

Neoliberal meritocracy and financial capitalism: consequences for social protection and health

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Abstract *There is inherent tension between the idea of health as a social right and of health as a private good. From the latter perspective, healthcare provision is brought closer to the logic of ownership, where access depends on ability to pay. The prioritization of markets (over governments), economic incentives (over social or cultural norms), and entrepreneurship (over collective or community action), one of the hallmarks of neoliberalism, constitutes a project to dismantle the welfare state, defined as a set of policy mechanisms designed to meet collective needs. This article examines the above process and its consequences for social protection and health by reflecting upon two phenomena that threaten the principle of health as a social right: neoliberal ideas and policies; and financial capitalism. We argue that the common good must be defended or insulated from the negative effects of financial capitalism and from the erosion and fragmentation of public institutions and social protection systems caused by neoliberalism.*

Key words *Capitalism, Commodification, Public policy, Public health*

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Introduction

Ten years after the publication of the article entitled *Economia política da saúde: introduzindo o debate* (Political economy of health: introducing the debate)¹, written by the authors of the present article and professor Paulo Elias, there are obvious tensions between healthcare understood as a right and collective (or public) good and healthcare as a private good in the wake of the rapid global advance of the commodification of both funding and provision of healthcare services. These tensions – over healthcare services, which are increasingly delivered by multinational corporations with business activities in various sectors and dependent on the financial cycle, and over funding, given that individuals are having to take increasing responsibility for ensuring they have access to health actions and services – are being transformed into antagonism and threat.

In the abovementioned article, we talked exactly about the tensions inherent in the idea of health as a right and universal collective/public good and health as a private good. From the latter perspective, health service provision is brought closer to the logic of ownership and funding ceases to be a collective responsibility in the form of general taxation, becoming dependent upon ability to pay, without solidarity between different segments of society – the healthy and the sick, the rich and the poor, the young and the old. As highlighted by the World Health Organization (WHO), out-of-pocket payments (OPP) are the least equitable way to finance health systems and one of the major causes of impoverishment, particularly in low and middle-income countries, where OPP remain the primary source of funding².

This amounts to an abrogation of the collective responsibility for health, whereby responsibility for individual health and risk is left solely with the individual and access to health services is held hostage to the numerous purchasing mechanisms (paying up front, installments, and individual and group payment schemes), according to individual and family income, in a confusing mosaic of individual and collective forms, both belonging to the market cycle.

The entrepreneurization of public sector healthcare provision³ and financialization and internationalization of healthcare (health insurance companies, health plan operators and service providers)^{4,5} are a major move away from the provision of free health services as a public good (in the case of national health systems) and social security as a public policy (in the case of contrib-

utory health systems) towards ownership-individual, production-rentier logic (market-based health systems).

According to Robert Castel⁶, the notion of social ownership, the bedrock of freedom and backbone of liberal ideas, counter poses individual ownership by guaranteeing non owners freedom and autonomy through a public service apparatus, allowing them to live without future hardships. Thus, the welfare state may be defined as a set of devices that aim to meet collective needs using bases other than the market. Therefore, dismantling the welfare state represents a huge step backward from the provision of healthcare as a collective or public good towards the provision of health services as private goods adopting an ownership-based approach.

To examine how this process came about, it is necessary to reflect upon two phenomena that were major blows to provision of health as collective good: i) neoliberal ideas and policies in the form of specific economic policies (neoliberal economic policy prescriptions that revere the market and competition) and a shift in rationale away from cooperation towards competition and individualism; and ii) the financialization of wealth, leading to the deep imbrication of the business/economic facets of the social arena (housing, health, infrastructure, education, social welfare, etc.) and the national and global financial system, whereby investment decisions are subordinated to the imperatives of the valuation of financial assets on the different markets.

This article is divided into four parts. In the first, we discuss the consequences of neoliberalism for the organization of capitalist societies, drawing on recent studies by economists who propose a critique of dominant and hegemonic neoliberal ideology and policies. In the second part, we outline the main features of financialization and its consequences in the social arena. We then go on to retrace the origins of neoliberalism, providing a critique of American liberalism, and review the interpretations of certain authors as to its impact on the life of the average person stemming from the creation of a neoliberal meritocracy. Finally, we discuss the extent to which this process has influenced social protection, focusing on health.

Neoliberalism is much more than an economic policy

According to Rodrik⁷, in broad terms, neoliberalism denotes a preference for markets (over

governments), economic incentives (over social or cultural norms), and entrepreneurship (over collective or community action). Though used to describe a broad set of phenomena – from Augusto Pinochet to Margaret Thatcher and Ronald Reagan, the Clinton Democrats and United Kingdom's New Labour to the opening up of the Chinese economy and reform of the Welfare State in Sweden – the term “neoliberal” gained visibility in the 1990s, when it became associated with two clearer manifestations: i) financialization and financial deregulation, culminating in the crisis of 2008; and ii) economic globalization, accelerated by the free flow of money and new international trade agreements. Indeed, it is difficult to deny that most of the world experienced a decisive shift towards markets beginning in the 1980s and that even center-left governments began to enthusiastically adopt some of the guiding principles of neoliberalism, such as deregulation, privatization, financial liberalization, and entrepreneurship.

According to economists who engage in critical thinking, including winners of the Nobel Prize for Economics (Paul Krugman, Joseph Stiglitz and Amartya Sen), neoliberalism and its habitual remedies (more market, less government) are in fact a perversion of conventional economics, in so far as the contribution of neoliberal economists to the public debate is frequently biased in the same direction: more trade, more finances, and less government. That is why neoliberal economists have gained a reputation for being the ‘cheer leaders’ of neoliberalism, despite conventional economics being far from an unconditional defense of *laissez-faire*. As the critical line of thinking asserts, economists who let their enthusiasm for the free market run wild are not being true to their discipline⁷.

The key question to understanding this phenomenon, which began with an identification with economics and has broadened its horizons to become a reason for the world is: how did this happen? In recent decades, the word neoliberal and its associated concepts and meanings have taken over research, reflections, public policy and government, and corporate and individual action. As Dardot and Laval correctly asserts⁸, neoliberalism goes beyond an economic policy and ideology, becoming the *raison d'être* of contemporary capitalism, a new mindset.

Illustrating some of the most important analytical perspectives of recent years, comprehensively reviewed by Cahill and Konings⁹, world literature on the topic has portrayed neoliberal-

ism as an ideology, economic policy, a hegemonic political coalition, the policy of the elite, conservatism, a new form of imperialism, and the reason for the world. However, a common thread to these perspectives is the view of neoliberalism as an ideology that is based on a straightforward opposition between state and market, represented by the events that led up to the financial crisis of 2008, demonstrating the deep imbrication of state and private finance. That is why several authors view neoliberalism (also) as a new rationale for government intervention that overcomes the old vision that suggests there is a fundamental conflict between state and market.

It amounts to a contemporary capitalist mode of existence, characterized by the hijacking of the state by market and financial forces. The nexus between the state and finance is currently the central nervous system of the accumulation of capital. As Saad-Filho¹⁰ asserts, neoliberalism is not only a movement to restore classical liberalism and promote the affirmation of the elite. In some cases, it goes beyond a conservative alliance and manifests itself as a new type of imperialism.

The role of large corporations has evolved considerably, with a significant expansion of their sphere of operations to include an array of different goods and increased engagement in the provision of social services in the wake of policies to promote privatization and commodification and industry and financial deregulation. Such policies favor the free movement of capital, allowing it to play a dominant role in the global economy and our lives, greater tolerance towards unemployment resulting from a new vision of macroeconomic policy oriented towards controlling inflation and fiscal austerity, and trade union disputes. These factors have led to the creation of a new institutional architecture for the management of capitalism and its relationship with the social sphere at both local and international level.

This has direct and serious consequences for the public provision of social services. On the one hand, there is pressure to expand coverage, in view of the persistence of unemployment and amount of people in situations of vulnerability, while on the other deindustrialization motivated by the intensification of international competition has increased the rate of unemployment and the number of workers subjected to precarious working conditions. Governments therefore view the social arena as a problem, given the limited revenue available to fund social services, be it from taxation and social security contributions or OPP.

Thus, the decline in public social service provision together with the deep imbrication of social protection systems and the economy, with neoliberal restructuring of capitalism, has led to a shift from the protection of rights and public provision towards the commodification of social protection through private provision paid by citizens. The ultimate result is the neoliberal hybridization of the public and private sector, that is, a blurring of the boundaries between public and private and commodification of the public sphere, which is forced to play by the rules traditionally employed in the private sector, where the logic of competition and profit dominates.

As various recent studies and publications have shown¹¹⁻¹⁵, the consequences of neoliberalism are distributed across various dimensions (Chart 1). Changes in state-market-society relations are marked by the weakening of the political forces that defend the welfare state that developed throughout the twentieth century. Economic growth is reduced and appropriated by the profiteers – those who live on income earned mainly on the financial markets, while society becomes increasingly alien and incapable of forming coalitions to defend its rights, turning its attention to external phenomena (such as immigration and the resulting intensification of competition in the labor market). Social protection is reduced or targeted at those who are able to pay, who are generally workers working in the formal sector. The consequences for the well-being of individuals are numerous, with an increase in the prevalence of various diseases and mental disorders.

The welfare state, neoliberalism and financialization of social protection

The creation and development of the welfare state – that is, a national system of decommodified social service provision, based on the creation of social funds maintained by the collection

of taxes and social security contributions, where it falls upon the state to protect the population against the major risks that threaten individuals in contemporary societies (accidents, illness, aging, death, unemployment, social exclusion) – occurred in a specific moment in history (1945-75) marked by the positive conjunction between economic growth and the reduction of social inequalities¹⁶. During this period, various countries adopted active political policies designed to promote economic growth, either through the implementation of monetary, fiscal and exchange rate policies, or direct public investment. At the same time, the role played by unions and adoption of labor protection policies also contributed to real wage growth and the introduction of various worker benefits. These factors made it possible to conciliate accelerated economic growth with a more equal distribution of the wealth generated.

However, the economic crisis experienced in the last quarter of the twentieth century led many to severely question the model, paving the way for the strengthening of neoliberal policies in the majority of both core and peripheral Western countries. As mentioned in the previous section, these policies were based on a (re)valuation of free market society ideology, through the adoption of a set of market-oriented reforms, including the end of state economic planning, privatization of state-owned enterprises and public services, deregulation of the financial and labor markets, tax reduction, and the free flow of goods and capital. With respect to social protection, neoliberal policies emphasized self-funding of access to services (with an effective increase in the contribution of service users to social expenditure), actions focused on the poorer segments of society, decentralization of service provision and management, separation of functions (funding and provision, for example), and competition between different service providers (schools, hospitals, etc.). Thus, there has been a major break with strong govern-

Chart 1. The consequences of neoliberalism for society, the economy, politics, social protection and health status.

Dimension	Consequences
Society	More individualistic, materialistic and socially antagonistic
The economy	Slower economic growth, greater concentration of income, greater financial insecurity
Politics	Middle and lower classes have less political power
Social protection	Children, adults and the elderly do not have adequate social protection
Health status	Obesity, self-harm, eating disorders and mental illness (depression, anxiety, social phobia)

Source: authors' elaboration.

ment involvement in the social arena, due to a series of common (and also specific) factors that have influenced all public social service provision systems.

It has always been difficult to identify the similarities between the social protection systems, programs, areas of social protection, timing and circumstances of different countries. However, as Fine¹⁷ points out, this does not mean that modern social protection systems are free of common influences. Globalization and neoliberalism, on the one hand, and financialization of wealth on the other, have imposed a series of limits, contradictions and new forms of expanding social protection, be it via the state or market.

Globalization was a central element of the constraints faced by the welfare state because social spending burdened locally manufactured products and created barriers to competition on the world market. Several countries reformed their social protection systems to increase competition. The following examples illustrate this dilemma: Italy lost competitiveness due to the labor spending burden; France opted to reform its welfare state; while Germany may be regarded as an excellent example, since its social security-based system associates lower costs with greater labor productivity.

According to Fine¹⁷, strengthening private consumption extinguished or created major tensions for so-called long periods of public system provision (the other side of collective consumption), since the public service provision system is not a consumer goods market, but rather a specific arrangement to satisfy need. Financialization fiercely attacked the social policy system when the financial sphere turned the logic of accumulation much more oriented towards speculation, the unlimited expansion of credit, the penetration of private finance into the social and economic arena (in areas such as health, education, social security, social infrastructure, and housing), and the emergence of a neoliberal culture that revered the private goods market as much as it did anti-statism.

In the past, development and universal social policies were elements of a pattern of industrial accumulation in which productivity gains were transmitted into wage growth, whose purchasing power guaranteed increased demand for manufactured goods because social protection systems decommodified access to social goods and services, resulting in more available income to drive growth in private consumption through the purchase of manufactured goods¹⁷. Public funding

via taxation allowed for the socialization of risks, resulting in the need for an ideological discourse based on solidarity and social justice. The public sector ethos sealed this alliance endorsed by major corporations and unions in a democratic environment, secured by wide-ranging agreements between workers and employers.

Today, the expansion of private consumption no longer depends on the decommodification of access to social goods and services, since the consumer credit system, with all its different mechanisms (credit cards, overdraft, loans etc.), is able to play this role. The solidarity-based public sector ethos has been broken by the fragmentation of social life and the labor market, whereby people are constantly changing places and positions in a system in which flexibility (agility, openness to short-term change, capacity to take risks, etc.) is an essential element¹⁸. It is also possible to observe the expansion of privatization and private consumption of social services, due to growing supply, the valuation of life styles based on competitive individualism, and the defense of individual diagnoses and treatments, corroborated by scientific advances and the desire for individualization.

There is also a deep imbrication of the business/economic facets of the social arena (housing, health, infrastructure, and education) and the national and global financial system, whereby investment decisions are subordinated to the imperatives of the valuation of financial assets on the different markets. In the healthcare field, the strategies of major business groups are evident in the move towards mergers and acquisitions on a global scale leveraged by major financial groups. According to Hiratuka et al.⁵, the number of mergers and acquisitions increased from 39 in 1999 to 432 in 2013, with values ranging between US\$10 and 20 billion.

Although the move towards mergers and acquisitions is stronger in core countries, where the association between investment funds and healthcare companies has contributed to the rapid concentration and internationalization of markets, this phenomenon can also be seen in developing countries. In Brazil for example, according to Hiratuka et al.⁵, around 60 merger and acquisitions involving companies operating in the health services sector were witnessed in the period 2004-2013. Although the large majority of these operations involved mainly national companies, the participation of foreign companies is becoming more common. In this respect, two of Brazil's largest health insurance companies –

Amil and Intermédica – were recently acquired by foreign companies (United Health and Bain Capital, respectively). As can be seen in Chart 2, 12 of Brazil's 20 largest companies in the Brazilian health services sector are health insurance companies or health plan operators, including the three largest. It is important to highlight that the business activities of the large majority of these companies, which are financial intermediaries, include also service provision, given that they possess their own network of hospitals and other healthcare facilities.

Studies on the topic of financialization^{19,20} have shown that a new business management model more aligned with the interests of shareholders currently dominates in large companies. This new model includes two key dimensions: on the one hand, the classical view of a company as a coherent and integrated combination of permanent assets in pursuit of innovation and long-term growth has been replaced by a financial conception in which a company is viewed as a portfolio of liquid subunits that should be continually restructured to maximize share value; while on the other, management compensation is no longer linked to long-term company success, but rather short-term movements in the share market, meaning that the interests of upper management are aligned with the interests of investors and those who hold the majority of the company's capital. Thus, scaling up and integration of international operations are strategies used for reducing costs and increasing short-term profitability. The global centralization of capital and the formation of large international conglomerates are the result of this process⁵.

**Who are the neoliberals and what are its consequences for the average individual?
The neoliberal meritocracy**

Who are the neoliberals? To explain the history of the constitution of this new way of organizing the world, we need to go back to the beginning of the 1980s. Published in 1982, Charles Peters' "A Neo-Liberal's Manifesto"²¹ refers to neoliberalism as an embryonic movement that brought together politicians, journalists and economists eager to take a critical look at the objectives and values of liberalism. They claimed that traditional liberal responses aggravated the problems that began to emerge in the 1970s: declining productivity; decaying infrastructure; inefficient and unaccountable public agencies; a military with weapons that didn't work and few

people from the upper classes in its ranks; and the explosion of political action committees devoted to the interests of single groups, among others. Thus, according to Peters, neoliberals are liberals who have reviewed ideas that previously favored unions and big government and opposed the military and big business. In other words, they started to defend the latter over and above the former.

The central concerns of this pioneering group of neoliberals were the community, democracy and prosperity, of which economic growth is now the most important. Their hero was the risk-taking entrepreneur who creates new jobs and better products. According to Peters, public policy should encourage productive investment. On the other hand, the neoliberals were opposed to: economic regulation that discourages healthy competition (except for the regulation of health and safety); unions that demand wage increases without a corresponding increase in productivity; management compensation that encourages short-term profit as opposed to long-term growth (but favorable towards giving workers a share in the ownership of the company); a "fat, sloppy, and smug" bureaucracy (but favorable towards meritocracy/performance standards in the public sector). Thus, the neoliberal movement considered itself to be pragmatic and idealistic, focusing for example on making education better, ensuring social benefits target those in real need, and the adoption of compulsory military service.

As Peters' manifesto asserts, the meaning of neoliberalism has changed considerably over time as the label began to carry strong connotations of deregulation, financialization and globalization. This idealistic way of looking at the world ceased to exist in the command of neoliberal policy and today defenders of this policy hide behind its more altruistic values typified by Peters' manifesto, apparently forgetting the recent course of events outlined in the first part of this article. However, it is exactly this vision of neoliberalism that is disseminated by the mainstream media, particularly in emerging economies, and which constitutes the narrative of the common sense of neoliberalism, dramatically influencing a large proportion of the world's population, above all the middle classes.

However, other more complex factors may explain this shift in behavior of the average person and its general impacts on health. Based on specific communal traits, a study conducted by Curran and Hill²² examined how this new way

Chart 2. Net revenue (R\$ million) of the 20 largest companies in the Brazilian health care industry in 2016.

Company	Net revenue	Activity
1. Bradesco Saúde	18,273.1	Health Insurance
2. Amil	16,765.2	Health Plans
3. Sul América Saúde	12,091.4	Health Insurance
4. Rede D'Or São Luiz	7,912.5	Medical Services
5. Unimed Rio	5,040.3	Health Plans
6. Hospital São Paulo	4,777.8	Medical Services
7. Central Nacional Unimed	3,922.4	Health Plans
8. Grupo Notre Dame Intermédica	3,894.2	Health Plans
9. Unimed Belo Horizonte	3,057.4	Health Plans
10. Dasa – Diagnósticos da América	3,040.8	Medical Services
11. Hapvida	3,036.5	Health Plans
12. Hospital Albert Einstein	2,520.0	Medical Services
13. Hospital e Maternidade São Camilo	2,326.7	Medical Services
14. Fundação do ABC	2,249.2	Medical Services
15. Unimed FESP	2,208.8	Health Plans
16. Santa Catarina	2,144.0	Medical Services
17. Fleury Medicina e Saúde	2,096.1	Medical Services
18. Unimed Saúde	1,972.6	Health Insurance
19. Esho	1,968.5	Medical Services
20. Unimed Porto Alegre	1,947.8	Health Plans

Source: Valor 1000 – 2017. Available at: <http://www.valor.com.br/valor1000/2017/ranking1000maiores>

of thinking has developed and shaped individual attitudes over the last 40 years. These authors describe a common desire to strive for perfection classified into three dimensions of perfectionism: self-oriented perfectionism (where individuals hold unrealistic expectations of themselves); other-oriented perfectionism (where individuals hold unrealistic expectations of others); and socially prescribed perfectionism, considered the most debilitating of the three dimensions of perfectionism, since it describes the feeling of paranoia and anxiety engendered by the persistent sensation that everyone is waiting for you to make a mistake.

The results of the study showed that people born in the United States, United Kingdom and Canada after 1989 obtained higher scores than previous generations for all three dimensions of perfectionism and that scores showed linear increases over time. However, the most dramatic change occurred with socially prescribed perfectionism. How can this be explained if we do not resort to the idea that the development of perfectionism is influenced by broader cultural norms? According to the authors, three inter-related cultural changes influenced these changes:

(a) the emergence of neoliberalism and competitive individualism; (b) the rise of the doctrine of meritocracy; and (c) increasingly anxious and controlling parental practices. As pointed out by Day:

Since the mid-1970s, neoliberal political-economic regimes have systematically replaced things like public ownership and collective bargaining with deregulation and privatization, promoting the individual over the group in the very fabric of society. Meanwhile, meritocracy — the idea that social and professional status are the direct outcomes of individual intelligence, virtue, and hard work — convinces isolated individuals that failure to ascend is a sign of inherent worthlessness. Neoliberal meritocracy (...) has created a cutthroat environment in which every person is their own ambassador, the sole spokesman for their product and broker of their own labor, in an endless sea of competition. As Curran and Hall observe, this state of affairs “places a strong need to strive, perform, and achieve at the center of modern life,” far more so than in previous generations (...) Neoliberal ideology reveres competition, discourages cooperation, promotes ambition, and tethers personal worth to professional

achievement. Societies governed by these values make people much more critical of others and anxious about being judged.

Curran and Hill suggest that the cultures of the countries studied “have become more individualistic, materialistic, and socially antagonistic over this period, with young people now facing more competitive environments, more unrealistic expectations, and more anxious and controlling parents than generations before”. One of the consequences of increased perfectionism has been a series of epidemics of serious mental illness: perfectionism is strongly correlated with anxiety, eating disorders, depression and suicidal thinking. Furthermore, another consequence of the increase in perfectionism is that it jeopardizes the development of solidarity.

The above analysis concurs with the work of Verhaeghe¹⁵, who holds that meritocratic neoliberalism favors certain personality traits and penalizes others: articulateness, to win over as many people as possible, flexibility and willingness to take risks are necessary characteristics for a successful career. Verhaeghe contends that, on the other hand, “Solidarity becomes an expensive luxury and makes way for temporary alliances, the main preoccupation always being to extract more profit from the situation... Social ties with colleagues weaken, as does emotional commitment to the enterprise or organization... There is a buried sense of fear, ranging from performance anxiety to a broader social fear of the threatening other.”

Effects on social protection

What is the ultimate outcome of this intricate process for social protection? Table 3 below, elaborated using data from the latest report produced by the International Labour Organization¹¹, provides an overview of the current state of social protection around the globe (Chart 3). It can be seen over half of the global population have no protection at all. Furthermore, the report shows that lack of coverage is greatest exactly in the regions where the need is greatest and that the most vulnerable groups (children and the elderly) are the least protected due to a low level of coverage among children aged between zero and 14 years and the low value of retirement benefits, which

prevents the elderly from being lifted above the poverty line.

The figures provided by the ILO leave no doubt that fiscal austerity policies, broadly inspired by neoliberal prescriptions and implemented in virtually all regions of the world, have had a negative impact on social protection programs, especially those directed at children. Spending on unemployment benefits as a proportion of Gross Domestic Product (GDP) is tiny, exactly during unemployment crises, while the level of protection for occupational accidents and disease is low.

With respect to health, despite an extension of universal coverage, major deficits remain, particularly in rural areas and among the world's poor population, as is the case with African countries. It is estimated that an additional 10 million health professionals are needed to achieve universal health coverage. It is also important to note that major regional disparities exist even within developed countries. Finally, meeting the health needs arising from epidemiological shifts (increasing burden of chronic diseases that require long-term care) remains a challenge for many public health systems.

Conclusions

The overview of social protection around the globe demonstrates that there are major gaps throughout the entire life cycle, which cause more illness, poverty and death. Few intellectuals understand how financial capital interests and neoliberal policies place a large proportion of the world's population in a situation of risk, while the issues discussed here receive very little media coverage.

That is why public provision and collective consumption should be defended or insulated from the negative effects of financial capitalism and the erosion/fragmentation of public institutions and social protection systems caused by neoliberalism. Today, more than ever, in view of recurrent crises, increasing inequalities and impoverishment, unsatisfied basic needs, the erosion of human rights, and the need for investment in the development of sustainable solutions and collective well-being, social policy must regain its leadership role.

Chart 3. Overview of social protection around the globe (2017).

General	Children	Working-age Population	Older persons	Health
<p>. 55% of the world's population (around 4 billion people) is not covered by any social protection benefit</p> <p>. 71% of the world's population is not protected by social protection systems that include a wide range of benefits</p> <p>. Coverage problems are associated with low levels of investment in social protection, especially in regions of Africa, Asia and Arab States</p> <p>. Lack of social protection makes people more vulnerable to poverty, inequality and social exclusion throughout the life cycle, constituting a major obstacle to social and economic development</p> <p>. The Sustainable Development Goals (SDG) call for universal social protection and countries have the responsibility to guarantee at least a basic level of social security (a social protection floor) for all as part of their social protection systems</p>	<p>. 65% of the world's children do not have access to social protection, most of them living in Africa and Asia</p> <p>. On average 1.1% of GDP is spent on child benefit for children aged between 0 and 14 years, pointing to significant underinvestment in children, which affects not only the children's overall well-being and long-term development, but also the future economic and social development of the countries they live in.</p> <p>. There has been an expansion of income transfer schemes targeting children in lower and middle-income countries in recent years. However, coverage and benefit levels remain insufficient</p> <p>. Many countries have reduced social protection for children in the wake of fiscal consolidation policies often narrow-targeting child benefits to the poor and leaving many vulnerable children without adequate protection</p>	<p>. 41% of women with newborn children receive some type of maternity benefit</p> <p>. 21.8% of unemployed workers are covered by unemployment benefit</p> <p>. Only a minority of the global labor force have effective access to employment injury protection</p> <p>. 27.8% of persons with severe disabilities worldwide receive a disability benefit.</p> <p>. Worldwide only 3.2 % of GDP is spent on public social protection to ensure income security for persons of working age</p> <p>. Although there has been an expansion in coverage of maternity and work accident benefit in some countries, there are significant gaps in coverage and adequacy in others</p> <p>. Many countries have reduced social protection for persons of working age as part of austerity policies at a time when social protection is most needed.</p>	<p>. 68% of people above retirement age receive a pension, which is associated with the expansion of both non-contributory and contributory pensions in many middle and low-income countries.</p> <p>. A number of developing countries have achieved universal pension coverage, while others are close to universal coverage</p> <p>. However, benefit levels are often low and not sufficient to push older persons out of poverty</p> <p>. Expenditures on pensions and other benefits for older persons account for 6.9% of GDP on average, with large variations across regions.</p> <p>. Fiscal austerity policies in many countries continue to jeopardize the long-term adequacy of pensions</p> <p>. There is a tendency to return to public solidarity-based systems in some countries because privatization initiatives have not delivered the expected results</p>	<p>. The right to health is not yet a reality in many parts of the world, especially in rural areas where 56% of the population lack health coverage as compared to 22.5% in urban areas.</p> <p>. An estimated 10 million health workers are needed to achieve universal health coverage and ensure human security, 7 million of which in rural areas</p> <p>. 48.1% of the world's population lives in countries that do not offer any kind of coverage for long-term care (LTC); 46.3 per cent of the older global population are largely excluded from LTC due to narrow means-testing regulations; only 5.6 per cent of the global population live in countries that provide LTC coverage to the whole population</p> <p>. An estimated 57 million unpaid "voluntary" workers are filling in the LTC workforce gap, many of whom are women who have to provide informal care for family members</p>

Source: World Social Protection Report (ILO, 2017).

Collaborations

ALA Viana participated in the design of the article, review and systematization of the literature, writing of the manuscript; HP Silva's review and systematization of the literature, writing the manuscript, critical review.

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