic, and political projects that claim to offer something "after neoliberalism" are little more than a slightly adjusted version of the basic form itself. Political projects to institutionalise "a third way" or to "modernize" social policy are described as nothing more than recalibration within the neoliberal project. A second position is that neoliberalism hit an impasse in the mid-1990s as social problems multiplied across the OECD as well in countries subjected to the structural adjustment imperatives of the Washington consensus. Therefore, after two decades of hegemony, enthusiasm for neoliberalism waned and policy communities began to search for alternatives, albeit without a return to past practices. In some cases, the direction of change can be described as the displacement of standard neoliberalism by a social investment perspective.

There is, in other words, little agreement about how to understand the current situation. This paper makes an argument for the second position, by examining the situation in Latin America as well as Europe and Canada (but not the case of the United States, which has gone in the direction of social conservatism).

The paper proceeds in three steps. First it presents an analytic grid for thinking about social citizenship, the concept of citizenship regime. Then it offers a critique of the most common and structuralist ways of thinking about neoliberalism. Third it summarises one direction of observed policy changes, towards a social investment perspective. We use these conceptual tools to develop our proposition: that many countries are engaged in sufficient redesign that we can say there has been a change in principles as well as in the functioning of social policy. They are creating new citizenship regimes that adhere to the *principles of social investment*. For example, policy instruments such as conditional cash transfers for mothers who send their children to school and to doctors are promoted by international organisations such as the World Bank at the same time that the OECD and national governments promote and provide in-work benefits to families with young children.

In general, the principal elements that have shaped the social investment perspective and practices over the last decade are the beliefs within policy communities that: good social policy requires a future time orientation; good economic outcomes depend on good social policy, because social inequities may undermine economic innovation; good social policy depends less on how much is spent than on where investments are made; fiscal prudence is a value in itself; investments are necessary in social inclusion as well as human capital, in order to ensure that flexibility and innovation are maximised; governance matters, expressed in public-private partnerships and revamped public administrations.

The argument is not that the social investment perspective "seems to be everywhere." It is, rather, that over the past decade new policy approaches have begun to appear that are different from those of standard neo-liberalism and these may in turn be opening new political space for claims-making.