

# **Overcoming Segmentation in Social Policy? Comparing New Early Education and Child Care Efforts in Costa Rica and Uruguay**

JULIANA MARTÍNEZ FRANZONI

*University of Costa Rica*

DIEGO SANCHEZ ACONCHEA

*University of Oxford*

*Paper accepted in the Bulletin of Latin American Research, June 2018*

During the late 2000s, Early Child Education and Care (ECEC) became a policy priority for several Latin American countries. Framed as a matter of equality of opportunities, accumulation of human capital and/or parents' access to the labour market, a growing number of countries introduced programs for children aged 0 to 3. In line with international ideas, the new programs embraced universalist aims. Are these new programs and policies likely to achieve those aims, overcoming segmentation—a deep-seated feature of Latin American social policy? Why are some countries advancing more than others towards this objective? Our article addresses this question, exploring changes in the policy architectures of ECEC in Costa Rica and Uruguay—two regional leaders in these efforts. Based on document analysis and interviews with policymakers, we compare the steps taken in these two countries and show that Uruguay advanced more decisively towards unification. We then focus on differences in their respective policy processes (particularly the type of policymakers and the role of civil society organisations involved) to explain Uruguay's relative success.

Keywords: social policy, universalism, Latin America, Costa Rica, Uruguay

During the 20<sup>th</sup> century, social policy in Latin America was deeply segmented: large groups of the population were excluded, while others received comparatively generous social benefits, mainly through occupation-based programs. All across the region, segmentation was enshrined by policy architectures that were fragmented in terms of rules of access, providers and funding (Mesa Lago, 1978; Barrientos, 2009). This feature of social policy added to the overall landscape of social and income inequality.

Within this context, the last two decades have witnessed renewed attention to universal social policy (Economic Commission for Latin America and the Caribbean (ECLAC), 2009; International Labour Organization (ILO), 2011; United Nations Research Institute for Social Development (UNRISD), 2011). There has been a growing regional and international consensus that the state should guarantee similar, high quality social benefits to all, moving away from segmentation. This objective was evident in the framing of Early Child Education and Care (ECEC) programs launched in the 2000s in several countries (Sojo, 2011). Created in the context of a growing international consensus on the importance of quality care and education from ages 0 to 3 for equality of opportunities, economic efficiency (Organisation for Economic Co-operation and Development (OECD), 2001; 2006) and gender equality, ECEC expanded rapidly across the region (Berlinski and Schady, 2015; Blofield and Martínez Franzoni, 2014; Mateo and Rodriguez, 2015).

We focus on ECEC as an emerging area that has yet to be properly addressed in the rich comparative literature on social policy and welfare regimes. Are new ECEC initiatives likely to deliver universal outputs with limited segmentation? Why are some countries more likely to advance in that direction than others? We explore these questions through the comparison of interventions for children 0 to 3 years old in Costa Rica and Uruguay, two most likely cases. Both countries are among the most successful in the promotion of generous social policies in Latin America (Huber and Stephen, 2012; Pribble, 2013, Martínez Franzoni and Sánchez-Ancochea, 2016). Their institutional capacity to implement new universal programs is thus larger than elsewhere. They are also the only countries in the region where

childcare policies were included as part of the reorganisation of *all* care (Merike and Martínez Franzoni, 2015) and in the context of the *universal* agenda. Other countries like Brazil, Chile and Ecuador, the new childcare programs were neither part of a ‘network’ (Costa Rica) or ‘system’ (Uruguay) nor framed as universal efforts aimed at reorganizing care.

In Costa Rica, president Laura Chinchilla proclaimed in her 2011 State of the Union Address: ‘just as in the past we managed to universalise education and public health care, we will manage a universal integral attention to our young children’ (Presidencia de la República, 2011: 9). This aim was reflected in the 2014 National Network of Care and Child Development law. In Uruguay, the administration of Tabaré Vázquez (2015-2020) was even clearer in its universal objectives, hoping to reach 75 percent of two year olds and 100 percent of three year olds by 2020 (La Red 21, 2015).

Since the new programs have just been implemented, it is too early to compare policy outputs *per se*. Instead, we consider changes in the policy architecture, which refer to the combination of instruments that define *who gets what and how* (Martínez Franzoni and Sánchez-Ancochea, 2016). The shape of the policy architecture defines the likely policy outputs at present and in the future: in particular, the more unified architectures are in terms of providers, benefits and funding, the more likely they are to promote universalist results in the long run. Conversely, the more fragmented architectures are in all dimensions, the more likely it is that programs result in segmented outputs.

The article makes several contributions. We illustrate the changes in ECEC policies introduced in two leading Latin American countries and address shared difficulties to move away from pro-poor state interventions. At the same time, we show that Uruguay took more steps towards a unified policy architecture, including the expansion of a single provider, the gradual regulation of the private sector and the design of a strategy to reach some segments of the non-poor. We highlight differences in the policy process—particularly regarding the characteristics of the policy team and participation of collective actors—to explain Uruguay’s more successful record.

Below, this analysis contrasts universalism and segmentation as two ideal categories useful to explore the recent expansion of ECEC in Latin America, elaborates the concept of policy architectures and briefly discusses some of its determinants. Then, it describes the policy architectures in Costa Rica and Uruguay before 2010 and compares the changes introduced since then. After that, this analysis depicts the policies behind Uruguay's more decisive moves towards unification, focusing on the role of policymakers and social movements in delivering different policy outcomes. Finally, it summarises our argument and suggests an analytical and policy agenda that advances our understanding of the politics of segmentation.

## **UNIVERSALISM, POLICY ARCHITECTURES AND THEIR DRIVERS**

Social policy in Latin America has historically been deeply segmented: according to Haggard and Kaufman (2008:1), 'the urban middle class and some blue-collar workers enjoyed access to relatively generous systems of public protection, but peasants and informal-sector workers were generally excluded or underserved.' Even among the middle class in the most successful cases like Argentina, Chile and Uruguay, entitlements in healthcare and old-age pensions were heterogeneous and spread among a large number of independent funds (Filgueira, 1998).

During the 1990s, under state retrenchment and cutbacks in social spending, policymakers argued that reducing the public benefits for the middle class and concentrating public funding in targeted, means-tested programs, would remove segmentation (Carnes and Mares, 2015). However, by privatising social insurance, shrinking public resources, and creating programs with very limited benefits, this approach actually added a new layer to the previous segmentation.

Since the early 2000s, calls for universal social policies gained momentum partly as a response to the limitations of the previous, market-friendly approach (ILO, 2008; Kim, 2014; World Health Organization (WHO), 2010). Universal social policies were seen as a way to promote social cohesion, redistribute income and secure cross class coalitions in support of the programs (Martínez Franzoni and

Sánchez-Ancochea, 2014). Although the term has had different meanings for different actors, it has often involved efforts to expand coverage and reduce generosity gaps among the population. During the past fifteen years, attempts to consolidate universal benefits spread rapidly from health care reforms in Chile and Uruguay to non-contributory programs like *Renta Dignidad* in Bolivia (Arza, 2013; Pribble, 2013) to new approaches to ECEC.

Despite a growing attention to universal policy results and some analysis of its political determinants (Huber and Stephen, 2012; Pribble, 2013), few studies have discussed the steps required to deliver them. One exception is the proposal of ‘basic universalism’ fleshed out by a group of Latin American scholars including Fernando Filgueira, Carlos Gerardo Molina, Jorge Papadópulos and Federico Tobar. In their view, countries could advance towards universal outputs by prioritising a set of essential, quality benefits guaranteed to everyone regardless of income, working status or any other condition (Molina, 2006). The proposal was appealing for policymakers but failed to explore the characteristics that policies should actually have to secure a steady expansion in coverage and generosity.

Building on the notion of basic universalism, ECLAC has in recent years advocated for a ‘progressive universalisation’ of social guarantees which ‘articulates universal approaches with affirmative actions and selective policies for those with the highest needs, gradually reaching the whole population’ (Rico, 2014: 44). Yet even this approach tells us very little about the characteristics that policies should have to gradually advance towards higher coverage and more generous and equitable benefits or their political requirements.

To analyse policies in an integrated way, we need to develop analytical tools that consider all the components of a social intervention simultaneously. In our previous work, we introduced the concept of policy architectures: the blueprint of instruments that secure entry, funding, benefits and delivery of specific social benefits (Martínez Franzoni and Sánchez-Ancochea, 2016). Table 1 defines each of the components of the architecture.

[Table 1 about here]

By describing the policy architecture and its changes over time, we seek to evaluate whether a country is likely to promote universalism or segmentation in areas like ECEC. In particular, the more fragmented the various components of the architecture are (e.g. the larger the number of delivery options and/or funding mechanisms), the more segmented the policy outputs are likely to be (Martínez Franzoni and Sánchez-Ancochea, 2016). Moreover, fragmented policy architectures in terms of access, funding and benefits tend to prevent positive interactions between the poor and the non-poor, thus contributing to an enduring segmentation.

In addressing the primary features of care policy interventions in Latin America, we are not alone. For example, Blofield and Martínez Franzoni (2014) consider the measures that reconcile work and family across the region. Faur (2011) explore the interactions between family, community and the state in care provision in Argentina; she recognises the negative influence of fragmentation but do not link pay sufficient attention to the links between architectures and universal outputs. Closer to our paper, Staab and Gerhard (2011) compare care programs in Chile and Mexico, studying the characteristics of providers, financing, and conditions of access. Yet they do not place their discussion within the broader debate on universalism in Latin America—or consider the usefulness of the policy architectures.

What are the determinants of changes in the policy architectures towards more or less fragmentation within democratic regimes? Although few authors refer to the drivers of the policy architecture explicitly, we can draw on the broader literature on the political economy of social policy in Latin America. There are at least four groups of explanations—some of which apply better to our cases than others. One has to do with the role of policy legacies and the path dependency they create. Previous policy decisions strengthen some actors and create incentives and needs that influence subsequent decisions (Ewig, 2011; Pribble,

2013). The policy architectures themselves can create some of the incentives that shape subsequent trajectories—a point to which we will return at the end.

A second explanation emphasises the role of party ideology. For example, Huber and Stephens (2012) found that the Latin American countries where left-wing parties prevailed over the past two decades were more likely to stress spending in health and education—which tend to have broad coverage and more redistributive results—rather than in social insurance and social assistance. In Pribble (2013)’s account of social reforms in Chile and Uruguay, having left-wing parties is a necessary condition.

A third explanation focuses on the role of trade unions and other civil society organisations (Niedzwiecki, 2014). Collective actors can exert pressures towards more progressive social policies, forcing parties of diverse ideologies to respond (Donoso, 2013). They can also find ways to participate in the policy process, building links to policymakers within the legislative and the executive. In their comparative analysis of policy implementation of new ECEC initiatives, Staab and Gerhard (2011) highlight the presence of feminist policy entrepreneurs in Chile and their absence in Mexico.

A fourth explanation focuses on the role of state actors and bureaucratic organisation. For example, key techno-politicians within the executive and the bureaucracy played a central role in shaping Costa Rica’s foundational architecture and subsequent steps towards its increasing unification (Martínez Franzoni and Sánchez-Ancochea, 2016; Rosenberg, 1979).

Of course, all these explanations are not mutually exclusive. In one of the most influential recent books on the determinants of universalism in Latin America, Pribble (2013) highlights the interaction of several of these factors. In her view, the programmatic character of political parties, the way they link to social movements and the incentives created by the policy legacies combine to shape more or less universal policy change in Chile, Uruguay and Venezuela.

Are the policy architectures of the new ECEC programs unified in terms of eligibility, funding benefits, and providers? Is the outside option properly regulated? Why are some countries more successful

in moving in the right direction than others in this case? In the following two sections, we consider these questions through a comparative assessment of changes in the ECEC policy architectures in Costa Rica and Uruguay since 2010. We then explain differences in policy decisions through a brief analysis of the policy process. We base our analysis on policy documents, interviews and secondary sources. Juliana Martínez Franzoni carried out a total of 27 semi-structured interviews to state officials, legislators, social actors and experts in 2013 and 2014 as part of a comparative research conducted with Merike Blofield (University of Miami). Ten were conducted in Costa Rica and 17 in Uruguay. Interviews focused on the policy approach to the national care systems.

## **A LEGACY OF FRAGMENTATION IN THE POLICY ARCHITECTURE**

The consideration of ECEC as a new policy domain is a recent development across the region. Services to look after young children, however, go back in time. In Costa Rica, the *Centros de Educación y Nutrición*, *CEN* (Centres of Education and Nutrition) and the *Centros Infantiles de Nutrición y Atención Integral*, *CINAI* (Children Centres of Nutrition and Integral Attention) date from the early 1970s. In Uruguay, UNICEF sponsored the *Centros de Atención a la Infancia y la Familia*, *CAIFs* (Centres for the Attention of Children and Families) launched in 1988. In both countries, these initial interventions were subsequently complemented with additional programs, for example, to target abandoned children.

Table 2 sketches the policy architecture in Costa Rica and Uruguay before the 2000s. Services aimed at the poor were delivered by an array of public, private and non-for-profit institutions with diverse arrangements, funding sources, and entitlements.

[Table 2 about here]

What table 2 makes clear is the high fragmentation of this foundational architecture in both cases. Public interventions were based on income targeting and included scattered and heterogeneous services in terms



of hours and quality across the country for children 0-3. The number of hours was uneven and also insufficient to support parents' incorporation into the labour force. State efforts aimed at the non-poor were lacking: care giving was understood as a maternal responsibility that, if needed, could be complemented with private, poorly regulated nurseries and home-based paid domestic services (Blofield and Martínez Franzoni, 2014). There was also a diversity of providers with different characteristics. As such, policies fail to create cross-class social interests: securing a joint commitment from the low income and middle-class families alike was relatively marginal to the social policy efforts of governments in both countries.

At the same time, there were some differences between the two countries in terms of providers and the private-public mix. In Costa Rica, the main providers were the state-managed CEN-CINAI. These centres followed the Centres of Nutrition established in the early 1950s in a few poverty-ridden areas of the country. Each centre was supported by a community organisation involved in selecting beneficiaries and in purchasing food supplies. In 2008, there were 552 CEN-CINAI yet only 51 with *full time services* for an average of 80 children each (Sauma, 2009).

In Uruguay, the main providers were the CAIF, managed by civil society organisations (CAIF, 2006). CAIFs were the first institutions that challenged state monopoly in the provision of social services in the country (Midaglia, 2000). Providers included neighbourhood associations, churches, non-profit organisations and, to a lesser extent, unions, cooperatives and other groups or organisations. In 2008 there were 319 centers in place (CAIF, 2008).

In terms of the public-private mix, Costa Rica, the private service supply for children 0 to 3 years of age was larger than the public supply. In Uruguay, in 2009, private providers were responsible for less than a third of total coverage for children 0 to 3 (El País, 2009).

## CHANGES SINCE 2010 UNDER THE TURN TOWARDS UNIVERSALISM

Starting in 2010, Costa Rica and Uruguay introduced significant reforms in ECEC. Under a new policy agenda of care—which also included services for the elderly and the disabled—the two countries aimed to create universal care services for all as a matter of right. Their efforts were part of a larger regional effort promoted by ECLAC and others (Rico, 2014).

In Costa Rica, the administration of Laura Chinchilla (2010-14) launched the *Red Nacional de Cuido, RNC* (National Network of Care) in 2010 to bring together child- and elder-care initially through a network of existing and new providers (Guzmán, 2014). Uruguay’s expansion of childcare services was also jump-started in 2010, when the Mujica administration (2009-2014) announced the enactment of *Sistema Nacional de Cuidados, SNC* (Care Network System) (Aguirre and Ferrari, 2014). The System was aimed at children, the elderly, the disabled and workers in care occupations.

Table 3 describes the changes introduced in Costa Rica and Uruguay, distinguishing between shared innovations and country-specific ones in the different components of the architecture.

[Table 3 about here]

In Costa Rica, most of the measures introduced deepened the fragmentation of the policy architecture. In terms of eligibility, the Chinchilla administration continued prioritising the poor population. Centres failed to use the legally established quota (up to 30 percent of all children) for the non-poor, upon co-payment of a subsidised fee. Legal obstacles supposedly inhibited the main source of funding, the Social Development Fund, from allocating resources to the non-poor by subsidising items such as personnel or infrastructure (CGR, 2015). Additionally, co-payments were not properly defined, their value and management left to local governments with little previous practice of contracting out social services.

There was little effort to explicitly reach working mothers. After a careful review of official documents, newspapers and secondary sources, we did not find any specific government attempt to influence public perceptions regarding the value and quality of the program. This is unfortunate because many non-poor families are likely suspicious of the program, linking it to the old CEN-CINAI and regarding them as poor services for the income poor.

In terms of suppliers, the government created the *Centros de Cuidado y Desarrollo Infantil, CECUDI* (Centres for Care and Child Development) run by non-profit organisations and supervised by local governments without eliminating other supplying modalities or standardising benefits. As a result, there was a further fragmentation of providers, management practices and types of benefits available (Guzmán, 2014). Policymakers never devised adequate mechanisms to enforce a given set of services across providers and institutions in charge. This was a lost opportunity to put the new technical and financial resources generated to the services of unifying benefits and providers.

The regulation of the outside option never entered into the policy agenda. The government focused on expanding public provision and the number of hours available, but did not consider the unification of private and public providers as an important goal.

In contrast, despite enduring fragmentation of providers, Uruguay's policy architecture has in recent years become more unified. In terms of eligibility, there has been an explicit attempt to the service the non-poor, including securing services for every children three years old (La Red 21, 2015).

In terms of providers, the program's expansion has taken place primarily through the existing CAIFs and there is an attempt –by no means guaranteed to succeed – to provide similar services to all new beneficiaries independently of where they go. In October 2015, the government announced plans to build 30 CAIF between 2016 and 2017 and expand the capacity of existing ones. The government also plans to offer more places for three year olds in kindergartens belonging to the public education system. All CAIFs

are managed under one central authority – rather than 81 local governments as in Costa Rica – and the implementation of a shared curriculum for every centre has continued.

In terms of the outside option, there is also more effective supervision of private nurseries and kindergartens than in Costa Rica (Interview 1, 2016). According to the Work Plan approved in December of 2015 the SNIC is in charge of regulating public and private provision through adequate norms, institutional arrangements and enforcement mechanisms (Junta Nacional de Cuidados, 2015). Unfortunately, however, Uruguay has postponed efforts to standardise all public services (e.g. the Municipality of Montevideo).

## **WHY HAS URUGUAY’S ARCHITECTURE BECOME MORE UNIFIED?**

Why has fragmentation of the policy architecture remained high in both countries? And why has Uruguay advanced more towards the unification of the policy architecture than Costa Rica? In this section, we discuss the explanatory factors behind the similarities and differences between the two countries, focusing on the policy legacies, the strategies adopted and the policy process that shaped those strategies.

### *Policy legacies*

Path dependence—or policy legacies to use Pribble (2013)’s terminology—provides part of the answer. Although ECEC services have carved a new domain for state intervention, they did not start from scratch. The childcare services already available conditioned policymakers’ options after 2010: in both countries there was a public program operating in parallel to smaller ones in charge of distinct services and targeted populations and a de facto unregulated outside option. Additionally, the lack of sufficient public resources to expand services was also problematic.

There were also cross-national differences. In Costa Rica coverage was under 5 percent and non-poor families – except in the presence of informal ties - hardly accessed this public system. The CEN-CINAIs were defined as services for vulnerable families and other publicly funded services like the

*Hogares Comunitarios* (Communal Homes) aimed at children under extreme poverty. Funding for all these programs was fragmented with no committed source to support the expansion of ECEC services to other income groups. Last but not least, experts and government officials argued that the CEN-CINAI were excessively bureaucratic and fiscally costly (Sauma, 2009). According to a Presidential adviser, the use of trained personnel who were not public servants would help run the new centers at a lower cost than the CEN-CINAI (Interview 2, 2013). One of the leaders of the RNC complained in 2013 that the influence of trade unions and the existence of bureaucratic inertia made CEN-CINAI resistant to change (Interview 3, 2013).

Uruguay had a better departing point in terms of coverage: in 2009, there were more than 42,000 children 0-3 years old in CAIF equivalent to 24 percent of the relevant population. In addition, CAIF already provided services for (small) segments of the non-poor. Unlike in Costa Rica, CAIF relied on a diverse set of private, not-for-profit suppliers.

While path dependence constraint the number of alternatives available, both countries still had ample room for maneuver in their policy decisions: they could reshape existing providers or promote a range of new models; they could focus exclusively on the poor (which, in Uruguay were half of all children born each year) or launch initiatives for other groups; and they could regulate the outside option or leave private providers alone.

### *Strategy adopted*

The strategy followed to expand services set Costa Rica and Uruguay apart. Although both countries endorsed universalism, Uruguayan authorities designed an explicit strategy to achieve it. The National Care Plan adopted the principle of ‘progressive universality’ —also promoted by ECLAC. The plan aimed to incorporate all children three years of age and a majority of younger children to the system by 2019 (SNC,

2015). In contrast, Costa Rica's policymakers embraced a targeted approach from the beginning. In describing the launching of the program, Fernando Marín, Minister of Social Development in charge of the RNC, explained that 'we are going to fulfill the goal we established in the Government Plan: increase the number of children at least from 4,000 to 8,000 and increase the number of hours... [what to do with the nurseries for the middle class] is still undefined for a third phase; our commitment is to leave a plan for middle class children [at the end of the four years]' (La Nación, 2010). This incorporation of the non-poor was unfortunately never addressed.

Additionally, in Uruguay by the time the SNIC was launched the state had already in place measures aimed at standardising services from private and public providers. According to Julio Bango, then director of the SNIC, the government's first step was to regulate services: all 'nurseries should have the necessary rooms and the necessary equipment and later we will also regulate the training and capacities of care workers' (El País, 2015).

Finally, Costa Rica's strategy has been less coherent. The government initially devoted financial resources to expand CEN-CINAI despite its problems and without linking funding to institutional change. It later proposed a new managerial model involving 81 local governments and introduced the CECUDIs as a new category of providers. At the end it did a little bit of everything, expanding the fragmentation of providers without resolving the management problems of the public system.

### *Policy process: policymakers and civil society*

How can we explain these differences in strategic decisions regarding coverage expansion, regulation and providers? What were the underlying causal explanations? Funding is not a good explanatory variable since it was a constraining factor in both countries. In Costa Rica, Laura Chinchilla faced a public deficit of 5.1 percent of GDP and insufficient tax revenues when she arrived to power. She responded to these

restrictions by shrinking her administration's initial goals – as shown in the low coverage targets published in 2011 – instead of building social and legislative support for a more ambitious plan.

When the SNC was first announced in 2010, Uruguay benefited from high economic growth (8.5 percent) and a low public deficit. President Mujica's commitment to childcare was lukewarm and in 2011 he channeled the available resources to alternative initiatives such as a youth employment program (Interview 4, 2014; Interview 5, 2014). Tabaré Vázquez embraced the SNC more enthusiastically – making it his number one social policy priority and one of his top ten objectives - but by then the economic conditions had deteriorated significantly. In 2014, GDP was growing at only 3.3 percent, the public deficit was increasing rapidly and the economy was entering into a downturn.

Party ideology does not seem to be the main driver either. It is true that the Chinchilla administration in Costa Rica was centre-right while in Uruguay, the Frente Amplio pursued a leftist agenda. Yet Chinchilla's social team was much more progressive than the rest of the government. Moreover, in Uruguay the Frente leadership was split regarding the importance of ECEC: as we have just discussed, while Vázquez was enthusiastic, Mujica never fully embraced the idea.

To explain differences between the two countries it is best to focus on the policy process. The characteristics of the policymakers involved—including the time they stayed in post—and the participation or absence of civil society organisations when programs took shape are particularly important.

In Costa Rica, childcare moved into the policy agenda as a result of top down, techno political decisions made by few people during the electoral campaign. These initial designers of the program were different to those who ultimately implemented it – appointed cabinet members like Fernando Marín. Yet all of them were equally disconnected from collective actors potentially capable putting pressure in favor of program expansion (Interview 6, 2014).

The RNC was placed under a ministry without portfolio – the Ministry of Social Development –in charge of the anti-poverty agenda. According to the director of a public autonomous agency involved in

initial deliberations, this decision stigmatised the program from the beginning (Interview 7, 2014). All the executive directors appointed to lead the process were technical experts with limited knowledge of political strategy and hardly any links to civil society. High staff turnover—there were four executive directors in just one year and a half—led to multiple changes in the strategy. The Minister Fernando Marín—a technopolitician with experience in building pioneering healthcare programs (Martinez Franzoni and Sánchez-Ancochea, 2016)—had unquestionable political capacity. Yet his energy was split in an array of matters: he simultaneously oversaw the RNC, the Ministry of Social Welfare and the IMAS, thus lacking the time to design a consistent and ambitious strategy (Interview 8, 2013; Interview 9, 2013).

Costa Rica's policy process was also devoid of collective actors who could have represented the interests of the middle class and exert pressures towards higher spending. The participation of civil society organisations was restricted to initial inputs from children's organisations supported by UNICEF (see Grillo et al., 2010). Conversations between the government and women's groups in 2010 were unsuccessful: feminist groups were skeptical of the care agenda and suspicious of the government's focus on motherhood and caregiving as the most urgent women's issues (Interview 7, 2014).

In contrast, in Uruguay, initial efforts were fueled by a closely-knit group of feminist activists, including congresswomen (Aguirre and Ferrari, 2014). In June 2009, a group of women with the Frente called for the creation of a National System of Care, including nurseries for children 0-3 as well as support for elderly care. They framed it as a way to free women's time to participate in the labour market or other social and political activities (La República 2009). The deliberation process was longer and involved an issue network with members of the cabinet, political parties and civil society. Following several years of internal debates within the Frente Amplio, ECEC entered into the state policy agenda in 2009. The electoral manifesto proposed a 'Mixed National Care System that cared and protected early childhood, the elderly, the disable and the sick among all' (Frente Amplio, 2009: 11). At that time, the Ministry of



Education was also exploring ways to achieve full coverage of pre-school education for children 3 years of age and unify provision among public and private providers (El País, 2009).

After the 2009 elections, the proposal to create a public care system was first discussed in different partisan commissions and assemblies and later in conversations between ministers, advisers and civil society actors. In 2011 the government organised three national conferences with civil society organisation and more than twenty meetings across the country (Interview 10, 2014). The notion of care as a universal right that should reach everyone was part of the ideational umbrella of the proposal (Grupo de Trabajo SNC, 2012: 16). These views relied heavily on the Frente Amplio's approach to other social policies – including health care, pensions and family allowances.

Yet efforts experienced a significant setback in 2012 when President Mujica reallocated resources from the SNC to other social programs. The government's decision triggered discontents from social movements and large segments of the Frente. In November, a group of social organisations working on women and care issues jointly expressed 'their opposition to contradictions in the discourse and practice of the government regarding care policies... and their concern for to the lack of a law for the creation of a National System of Care.' (Centro Interdisciplinario de Estudios del Desarrollo, 2012)

Even if the process stalled, informal conversations between different actors within the policy network continued (Interview 11, 2014). Civil society organisations and scholars played an important role in pushing for an approach that engaged the middle class. An activist and researcher involved in the debates argued that by 2014 the agreement was to build up progressive universalism by starting from the lowest 60 percent of the population in the first instance (Interview 12, 2014).

When the new administration of Tabaré Vázquez placed the SNC again at the heart of the policy agenda, civil society was even better prepared than before. In 2014, the various organisations involved in the process– NGOs working with children; community associations involved with disabled people; associations of elderly people– were all part of a pro-SNC network. The government engaged actively with

this network, reaching ultimately a consensus around the need to secure universalism through a gradual but steady path.

Unlike in Costa Rica, the discussion of ECEC in Uruguay during all these years took place in a broader policy context that included proposals on maternal, paternal and parental paid leaves. The bundling of work-leaves that benefited formal workers rather than the poor could gradually increased the chances to consolidate cross-class coalitions that favor the gradual expansion of the SNC to the non-poor.

## **CONCLUSION**

Historically, segmentation has been a prominent feature of social policy in Latin America. Even in the most successful countries (e.g. Chile and Uruguay) and when universalism was embraced as a policy goal, social programs delivered unequal benefits across income groups. Fragmented policy in terms of access, definition of benefits and/or providers drove these high levels of segmentation. The persistence of segmented outputs, in turn, posed a significant challenge for government's efforts to redistribute income and promote social cohesion.

Are policies launched during the 2000s likely to overcome segmentation? In this article, we explored this question for the case of ECEC as a new social policy priority for governments across the region. Efforts to expand coverage for children 0 to 3 years of age have taken place along the return of universalism – however defined - as a desirable policy output. In theory, being a new public policy domain, the policy legacies should have been less constrained than in other areas and the possibilities of building more unified programs higher.

To learn if this was the case, this analysis compared two best-case scenarios of recent policy initiatives respectively implemented in Costa Rica and Uruguay. Both countries explicitly aimed to reach all young children with high quality services in education and care. This paper studied the extent to which

they advanced in the positive direction by considering the changes in the policy architecture towards more or less fragmentation.

Our analysis identifies a set of decisions taken by Uruguay to move the policy architecture towards unification. Three decisions were particularly important. First, Uruguay primarily expanded service provision through a single provider. Second, it designed a strategy to gradually incorporate the middle class to the system from the very beginning and not as an afterthought. Third, it took some steps to regulate the private sector and discussed a common curriculum everywhere.

Although policy legacies partly influenced decision-making, differences in the policy processes were even more important to explain Uruguay's more successful strategy. A more open policy process forced Uruguayans to be more explicit about goals and decisions – especially regarding the role of targeted measures to reach universal outputs—and created more pressures to expand the system. The close and more insular process in Costa Rica created less pressure and fewer opportunities to debate how targeted measures could reach universal goals; lack of continuity in personnel and more limited attention to political requirements were also problematic.

What can we learn about the prospects of universal social policy in general and universal ECEC services in particular across Latin America? Unfortunately, there are reasons to be pessimistic: cases of service fragmentation abound in the region and continuous accent on the poor is likely to further deepen this fragmentation. Pressures to expand services quickly without limiting private options will likely contribute to persistent segmentation in the quality of services between different income groups. Lack of political continuity and effective state-society relations may also constrain the effectiveness of the policy process. The only way to avoid these negative trends in the future is to devise more creative ways to simultaneously benefit the poor and the middle class from the onset with unified providers and/or rules of provision.



## TABLES

Table 1. Policy architectures: Primary components and options

Dimension	Definition	Options
Eligibility	Under what criteria do people access the benefit	Based on principle of citizenship, contribution and need
Funding	Who pays and how	Payroll contributions, taxes and co-payments
Benefits	What types of benefits and who defines them	Generosity of benefits and actors defining them
Providers	Who provides the service	Public and (non-for profit and for-profit) private providers
Outside option	What are the private alternatives and how are they regulated	Presence or absence of private providers and degree of state regulation of type, quality and costs

Source: Martínez Franzoni and Sánchez-Ancochea (2016)

Table 2. ECEC in Costa Rica and Uruguay: Policy architectures before 2010

Country	Programs	Eligibility	Benefits	Funding	Providers	Outside option
Costa Rica	CEN-CINAI. Community homes	Narrow targeting	Relatively homogeneous within programs, heterogeneous between programs	National budget; payroll taxes; voluntary over the counter co-payments (Sauma, 2009)	Public and community based	Larger than public provision and with limited state regulation
Uruguay	CAIF, centers run by INAU and by the city of Montevideo	Targeting	Heterogeneous within programs (by waves of expansion) and between programs	Taxes and informal/over the counter co- payments	Private not-for profit	Smaller than public provision; since 2006 there is a single curricula and a census of providers

Source: own elaboration.

NOTES: CEN-CINAI are the Centres of Education and Nutrition and the Children Centres of Nutrition and Integral Attention

Table 3. ECEC: Main changes introduced to policy architectures in Costa Rica and Uruguay after 2010

Component	Both	Costa Rica	Uruguay
Eligibility	Commitment (at least rhetorically) to move beyond income targeting	Devised protocol for new facilities, but, in practice, targeting remained the key criteria	Designed effective measures to reach the non-poor
Benefits	Improved	Full time services	Part-time and full-time services according to age brackets
Funding	Received foreign loans to build new facilities	On paper a small proportion of non-poor children are eligible for services paid out of pocket	Co-payments rejected
Providers	Vouchers to enrol a small number of poor children in private facilities where public provision is unavailable	Creation of additional providers (CECUDI), run by local governments	Expansion of pre-existing suppliers (CAIFs) New joint services between unions and employers
Outside option		Unchanged	Increasing attention to regulation and to curriculum convergence

Source: Own elaboration.

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## **INTERVIEWS**

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Interview 3 (2013) Expert appointed to the RNC San José, 8 August, San José.

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Interview 5 (2014) High ranking official in the Ministry of Social Development, 7 October, 2014, Montevideo

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