

MIDDLE EAST TECHNICAL UNIVERSITY

FACULTY of ECONOMICS and ADMINISTRATIVE SCIENCES
Department of Political Science and Public Administration

Social Security in International Perspective

Course Syllabus

Professor John Dixon

1. Course Description

The course offers a multi-disciplinary, multi-theoretical approach to the study of social security systems in a cross-national setting. Its purpose is to provide an introduction to the concept of social security and its history and traditions; its forms (models) of social security provision; and its financing and administration. Particular attention is given to pension privatization.

2. Course Intended Learning Outcomes

On the successful completion of this course students will be able to:

- describe the concept of social security, as it has historically evolved, and its connection to social justice and societal trust;
- describe and critically compare the features, delivery, and financing of alternative modes of social security provision;
- describe the global and regional patterns of social security provision;
- draw lessons from the social security experiences and practices adopted around the world;
- articulate and evaluate the contending perspectives on:
 - pension privatization;
 - social security and social justice;
 - social security and trust
 - social security's impact on economic development;
 - the financial sustainability of social security; and
 - the future directions of social security policy;
- communicate effectively through oral and written presentations and reports;
- manipulate appropriate IT and bibliographic systems to collect information/data; and
- work with others to achieve a common goal.

3. Learning Philosophy

The learning philosophy of this course is that it is the student who constructs meaning from knowledge provided, not the teacher who imparts it. The

measure of the full value of the learning achieved is whether students can demonstrate:

- an understanding of the knowledge (paradigms, concepts, techniques and information) learnt;
- an ability to generalize about possible applications of that learning;
- a spirit of inquiry that prompts them to ask and discover important questions;
- a critical self-understanding (of their perceptions, of the way they construct meaning, and of their behaviors and habits) so as to attain the critical awareness (to be able (1) to discriminate small differences of meaning — discriminate reflectivity — and (2) to be able to make wise ethical judgments); and
- the ability to update their learning.

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5. Method of Instruction

The course will be taught by a combination of lectures, discussion, and group presentations.

- Class sessions will involve both knowledge transfer and interactive discussions to reinforce understanding. Students are expected not to be more than passive listeners.
- Careful listening of lecture will be of benefit, with the learning reinforced by doing all the required readings.
- *Learning Groups* are an important part of the learning process embedded in this course; they are intended to achieve specific individual and collective learning goals (e.g. to produce a learning outcome (e.g. a group oral or written presentation) that contributes to the achievement of individual learning goals, by means of group processes that (1) decide on (a) the group work plans, and (b) each individual group member's contributions, and (2) that ensure the delivery of (a) each group members' agreed contributions, and (b) the desired group outcomes (e.g. a coordinated and cohesive group presentation).

6. Course Content

Week 1-2: The Concept of Social Security

- Definition of social security
- Objectives
- Social security risks
- Boundaries
- Social security and social justice
- Social security and trust

Reading

Dixon 1999, ch 1

Dixon, Dogan and Sanderson 2009, ch.1 (pp. 57-59 and 64-66)

Hyde, Dixon and Drover 2006, chs.1 (pp. 1-6 and 15-21)

Hyde and Dixon 2010, ch.1

Dixon and Scheurell 2002

MacPherson and Silburn 1998

Week 3: Social Security History and Traditions

- The European Poor Law tradition
- The master-servant tradition
- The occupational provident fund tradition
- The insurance tradition
- The Marxist-Leninist-Stalinist tradition
- The state welfare paternalism tradition
- The marketization tradition

Reading

Dixon 1999, ch 2

Dixon and Scheurell 2002

Week 4: Social Security Strategies

- Social insurance
- Employer liability
- Social assistance
- Social allowances
- Mandatory public savings
- Mandatory private savings

Reading

Dixon 1999, ch 1

Fullerton and Geruso 2006

Hyde, Dixon and Drover 2006, ch.1

US, SSA 2013

Week 5: Social Security System Features

- Coverage

- Eligibility
- Benefits
- Financing
- Administration
- Entitlement targeting

Reading

Dixon 1999, chs. 1 and 8

US, SSA 2013

(<http://www.ssa.gov/policy/docs/progdesc/ssptw/20122013/europe/guide.html>)

Weeks 6-7: Social Security Programs

- Old-age
- Invalidity
- Survivors
- Sickness
- Maternity
- Employment sickness, injury and death
- Unemployment
- Family and child support

Reading

Dixon 1999, chs 4–7

US, SSA 2013

ILO 2014 chs. 2-5

Week 8: Social Security Around the World: First Seminar: Regional Social Security Patterns

- Europe
- the Americas
- Asia and the Pacific
- Africa

Week 9-10: Pension Privatization:

- Defining privatization
- Goals of pension privatization
- Global Overview
 - *Chile*
 - *Switzerland*
 - *Hong Kong*
 - *Hungary*
 - *France*
- Pension privatization ideologies
- The market orientation of privatized pensions
- Privatized pensions and trust

- Privatized pensions and social justice

Reading

Hyde, Dixon and Drover 2006, chs. 2, 3, 9,10, 11

World Bank 1994, chs. 5 and 6

Week 11: Financial Sustainability of Public Pension Programs

- Social insurance
 - pay-as-you-go provision
 - fully funded provision
- Social Assistance and Social Allowances
 - the future sustainability of pension budget
- Future Provision Options

Reading

Dixon 1999, chs. 1 and 8

ILO 2014, ch.6 (pp, 149-154)

World Bank 1994

Week 12: Social Security: Its Future

- the state has an obligation to provide social protection: the ILO (International Labor Organization perspective)
- The marketplace is more cost-efficient at providing social protection: the World Bank perspective

Reading

- ILO 2014 ((Executive Summary, ch. 6)
- World Bank 1994, Overview, chs. 7 and 8

Week 13: Social Security System Profiles: Second Seminar Presentations

- Australia
- Chile
- China
- Germany
- Hong Kong
- Sweden
- United Kingdom

7. Assessment Scheme

The course grade will be based on the following three (3) assessments:

- | | |
|---|------------|
| 1. First Seminar Presentation:
Regional Social Security Patterns | 20% |
|---|------------|

Students will form into groups to describe and highlight the distinctive features of social security provision in one of the following global regions:

- Europe
- the Americas
- Asia and the Pacific
- Africa

Each regional report (approximately 8 pages of text (double-spaced, Arial 12 point typeface) and present (maximum 30 minutes duration) will:

- describe the nature, delivery, and funding of the social security provision in the region
- identify any distinctive approaches to the provision of social security at the national level in the region.

The presentations are in Week 8.

References

US, Social Security Administration 2012-13. (<https://www.issa.int/country-profiles>)

ISSA 2013 (<https://www.issa.int/details?uuid=4587c2b0-0c54-4a96-ba8b-8f5394ce0592>)

Assessment criteria:

Group presentation (e.g. PowerPoint) **10%**

- Knowledge of subject
- Clarity of argument

Individual oral presentation skills: **10%**

- clarity of expression
- quality and use of presentation aids

**2. Second Seminar Presentation:
National Social Security Profiles **30%****

Students will form into groups to investigate and report on the social security system of one of the following countries:

• **Australia**

Jones, M. A. 2002. Australia. In Dixon, J. and Scheurell R. P. (eds), *The State of Social Welfare: The Twentieth Century in Cross-national Review*. Westport, CT: Greenwood.

• **Chile**

Borzutzky, S. 2006. National approaches 1: Chile. In Hyde, M., Dixon, J. and Drover, G., *The Privatisation of Mandatory Retirement Income Protection: International Perspectives*. Lewiston, NY: Edwin Mellon Press.

Borzutzky, S. 2010. *Pension Market Failure in Chile: Foundations, Analysis and Policy Reforms*. In Hyde, M. and Dixon, J. (eds), *Comparing How Various Nations Administer Retirement Income: Essays on Social Security*, Lewiston, NY: Edwin Mellen Press.

- **China**

ADB (Asian Development Bank). 2010. *Toward Universal Social Security Coverage in the People's Republic of China* (Observations and Suggestions Series (Manila)). Available at: <http://www.adb.org/publications/toward-universal-social-security-coverage-prc> [16 Apr. 2014].

Chow, N. W. S. 1995. Social Security Reform in China. In Dixon, J. and Scheurell, R. P. (eds.), *Social Security Programs: A Cross Cultural Comparative Perspective*. Westport, CT: Greenwood in association with the Policy Studies Organization.

Ringen, S. and Ngok, K. 2013. *What Kind of Welfare State is Emerging in China?* (Working Paper No. 2013-2). Geneva, United Nations Research Institute for Social Development). Available at: <http://www.unrisd.org/80256B3C005BCCF9/search/28BC E0F59BDD3738C1257BE30053EBAC?OpenDocument> [20 Apr. 2014].

- **Germany**

Leibfried, S. and H. Obinger 2004. The State of the Welfare State: German Social Policy between Macroeconomic Retrenchment and Microeconomic Recalibration. In Kitschelt, H. and Streeck, W. (eds.), *Germany: Beyond the Stable State*. London: Routledge.

- **Hong Kong**

Ngan, R. 2006. National approaches 3: Hong Kong. In Hyde, M., Dixon, J. and Drover, G., *The Privatisation of Mandatory Retirement Income Protection: International Perspectives*. Lewiston, NY: Edwin Mellon Press.

- **Sweden**

Hort, S 2002. Sweden. In Dixon, J. and Scheurell R. P. (eds), *The State of Social Welfare: The Twentieth Century in Cross-national Review*. Westport, CT: Greenwood.

- **United Kingdom**

Page R 2002. "United Kingdom". In Dixon, J. and Scheurell R. P. (eds), *The State of Social Welfare: The Twentieth Century in Cross-national Review*. Westport, CT: Greenwood.

National social security profiles:

http://www.ilo.org/dyn/natlex/natlex_browse.byCountry?p_lang=en

<https://www.issa.int/country-profiles>

<http://www.ssa.gov/policy/docs/progdesc/ssptw/index.html>

National social security agencies:

<http://www.ssa.gov/international/links.html/>

National Social Security Expenditures

<http://www.ilo.org/public/english/protection/secsoc/areas/stat/sso.htm>

Each country report (approximately 12 pages of text (double-spaced, Arial 12 point typeface) and 1 page of annotated references) and present (maximum 25 minutes duration) will:

- describe the economic, social and political context for the delivery of social security, (approximately 2 page);
- describe the nature, delivery, and funding of the social security provision (approximately 6 pages);
- Identify the the distinctive features (approximately 2 page); and
- identify and evaluates the individual source material used (approximately two lines per reference, about 1 page).

The presentations are in Week 13.

Assessment criteria:

Written report: **20%**

- Knowledge of subject
- Source material identified
- Clarity of argument

Individual oral presentation skills: **10%**

- clarity of expression
- quality and use of presentation aids (e.g. PowerPoint)

3. Final Exam **50%**

This will be of 120 minutes duration, and the paper will have the following structure:

- Compulsory question (pension privatization) **20%**
- Choice of two out of four other questions **30%**

8. Instructional Resources

General References

Dixon, J. (1999). *Social Security in Global Perspective*. Westport, CT: Praeger. Available at:

http://books.google.com/books?hl=en&lr=&id=SAv9zpVSuIMC&oi=fnd&pg=RA1-PR19&sig=O0tUFqmdxV95zOV-j-_9Eo4OJjc&dq=John+E+Dixon#PPP1,M1

Dixon, J. and Macarov, D. (eds.) (1998). *Poverty: A Persistent Global Reality*. London and New York: Routledge. Available from:

<http://www.ebooksubscriptions.com/home/html/moreinfo.asp?etailerid=19&bookId=536879325>

Dixon, J. and Scheurell, R. P. (eds.) (1995). *Social Security Programs: A Cross Cultural Comparative Perspective*. Westport, CT: Greenwood in association with the Policy Studies Organization.

Dixon, J. and Scheurell R. P. (eds.) (2002). *The State of Social Welfare: The Twentieth Century in Cross-national Review*. Westport, CT: Greenwood. Available at:

<http://www.books.google.co.uk/books?vid=ISBN0275967956&id=C8g81MvO2LsC&pg=PP1&lpq=PP1&dq=Dixon&sig=8d73hIpVLBV3K9QE6N45npUQ-nQ>

Dixon, J., Dogan, R and Sanderson, A. (2009). *The Situational Logic of Social Actions*, New York: Nova Science. Available at:

<http://www.ebookweb.org/the-situational-logic-of-social-actions-pdf-download-free/88642802/>

Hyde, M., Dixon, J. and Drover, G. (2006). *The Privatisation of Mandatory Retirement Income Protection: International Perspectives*. Lewiston, NY: Edwin Mellon Press.

Hyde, M. and Dixon, J. (eds.) (2010). *Comparing How Various Nations Administer Retirement Income: Essays on Social Security*, Lewiston, NY: Edwin Mellen Press.

US, Social Security Administration (2012-13). *Social Security Programs Around the World: Asia and the Pacific*. Washington, DC: US, SSA. Available at: Available at: <https://www.issa.int/country-profiles>

International Labor Organization (ILO) (2014). *World Social Protection Report 2014/15*. Available at:

http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf

Specialist Reading

Dixon, J. and Scheurell, R. P (2002). "Welfare In Transition; 1990 and 2000". In Dixon, J. and Scheurell R. P. (eds.), *The State of Social Welfare: The Twentieth Century in Cross-national Review*. Westport, CT: Greenwood.

Fullerton, D. and Geruso, W. (2006). "The Many Definitions of Social Security Privatization". *Economists' Voice*, March. Available at:

<http://people.fas.harvard.edu/~mgeruso/images/The%20Many%20Definitions%20of%20SS%20Privatization.pdf>

International Social Security Association (ISSA) (2010). *Dynamic Social Security: Securing Social Stability and Economic Development* (Developments and Trends, Global Report 2010). Geneva, CH: ISSA

<http://www.issa.int/details?uuid=d1b91063-4b85-4a24-92c0-2463d2c56cb6>

International Social Security Association (ISSA) (2013). *Developments and Trends, Global Report 2010; Key Facts and Figures*. Available at:

<https://www.issa.int/details?uuid=4587c2b0-0c54-4a96-ba8b-8f5394ce0592>

MacPherson, S. and Silburn, R. (1998). The meaning and measurement of poverty. In Dixon, J. and Macarov, D. (eds.), *Poverty: A Persistent Global Reality*. London and New York: Routledge.

Wagner, N. (2011). Financing Social Security — Business as Usual? (working paper 2011.09). Brussels, BE: European Trade Union Institute. Available at ;

<file:///Users/apple/Desktop/Wagner%202011%20Financing%20social%20security%20WEB%20version.pdf>

World Bank (1994). *Averting the Old Age Crisis: Policies to Protect the Old and Promote Growth* (A World Bank Policy Research Report). New York: Oxford University Press. Available at:

http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/1994/09/01/000009265_3970311123336/Rendered/PDF/multi_page.pdf0