



Mexico

Area	1,959,284 km ²
Population ⁱ	108,400,000
Age structure	
• 0-14 years	29.1
• 15-64 years	64.7
• 65 years and over	6.2
Infant mortality rate (per 1,000 live births) both sexes ⁱⁱ	14.2
Life expectancy at birth (years) female ⁱⁱⁱ	77.8
Life expectancy at birth (years) male ^{iv}	73.1
Maternal mortality ratio (per 100,000 live births) ^v	53.3
GDP per capita	
• Current USD ^{vi}	10,232
• PPP (current international \$) ^{vii}	14,570
• Constant local currency	83,955
Total public social protection expenditure as % of GDP ^{viii}	7.4
Unemployment rate ^{ix}	5.3
Size of informal economy ^x	28.8
Human development index (HDI) rank ^{xi}	53
HDI poverty indicators – Human poverty index rank ^{xii}	23

A Social Protection Floor

Blanca Lila Gracia Lopez

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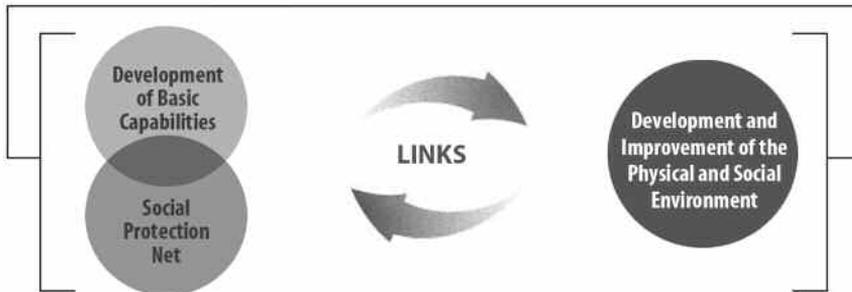
Mexico

Summary

In 2008, an integrated social strategy of inter-institutional coordination, the Live Better (Vivir Mejor) Strategy, was launched by the Government. The strategy takes into account the entire life cycle of individuals and their families, with a focus on sustainable human development to eradicate poverty and structural causes that generate it. It has fostered achievements that have strengthened the social protection system and contribute to nurturing greater citizen participation.



Vivir Mejor



Development of Basic Capabilities

Included in the development of basic capabilities are actions that guarantee equal opportunities and conditions for social development. All programmes that provide access to education, health, food and decent housing for Mexico's poorest families are considered.

Social Safety Net

The social safety net is comprised of all tools and programmes that enable citizens to better deal with the contingencies and risks that may arise throughout life (natural disasters, catastrophic illnesses and job loss). Also included are actions targeted at specific groups of the population who are vulnerable.

Linking Economic and Social Development

Economic and social development are linked by those actions that aim to promote and facilitate the access to a formal and well-remunerated job.

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INTRODUCTION

This case study documents the evolution of the social protection policies in Mexico, using data from a questionnaire that considered two dimensions of social policy: social institutions and social strategy. It explores these programmes and draws some conclusions about the development of a social protection floor.

Experience shows that social protection policies require a solid institutional framework. It is not so much a matter of the type or number of programmes but rather of how the programmes are articulated in a national strategy that guides and focuses social development goals.

CONTEXT

Social protection in Mexico has been shaped throughout the years by various social, economic and political factors. Today it is part of a comprehensive social policy strategy that, supported by a legal and institutional framework, coordinates and complements all government social programmes in order to promote social welfare for all and ensure protection for vulnerable groups of the population.

MAIN FEATURES OF SOCIAL PROTECTION

In Mexico, social protection has a long history, dating back to the social rights established in the 1917 Constitution, which also includes social security in Article 123 regulating labour relations. According to this Article, employers have the obligation to

provide workers with pensions, housing, health and other services.

Social security came into full force in Mexico in the 1940s with the creation of the Mexican Social Security Institute (Instituto Mexicano del Seguro Social, IMSS), which aimed to protect private-sector workers. Years later, in 1960, the State Workers Security and Social Services Institute (Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado, ISSSTE) was created.

Social security rests on these two systems: the IMSS and ISSSTE. Besides these, other social security systems exist that belong to the federal bodies of the States, the government-controlled sector and the development banks.

Notwithstanding the significant achievements in social security in Mexico, its development was uneven and privileged the most organized sectors of the population: salaried and unionized employees. In this way, a significant proportion of the population, not bound to the labour and contributory regimes, remained outside the social security system. Peasants and informal workers were among the most negatively affected groups.

This social security model did not face major problems during the period 1940-1981 since the economy experienced sustained growth at an average rate of 6.3 per cent per year. However, after 1982, the landscape changed owing to an economic crisis. Between 1982 and 1988, Mexico experienced a real rate of growth in gross domestic product (GDP) of 1.8 per cent, which corresponds to an average annual

rate of 0.23 per cent. This led to the loss of employment, a fall in real household incomes, increased poverty and proliferation of the informal economy. Later, in the period 1989-1994, the economy recovered somewhat and achieved an average rate of annual GDP growth of 1.99 per cent.

Mexico maintained low growth rates and experienced recurrent economic crises in 1982, 1995 and 2009, which have exacerbated existing gaps in ensuring minimum levels of welfare for all Mexicans. Nevertheless, the State began its experience in fighting poverty in the late 1970s with the first targeted welfare programmes. These included the Programme of Public Investments for Rural Development (Programa de Inversiones Públicas para el Desarrollo Rural, PIDER), created in 1973; the General Coordination Plan for Depressed Areas and Marginal Groups (Coordinación General del Plan Nacional de Zonas Deprimidas y Grupos Marginadas, COPLAMAR) in 1977; the Mexican Food System (Sistema Alimentario Mexicano, SAM) in 1980; the National Solidarity Programme (1990-1995); and the Education, Health and Nutrition Programme (Programa de Educación, Salud y Alimentación, PROGRESA), launched in 1997, which became the Programme for Human Development (Oportunidades) in 2002.

These programmes led to significant but insufficient achievements. Experience has shown that the magnitude of poverty is beyond the scope of a government programme and requires instead an institutional framework and a concurrence of bodies and different levels of governmental powers working together to design a comprehensive State social policy.

In 2000, a process was started to lay the foundations for a State social policy. It incorporated the experience accumulated and created new instruments to tackle poverty. In January 2004, the Social Development Law (la Ley General de Desarrollo Social, LGDS) came into force, guaranteeing the full exercise of social rights enshrined in the Constitution, thus ensuring access to social development for all. The instruments created guarantee the budget and ensure the continuation of social-programme evaluation and transparency in the expenditure of financial resources. The national system of social development was established, which identifies the institutions responsible for social development and mechanisms to ensure the participation of different levels of government and sectors of society.

DIMENSIONS OF POVERTY¹

Mexico is a country of great contrasts. It is the second-largest economy in Latin

¹According to the methodology used to estimate income poverty, "poverty" is defined as follows:

- (a) **food poverty**: Failure to obtain a basic food basket even if all household disposable income is used to buy only the assets of this basket;
- (b) **capability poverty**: lack of disposable income to purchase the food basket and make the necessary expenditure on health, adequate housing and education, even if the total household income were dedicated only for this purpose; and
- (c) **asset poverty**: lack of disposable income to purchase the food basket and to make the necessary expenditure on health, clothing, housing, transport and education, even if the entire household income is used exclusively for the purchase of these goods and services.

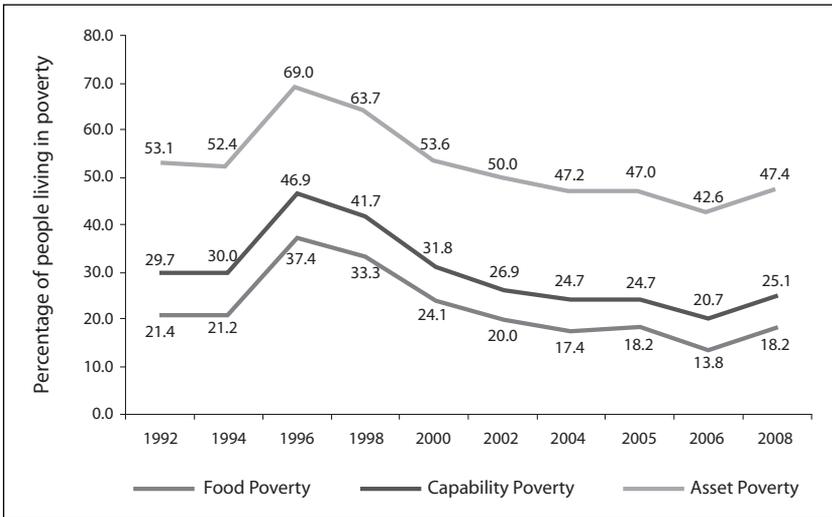
America and has a per capita income of \$10,232 (World Bank, 2008), which places it at the level of a high-middle-income country. However, significant inequality and poverty prevail.

In the period 1994-1996, Mexico suffered a severe economic crisis that resulted in an increase in asset poverty,² which went from 52.4 per cent to 69.0 per cent. However, in subsequent years, the country achieved a significant reduction in poverty levels. Indeed, in the period 1996-2008, the percentage of people recorded in asset poverty was reduced by 22 percentage points, dropping from 69 per cent to 47 per cent. This means that about 13.4 million people escaped poverty. Similarly, during the same period, food poverty went from 37.4 per cent to 18.2 per cent, representing a reduction of 15.1 million people. This positive change

was due to macroeconomic stability coupled with the implementation of a sound social development policy.

The measurement of income poverty between 2006 and 2008 shows an increase in the incidence of asset poverty, which rose from 42.6 per cent to 47.4 per cent (graph 1). In turn, the incidence of food poverty increased from 13.8 per cent to 18.2 per cent. In absolute terms, the increases were 5.9 million people (asset poverty) and 5.1 million people (food poverty), rising from 44.7 to 50.6 million people and from 14.4 to 19.5 million people, respectively.

This situation must be understood in the context of the global food and economic crisis that hit Mexico, causing a decrease in the rate of GDP growth of 3.6 per cent in 2007, 1.4 per cent in 2008 and -6.5 per cent in 2009.



Graph 1 | Evolution of income poverty, 1992-2008 (as a percentage of the population).

Source: National Council for the Evaluation of Social Development Policy (CONEVAL) estimates based on the household survey, Encuesta Nacional de Gastos de los Hogares (ENGH), of 1992-2008.

²Mexico produces a series of poverty lines based on income per capita that reflect food poverty, asset poverty and capability poverty. Capability poverty includes access to adequate housing, health and education. See <http://www.coneval.gob.mx/>.

BUILDING A SOCIAL PROTECTION FLOOR

The impact of the recent crisis on the most vulnerable groups of the population has been less than might have been expected given the size of the decline in GDP, owing, inter alia, to the institutionalization of a social development policy and to the creation of a social safety net and in particular to the important role played by the human development programme, Oportunidades (Oportunidades).

According to Gustavo Merino, Under-Secretary for Planning and Evaluation of Social Development of the Ministry of Social Development (Secretaría de Desarrollo Social, SEDESOL) (August 2008-July 2010):

"An effective social policy is revealed by comparing the impact of economic crisis we are currently going through with the 1994 crisis, which is of similar magnitude in terms of GDP. At that time, the number of poor increased by 17 million – from 52.4% to 69%. In contrast, between 2006 and 2008, asset poverty increased from 42.6% to 47%, which leaves us at levels similar to those of 2005 and, although the figures do not reflect the full impact of the crisis, no serious estimate signals impacts as high as in 1994. CONEVAL indicates that without programmes such as Oportunidades, the extremely poor would have increased by 2.8 million between 2006 and 2008, since these programmes, while attacking the structural causes of poverty, also protect households

against income shocks" ("Política social economía y combate a la pobreza", *El Universal*, 4 May 2010).

To address the effects of the 2008-2009 crisis and return to a steady and continual reduction of poverty, the federal government not only increased social spending but also strengthened social programmes by expanding their coverage and improving the interaction between social and economic policies.

In this process, the implementation of the Live Better (Vivir Mejor) Strategy in March 2008 should be stressed as a social policy strategy that supports a broader approach to social protection that emphasizes the development of basic skills, the link between a social context that determines both access to employment and income-generation possibilities, the environment, and protection from loss of income, poverty and social exclusion that put people in situations of vulnerability and social risk.

This strategy seeks to combine the fight against poverty and inequality while at the same time promoting social cohesion.

From 1996 to 2008, the foundations were laid for the institutionalization and strengthening of the Oportunidades human development programme, which evolved out of PROGRESA. The objective of the Oportunidades programme is to cover 5.8 million families in 2010, registering an increase from the 300,000 families with which PROGRESA began in 1997.

In this way, a social protection system was built — designed as a mechanism for the coordination and implementation of various social programmes that bring together traditional social security and the provision of social services in conjunction with a conditional cash transfer. This system takes into account the life cycle of the individual and his or her family, from the pregnant mother to the elderly, and incorporates a gender perspective that considers the many expressions of poverty. As a result, Mexico now has a social protection floor that has been built up over several decades.

Experience shows that social protection policies require a solid institutional framework. It is not so much a matter of the type or number of programmes but rather how the programmes are articulated in a national strategy that guides and focuses social development goals.

INSTITUTIONALIZATION OF SOCIAL POLICY: MAIN TOOLS

GENERAL LAW OF SOCIAL DEVELOPMENT

The effectiveness and direction of any social programme, beyond its optimal design, depend largely on the institutional framework underpinning it. The institutional framework concerns a set of factors that facilitate a constantly evolving and improving long-term social policy.

In Mexico, the General Law of Social Development (le Ley General de Desarrollo Social, LGDS) lays the founda-

tion for a State social development policy, institutionalizes various processes of public policy, supports the coordination between different levels of government and institutions of executive power, and promotes evaluation and transparency.

This Law states that the national social development policy must include different dimensions in order to overcome poverty through the following: education; health; food assistance; employment and income-generation; self-employment and training; social security and welfare programmes; regional development; basic social infrastructure; and the promotion of the social sector of the economy.

The LGDS considers the systematic evaluation of social development policy in order to periodically review compliance with the social objectives of the programmes, goals and actions of the Social Development Policy. For this purpose, the National Council for the Evaluation of Social Development Policy (CONEVAL) was created. The Law governs all social programmes and activities of the institutions and sectors of society.

The main features of the institutional framework are:

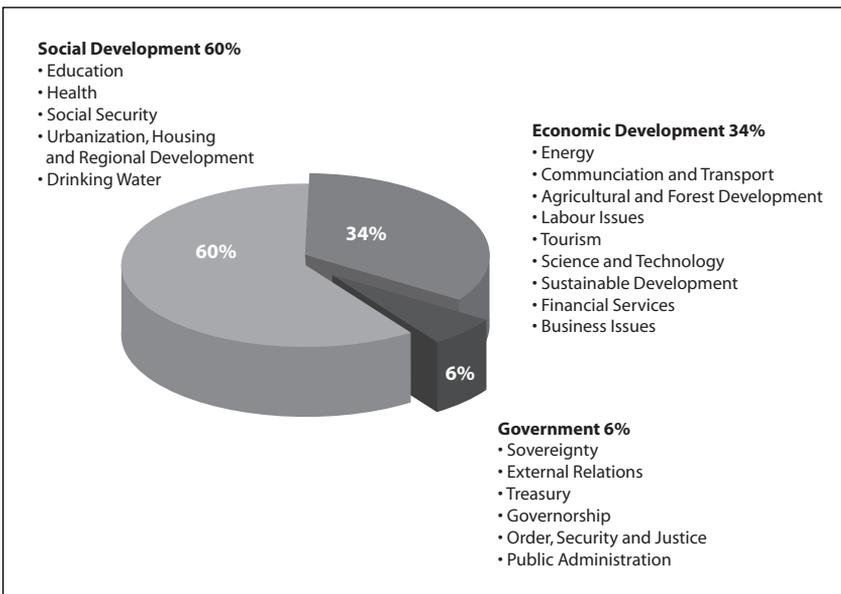
- (a) **General Law of Social Development.** Implemented in 2004, the Law stabilizes social policy and guarantees the full exercise of social rights, ensuring access for all people to social development, and institutionalizes certain activities such as:

- the definition and measurement of poverty;
- the evaluation of programmes;
- the integration of the lists of beneficiaries;
- the responsibilities of the three tiers of government;
- the creation of the National System for Social Development as a mechanism for participation and coordination among levels of government, the legislative branch, and the social and private sectors;
- the protection of the budget allocated for social development;

(b) **the Budget.** Adopted annually in compliance with the General Law of Social Development, the Federal Law on Budget and Fiscal Responsibility, and the Budget of

Expenditures of the Federation.

The federal budget for social spending cannot be lower, in real terms, than the budget of the previous fiscal year. This expenditure should be increased at least in the same proportion as that forecast for GDP growth. The financial resources come mainly from taxes paid by citizens and income from the sale of goods and public services. The federal government expenditure in 2010 is distributed as follows: 60 per cent for social development (education, health, social welfare, urbanization, housing and regional development, water supply and sewerage, social assistance); 34 per cent for economic development; and 6 per cent for government expenditure (graph 2). The primary objectives guiding expenditure for 2010 are: combating poverty, higher economic growth and strengthening public safety;



Graph 2 | Social expenditure, 2010.

(c) **inter-institutional coordination.**

This feature recognizes the need for participation and coordination mechanisms among the government, legislature, civil society and private initiatives in order to achieve social development goals.

At the federal government level, there is the **Social Cabinet**, a body created as a result of the General Law of Social Development and headed by the President of the Republic. The Social Cabinet examines, discusses and monitors the measures relating to social-sector programmes.

Another authority is the **Inter-Ministerial Commission for Social Development**, composed of 14 federal agencies chaired by SEDESOL. This is the vehicle to guide social policy development.

Moreover, there is an explicit commitment to strengthen the coordination mechanisms between different levels of government and the Legislature by promoting the greater involvement of these actors in developing programmes and strengthening budgets that ensures their concurrent participation in development activities. The **National Social Development Committee** has been established, comprising representatives of the Federal Government, State governments and municipal governments as well as representatives of the Chamber of Deputies and Senators.

The private sector and civil society organizations collaborate through

the **Advisory Council on Social Development**, which is chaired by SEDESOL and engages academics, businesses and civil society;

(d) **definition and measurement of poverty: tools to guide and evaluate social policy.**

The year 2002 witnessed the first official exercise in defining and measuring three different types of income poverty. With the results of this exercise, it is possible to diagnose the magnitude of the problem at the national level in both rural and urban areas.

Furthermore, these measures can be used as a tool for targeting and allocating resources. Poverty is measured every two years. Both the methodology and the databases are public, giving credibility to the exercise and its results.

In February 2010, CONEVAL presented the methodology for measuring multidimensional poverty, which is now the official methodology for measuring poverty in Mexico (table 1). The measurement of multidimensional poverty incorporates three aspects of the population's living conditions: the economic context, social rights and the territorial context.

According to this new concept, a person is considered in a situation of multidimensional poverty when his/her income is insufficient to acquire the goods and services required to meet his/her needs and the person also is lacking with respect to at least one of the

following six indicators: education, access to health services, access to social security, quality and areas of housing, basic services in housing and access to food.

With this new measurement, CONEVAL responds to the mandate assigned by the General Law

of Social Development with regard to the definition and measurement of poverty. Moreover, it contributes to the generation of information on issues of poverty and social inequalities that persist in Mexico. The data and methodology are published at www.coneval.gob.mx;

Table 1 | Measurement of multidimensional poverty, Mexico, 2008.

Incidence Indicators	Percentage	Number of People (in millions)
Multidimensional poverty		
Population in multidimensional poverty conditions	44.2	47.19
• Population in moderate multidimensional poverty	33.7	35.99
• Population in extreme multidimensional poverty	10.5	11.20
Vulnerable population by social deprivation	33.0	35.18
Income-vulnerable population	4.5	4.78
Population not poor multidimensionally and not vulnerable	18.3	19.53
Social deprivation		
Population with at least one social shortcoming	77.2	82.37
Population with at least three social shortcomings	30.7	32.77
Social deprivation indicators*		
Education gap	21.7	23.16
Access to health services	40.7	43.38
Access to social security	64.7	68.99
Quality and space of housing	17.5	18.62
Access to basic services in the dwelling	18.9	20.13
Access to food	21.6	23.06
Welfare		
Population with incomes below the minimum standard of living	16.5	17.64
Population with incomes below the standard of living	48.7	51.97

* Percentage of the population with social shortcomings.

Source: Estimates by CONEVAL based on Socioeconomic Conditions Module (MCS) and the National Household Income and Expense Survey (ENIGH) 2008.

- (e) **external evaluation of the programmes.** External evaluation is essential for the design and redesign of social programmes. All social programmes are subject to external evaluations undertaken by CONEVAL. The results are sent to the House of Representatives and are mainly published on the websites of the social-sector ministries. Depending on the results of the evaluation, criteria are established to help to improve the design of programmes and hence the responsiveness of government;
- (f) **register of beneficiaries, targeting key actions.** In 2002, the consolidation of a register of beneficiaries began to improve the targeting of social programmes. The register is public and available on the Internet. In this way, the register encourages transparency and accountability and facilitates inter-ministerial coordination. SEDESOL has an identity card with information about each beneficiary and his or her family, which is used to track and meet their demands through the programmes under its responsibility. Currently, work is being done to consolidate a single register of beneficiaries;
- (g) **rules of operation of the programmes, a mechanism for transparency and accountability.** Currently all programmes in Mexico must, according to the law, define their rules of operation to avoid having the design and implementation of social programmes left to the discretion of responsible officials. These rules of operation include: target coverage, target population, eligibility criteria, types and amounts of support, participating agencies, modus operandi, rights and obligations of recipients, evaluation indicators, and issues relating to complaints and allegations from the population. All this information is public. Currently, all federal programmes have rules of operation, updated and published annually in the Official Journal of the Federation;
- (h) **an electoral shield to support the implementation of social rights.** Through this mechanism, the potential for any political manipulation of social programmes is avoided. Under this mechanism, specific actions are taken to prevent the use of social programmes during electoral campaigns: training for staff and beneficiaries, and information campaigns to raise awareness among the population and particularly the population targeted by the programmes about their possible misuse for political and electoral purposes. Moreover, the same Law regulates advertising the programmes.
- In this task, SEDESOL is working with three levels of government, autonomous public bodies, civil society and international organizations;
- (i) **accountability, an ally to avoid arbitrariness and promote transparency.** SEDESOL promotes transparency and accountability through various mechanisms: (i)

audits, where the resources expended through the programmes are supervised by the Superior Audit of the Federation (Legislature) and the Internal Control Body (federal government); (ii) quarterly budget reports, which document the results, progress and operations budget for social programmes and are disseminated; and (iii) the dissemination of information.

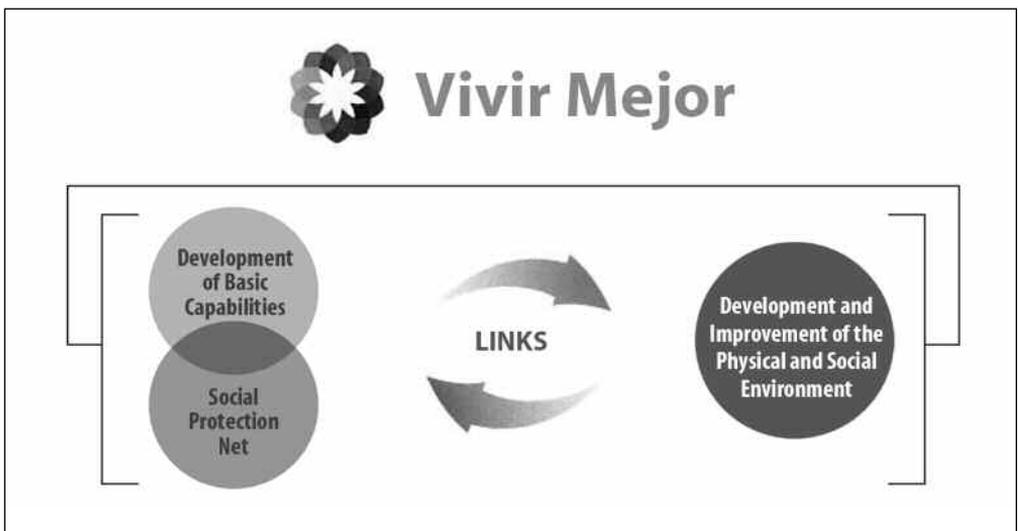
The information on social programmes is public and free, according to the provisions of the Federal Law of Transparency and Access to Public Government Information.

During the current decade, social development policy in Mexico has been successfully institutionalized. The federal government exercises its stewardship mainly through SEDESOL.

THE “LIVE BETTER” (VIVIR MEJOR) STRATEGY: EXAMPLES OF PROGRAMMES

One of the main goals and challenges set by the Government of Mexico is to improve living conditions, achieve human development and elevate the level of well-being of all Mexicans, but particularly those population groups that have fewer resources and are historically more vulnerable to adverse events such as economic crises, weather phenomena and climate change.

To achieve this goal, the Government is working hard to build a social safety net that would protect families that are affected by adverse contingencies, such as economic crises, job loss, natural disasters or disease that could negatively impact on their family assets and personal development.



To meet this objective, the Government of Mexico created the “Live Better” (“Vivir Mejor”) Strategy, which articulates in one single strategy the set of actions and programmes that integrate the social policy of the Government and, in general, the public policy of the current Administration.

THE VIVIR MEJOR STRATEGY

Vivir Mejor is a strategy that directs all the activities of the federal government towards the same goal, social human development, thus preventing any duplication and inefficiency and making the most of public resources invested.

The strategy promotes equal opportunities for poor people in order to strengthen social participation so as to reduce the gap between the country’s people as well as regions.

Its objectives are to:

- guarantee to all Mexicans access to adequate food, education, health, housing and basic services in their homes and communities;
- protect the population against conditions of vulnerability and risks such as sickness, unemployment or natural disasters;
- reduce inequality between regions and within them while strengthening community ties;
- guarantee more and better opportunities for employment and income; and
- carry out these actions in a

manner that respects the natural environment of communities.

The main challenge of this strategy is to ensure that every Mexican has the tools to improve his/her well-being through his/her own efforts and without compromising the heritage of future generations or being impeded by a lack of opportunities.

Vivir Mejor expresses a clear commitment to preserving the dignity of people, especially those who have fewer resources and those marginalized because of their age or disability or because of where they live or the lack of opportunities.

Through this strategy, actions are developed to enforce the basic rights of people in order for them to be able to fully enjoy the satisfactions of well-being and to facilitate their full integration into society and their ability to benefit from economic development.

The Vivir Mejor strategy seeks to promote the following:

- the development of capabilities in order to increase the assets of individuals and their productivity through the generation of equal opportunities for all Mexicans, especially girls and children, by ensuring access to food, education, health and a legal identity;
- a social protection network that seeks to preserve and restore physical and human capital, maintain access to basic social services and avoid any exclusion or marginalization that is brought about by

emergencies. It aims to provide protection against job losses, mitigate catastrophic health costs, and provide help in overcoming natural disasters and difficult economic circumstances for vulnerable people and groups;

- the establishment of bridges linking social policy and economic policy in order to enhance the skills and abilities of Mexicans so as to successfully include them in economic development; and
- the development of the environment or the improvement of the environment in which families live

in order to ensure a context in which to fully develop, improving the quality of housing, facilitating the acquisition of family wealth and important assets, and improving access to basic social infrastructure, all of which have a key impact on such areas as people's health, education and communication.

Vivir Mejor aligns all federal social programmes (table 2). It rests on inter-agency coordination, involving SEDESOL and other federal government agencies, such as the Ministry of Education, the Ministry of Health, the Ministry of Labour and Social Welfare, the Ministry of

Table 2 | Vivir Mejor and the programmes of SEDESOL, 2010.

Development of Capacities

- Oportunidades Human Development Programme;
- Food Support;
- Rural Supply Programme;
- Social Provision of Milk.

Social Protection Net

- 70 and Over Programme;
- Temporary Employment;
- Assistance to Migrant Farm Workers Programme;
- Support for State-level Women's Institutes to Implement Programmes to Prevent Violence against Women.

Socio-economic Bridges

- Child Day-care Centre Programme to Support Working Mothers;
- Production Options;
- National Fund for the Promotion of Handicrafts.

Development of the Environment

- Programme for Development of Priority Areas;
- Programme 3X1 for Migrants;
- Support for Asset-poor Citizens to Legalize Irregular Human Settlements;
- Habitat;
- Rescue Public Spaces;
- "Your House" Programme;
- Rural Housing;
- Social Co-investment Programme.

Note: Information on SEDESOL social programmes is available at: www.sedesol.gob.mx.

Economy, and the Ministry of Agriculture, Livestock and Rural Development. Additional information is available at www.presidencia.gob.mx/vivirmejor/.

OUTSTANDING PROGRAMMES COORDINATED BY SEDESOL

The Government of Mexico via SEDESOL has carried out programmes that, through internal and external evaluations, are recognized for their achievements in terms of the social and human development of Mexicans living in poverty. Foreign governments have taken note of these successful experiences, which include the Oportunidades human development programme, the programme on childcare facilities and the 70 and Over Programme.

Oportunidades Human Development Programme

The aim of the Oportunidades Programme is to contribute to breaking the intergenerational cycle of extreme poverty by expanding capabilities in education, health and nutrition for families living in poverty in the rural and the urban areas.

This year's Programme (2010) distributes the following benefits:

- **food support** (in cash and by delivery of food supplements) to improve the nutrition of the members of beneficiary families, with emphasis on children, and pregnant and lactating women;
- **scholarships** in cash for students of primary and secondary schools and high schools who remain in

school and complete these educational levels;

- **guaranteed access to a basic health package** to improve the health and nutrition of all members of the beneficiary families; and
- **additional support** to strengthen the development of children from 0 to 9 years of age to compensate families for increases in the cost of food and energy, improve the quality of life of adults 70 years old and over, and encourage study and completion of upper-level secondary education.

To receive support from the Programme, eligible families must comply with various conditionalities or co-responsibilities, which include: maintaining a minimum school attendance, going to scheduled medical appointments, and attending various workshops on health, hygiene and nutrition.

The Programme started as a pilot project in 1997 under the name Programme for Education, Health and Nutrition (PROGRESA) and covered 300,000 families. Since 2002, it has adopted a wider and more integral approach, with a life-cycle perspective to address the needs of all members of the family from the pregnant mothers to the elderly. Subsequently, its name was changed to Oportunidades.

This process has strengthened the institutional architecture and the tools of the Programme, which has been placed under a scheme of inter-agency coordination with the Ministries of Social

Development, Education and Health. The budget is the highest among the programmes to combat poverty. In 2009, it was 47.575 million pesos (about US\$3.8 million) while in 2010, it is 62.335 million pesos (US\$5.1 million). It should be noted that Oportunidades has an operational cost of less than 3 per cent of each dollar invested, which makes of it one of the most efficient transfer programmes in the world.

In 2000, 2.5 million families received support through the Programme, whose objective is to cover 5.8 million families in 2010. This means that more than a quarter of the total population will receive support from Oportunidades. It should be noted that since 2009, a new model to better address urban poverty has been introduced.

The Programme has been adapted to the national and international contexts in recent years. In this period, the world witnessed two of the most severe crises that humanity has ever faced: the 2008 food crisis and the 2009 economic crisis, resulting in an increase in poverty in the world, from which Mexico was not exempt.

What has happened in Mexico? Extreme poverty has been moving from the countryside to the city and Oportunidades had increased its presence in the rural areas. Consequently, prior to the crisis, the country faced the need to expand the Programme in order to tackle extreme poverty in the suburban belts of the country. Therefore, in 2010, the Programme extended not only its cover-

age but also its support.

Oportunidades 2010 incorporates a new model of service in urban areas. The main characteristics of this model are:

- multidimensional targeting at the household level;
- access to greater coverage of health services that respond to the dynamics of cities and their epidemiological problems;
- increases in the amount of educational scholarships in consideration of the higher opportunity costs observed in urban areas;
- compensatory support to households with young children (0-9 years of age) for virtually universal coverage in elementary school;
- bonuses for scholastic achievement;
- a new scheme of co-responsibilities, providing greater flexibility in its implementation, considering the activities, transportation and time schedules of people in urban areas; and
- a method of electronic payment to facilitate banking unbanked beneficiaries and improve the transparency of the Programme operations.

In 2010, Oportunidades is increasing coverage by 600,000 families and raising the benefits for families, with support for each child under nine years of age. With this extension, the Programme will now reach 5,800,000 families, or one out of every four Mexicans.

To ensure that only families who really need support are included, advanced technology is used to enable the identification of eligible families in a few seconds, with an accuracy of 100 per cent.

The results of the evaluations (Impact Assessments 2003, 2004 and 2001-2006 INSP) show that the Programme has had positive effects on:

- **education in rural areas**, with the following results:
 - 85 per cent enrolment in the first year of high school,
 - rates of 42 per cent for boys and 33 per cent for girls regarding the probability of entering high school, and
 - an additional year in the expected schooling among students between the ages of 15 and 18 years;
- **health:**
 - increased preventive medical check-ups: 35 per cent in rural areas and 20 per cent in urban areas,
 - in rural areas, a reduction of 20 per cent in the average number of days of illness per family for the age group 0-5 years (equivalent to two days per year) and of 11 per cent for the age group 16 to 49 years (equivalent to 6 days per year), and
 - an 11 per cent reduction in maternal mortality and a 2 per cent decrease in infant mortality;

- **nutrition in urban areas:**
 - an increase in the absolute height of children. Children under the ages of 24, 12 and 6 months included in the Programme before turning six months old measured on average 1.42 cm more, and
 - increased total consumption of families: 22 per cent in rural areas and 16 per cent in urban areas;
- **other impacts:**
 - a 33 per cent increase in the probability that households engage in micro enterprise activities, and
 - a clear trend that more empowerment for women is a protective factor against violence.^{xiii}

A Positive Impact to Face the Crisis

- In 2008, the population living in conditions of food poverty or in extreme poverty totalled 19.5 million. However, according to estimates by CONEVAL, without transfers from the federal government, the population affected by food poverty would have increased by 2.6 million people, that is, it would be 22.1 million (13.5 per cent) today.
- SEDESOL, based on the National Household Income and Expense Survey (ENIGH) conducted by the National Statistics and

Geography Institute (INEGI), estimates that, without Oportunidades, in 2008, 9.6 per cent of the population would have been affected by food poverty, that is, 21.3 million people.

- These results show the importance of federal government transfer programmes and in particular the relevance of the Oportunidades Programme.

Programme on Childcare Facilities to Support Working Mothers

The Child Day-care Centre Programme to Support Working Mothers aims to reduce the vulnerability of households in which the head of a family, with boys or girls between the ages of 1 year and 3 years and 11 months, is a single working mother or father. However, it also seeks to support households in poverty or at risk of falling into poverty and that cannot rely on a second income, increasing their chances of participation in the labour market.

Today, 93 per cent of the beneficiaries are working, 3 per cent work and study, 2 per cent study, and 5 per cent are looking for work. These figures stress the importance of the fact that 55,079 women for the first time have a job thanks to the Network of Childcare Facilities, which supports working mothers. The Network has generated 43,139 direct sources of employment among managers and people in charge of the facilities, who care for their children and the children of their neighbours.

The 70 and Over Programme

The 70 and Over Programme began in 2007 and aims to contribute to the reduction of social inequalities faced by people age 70 and over through actions oriented towards promoting social protection.

As a non-contributory pension scheme, the Programme guarantees economic support of 500 pesos a month to older adults living in towns of 30,000 inhabitants and above. Moreover, additional activities are carried out for their welfare.

The Programme is coordinated with other social programmes and institutions in order to provide the target group, people over the age of 70, with access to other services and support.

Social Insurance through the Health Insurance Programme (Seguro Popular)

In the course of action taken by the Social Protection Network, the Seguro Popular (health insurance) package is exemplary. Administered by the Ministry of Health, this voluntary public insurance provides an explicit package of health services and reduces the number of families that become poor each year because of health-care costs.

The Programme targets lower-income people and those who do not have a job or who are self-employed.

The beneficiaries of Seguro Popular are entitled to treatment of diseases included in the catalogue, Universal health services, which covers 100 per

cent of the medical services provided in health centres (first level) and 95 per cent of services in hospitals (second level) and associated drugs. They are also entitled to treatment of diseases included in the Fund for Protection against Catastrophic Expenditures.

As of 31 October 2010, Seguro Popular had managed to recruit about 40 million people across the country. By 2011, universal health coverage should be achieved, reaching a target of 49 million people with access to medical services and free drugs.

CONCLUSIONS

Over time, Mexico has built up a social security system and social protection tools, with the goal of ensuring the welfare of all Mexicans. In recent years, the priority of the Government of Mexico has been fighting poverty through targeted programmes, income transfers and differentiated programmes.

In the twenty-first century, with the requirements imposed by the country's democratic transition, the integration into world markets and the internationally agreed Millennium Development Goals, the Government of Mexico has sought to generate positive synergies between economic growth and social equity. In the context of economic modernization, it has sought to innovate and design a social protection system that takes into account macroeconomic balances and promotes participatory and inclusive democracy.

In 2008, an integrated social strategy of inter-institutional coordination, the Vivir Mejor Strategy, was launched, which takes into account the entire life cycle of individuals and their families, with a focus on sustainable human development to eradicate poverty and structural causes that generate it. The Strategy has fostered achievements that have strengthened the social protection system and contribute to nurturing greater citizen participation.

Mexico has developed social security systems and social protection over a long period, achieving significant progress on institutional issues, improving the coverage and quality of facilities and services. Experience shows that, in order to really impact the causes of poverty and inequality and support the social policies that ensure compliance with social rights of all people and social protection for all (especially for the population at risk of job loss, old age, disease, natural disasters, etc.), it is necessary to insert these programmes into a comprehensive strategy and have an institutional architecture that gives stability to social policy.

In short, it appears that, in Mexico, the transfer programmes and other programmes that proved to be successful in reducing poverty and promoting human development are those that are embedded in a national strategy for social policy in an institutional framework that promotes the articulation of programmes, inter-agency coordination and the participation of all sectors of society.

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- ⁱ National estimates, National Population Council (Consejo Nacional de Población, CONAPO), 2010.
- ⁱⁱ Ibid.
- ⁱⁱⁱ Ibid.
- ^{iv} Ibid.
- ^v Ministry of Health (Secretaría de Salud), 2010.
- ^{vi} World Bank, *World Development Indicators 2008 and Global Development Finance 2008*.
- ^{vii} Ibid.
- ^{viii} Organisation for Economic Co-operation and Development (OECD), 2005.
- ^{ix} National Institute of Statistics and Geography (Instituto Nacional de Estadística y Geografía, INEGI), second trimestre 2010.
- ^x Ibid.
- ^{xi} UNDP, *Human Development Report 2009*.
- ^{xii} Ibid.
- ^{xiii} See study, *“El Programa de Oportunidades examinado desde el Género, Coordinado por María de la Paz López y Vanía Salles”*, Edit. UNIFEM, Colegio de México y Oportunidades, Diciembre de 2006.