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THE DIFFICULT ROAD:
THE CASE OF NPA DECENTRALIZATION
IN ARGENTINA

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EXECUTIVE SUMMARY

The development and decentralization of the Argentine National Programme of Action are being undertaken at a time when the country is at grips with the implementation of strict adjustment and economic stabilization policies following a period of profound and prolonged hyperinflation, falling GNP and mounting poverty rates.

Fundamental components of the adjustment process have been deregulation, privatization, fiscal reform and, in order to generate savings, the transfer to the provinces of the management of social services, which previously depended on the Federal Government. Recent measures in this last area have contributed to a consolidation of the decentralized structure in social policymaking. The 23 provinces and the Federal district of Buenos Aires are each completely independent in the definition of social policies and the execution of social programmes, although they must still rely on the Federal Government for between 50 and 90 percent of the fiscal resources available to them.

For these reasons, the decentralization of the NPA represents neither a deliberate measure, nor a political-institutional reform inspired by the Government. Rather, it is taking place within a setting of confusion and some chaos. Hopefully, it can offer meaning and direction within the process of economic and fiscal reform.

Within this context of diluted central authority in the definition of policy, encouragement must be offered for sound planning practices and the proper monitoring and evaluation of social programmes. The NPA therefore embodies an attempt to foster a rational mode of organization among dispersed efforts and of coordination among the policies, programmes and application of resources of the 24 decentralized jurisdictions.

Organizations such as the Argentine Paediatrics Society and the Argentine Federation of Municipalities have assumed a strategic role in the development of the NPA. UNICEF has cooperated with the Government in the design of the programme and in raising external financing to cover the resources required to fulfil the NPA goals.

However, perhaps the most novel aspect of the NPA is its recognition of diversity within decentralization and the model it offers for post-adjustment institutional organization. This model suggests ways and means for planning and management that would be useful in the coordination of the local and regional efforts for the benefit of children that nongovernmental organizations and the municipal, provincial and national governments undertake.

Meanwhile, the implementation of the NPA is rendered difficult under the present circumstances since the NPA goals can be achieved at the national level if and only if they are achieved in each of the provinces. However, this latter will require a firm political commitment in all 24 jurisdictions.

Viewed in this light, the development and implementation of the NPA represent a political process involving efforts to win over new allies in order to generate the appropriate conditions for the changes needed to achieve the NPA goals. The path to NPA decentralization is therefore full of obstacles. The organization of institutions, the satisfaction of the interests of the various "actors" and the search for the consensus necessary to reach the goals are challenges. To meet these challenges will not be a simple task, but facing them is better than succumbing to the uncertainty which marks the times in which we live.

I. RECENT POLITICAL AND SOCIOECONOMIC DEVELOPMENTS

Argentina is a good example of a "reverse transition" country. During the 1950s the GNP of Argentina was similar to that of Italy and higher than that of Spain. Due to a steady decrease in GNP over a period of 15 years, per capita GNP in the mid-1980s had dropped under the levels of the 1960s. Today Argentina has fallen still further behind the developed countries, particularly in the quality of basic social services and the overall situation in the social sector.

However, due to a stabilization programme initiated by the Government in 1991, per capita GNP growth rates have been positive for the first time since 1978. The programme has successfully contained the inflation rate below 1 percent per month. Since 1991 investment and consumption have been on the rise. The index of industrial production increased by 4 percent between 1992 and 1993.

The principal instrument of stabilization has been a currency conversion programme through which the nominal parity of the peso to the dollar is fixed by law, and the monetary base is not allowed to surpass the value of foreign currency reserves. By means of rigorous limits on public expenditures and a greatly improved system of tax collection, the fiscal deficit has been lowered significantly.

To be able to achieve these results, the Federal Government was restructured, and its functions were redefined. Expenditures could thereby be cut dramatically, mainly through layoffs and salary reductions. Moreover, the Government undertook a massive process of privatization. Between 1990 and 1993 all public companies and a large number of public service agencies, including railroads, telephone and gas utilities, oil companies, airlines and the administration of roads, subways and ports, were transferred to the private sector.

Through the Brady Plan, the Government successfully renegotiated the public foreign debt, which in 1990 stood at about \$62 billion. Today, following the privatization process, the foreign debt is around \$42 billion.

However, there has also been a negative side. The nominal parity of the peso to the dollar fixed by law in the currency conversion programme has had the effect of stabilizing the prices of goods traded internationally, while the prices of goods traded only on domestic markets have risen. This has led to an "accumulated dollar inflation" of 40 percent that has favoured imports, especially consumer goods, and led to a slump in exports. The value of imports has jumped over the past two years, and since 1992 the trade account has shown a serious deficit; this trend is likely to worsen in the near future. Still, attempts are being made to preserve the inflow of foreign capital, as well as the repatriation of Argentine assets, and

thus obtain a positive balance of payments.

Since 1992 the administration of budgetary expenditures and service delivery has been overseen by the provinces, especially in education and health care. This decentralization has been realized with little effort at coordination or the maintenance of management standards.

Family incomes shrank drastically between the mid-1970s and the 90s; the incomes of the poorest families plunged by 60 percent. Income distribution has become increasingly regressive, and the number of poor and lower income households climbed from 7.9 to 28.8 percent between 1980 and 1990. This led to the emergence of the so-called "new poor". In 1992 the situation improved modestly, and the share of poor households was pared to 20.6 percent. However, the rise in incomes that was accomplished through the curb on inflation was offset by the higher fees for newly privatized social services.

Though the harness on inflation has meant the elimination of the "inflationary tax", which is regressive by nature, the Government has adopted no explicit measures to promote income redistribution and thereby offset the high social costs of the adjustment process. Meso-policies designed to cushion the worst social effects of adjustment have just started to be introduced. "Structural" poverty—the chronic poverty which is due to social, economic or political factors in a society—has thus remained stable at approximately 16 percent, while the number of the new poor has tended to mount. Over nine million individuals—3.2 million of them under the age of 6—are living in households with incomes below the poverty line. The living conditions of many poor and middle-class families have worsened. Health care services and basic education have continued to deteriorate, and employment prospects are bleak. Unemployment and underemployment rates are currently approaching 20 percent, the highest rates in the last 20 years.

In short, the effort the Government is undertaking at the macroeconomic level is not accompanied by adequate meso-policies to diminish the effects of economic stabilization. In any case, social policy is still a low priority.

Democracy has finally been restored. For almost 30 years, because of coups, no elected president ever fulfilled his term in office. The last military junta, which was in power from 1976 to 1983, was very repressive; more than 30,000 persons—the *desaparecidos*—vanished during those years. This violent time was also a period of economic stagnation.

Democracy is now being consolidated. A new administration will be elected in 1995. This will mark the first time during this century that two consecutive presidential terms have been completed.

II. DECENTRALIZATION AS A FISCAL POLICY TOOL

The decentralization of the budgetary authority and the shift in the administration of services to local governments have been thrust forward in many developing countries as part of stabilization and structural adjustment programmes. The literature often mentions the following among the advantages of "deconcentration" in social service provision.

- Demands differ from one region to the next owing to particular preferences and needs. Because they are members of a local community, local government leaders are usually in a better position to tailor the supply of services to the specific requirements of a region.

- Likewise, due to their proximity, local governments can exercise greater supervision over the execution of projects and can therefore more effectively fulfil local demands.

- Centralized administration depends on the existence of a network of agencies that exists side by side throughout the country with local government structures. Decentralized administration relies essentially on only the local infrastructure; consequently, it costs less.

- Local administration tends to be more transparent; the risk of abuse is thus reduced.

- The deconcentration of public property contributes to the democratic process. Community participation is more readily forthcoming, and local political leaders are more directly answerable for their actions.

There is general agreement on the benefits of decentralization as long as certain conditions are met. These include the availability of mechanisms for local participation and supervision, the existence of a local capacity to manage funds and programmes, coordination among the various administrative levels, and cooperation between private institutions and the public sector. From this point of view, decentralization is a complex process. If this process is only partially realized and, for example, priority is assigned exclusively to fiscal and budgetary matters, then the resulting lack of coordination among programmes may generate more inequity in terms of geographic coverage and the coverage among the various groups in society.

Stabilization and adjustment programmes have keyed on macroeconomic concerns. A primary objective has been a reduction in fiscal deficits. Many countries therefore view decentralization as a tool to control the public deficit. Other considerations, such as the existence of social problems or the social costs of adjustment programmes, are barely taken into account, and decentralization as an instrument of social policy is not given sufficient priority. This is the case in Argentina.

Decentralization in Argentina

Argentina has a federal system of government. The country is divided into 23 provinces and the Federal district of Buenos Aires. Each province enjoys political and administrative autonomy and possesses a provincial constitution. Government in each province is composed of an independent judicial system, a legislature and an executive branch. However, most of these local government institutions depend on funds supplied by the Federal Government.

In 1989 tax revenue reached 15.2 percent of GNP. Only 12.5 percent of total tax collection was being carried out directly by the provinces and the Federal district. The Federal Government administered the remaining funds. Through a system called "Federal tax co-participation", the collection of some taxes was shared with the provincial governments.

In 1989 a new administration took office dedicated to a reduction in the external debt. The Government began searching for a long-term solution to the debt problem. With a view to facilitating debt negotiations, it reached an agreement with the International Monetary Fund on fiscal and monetary goals within the context of various annual contingency (standby) programmes. The fulfilment of these goals made further negotiations possible that resulted in 1992 in the signing of an Agreement on Extended Instalments with the IMF for 1992-4 and the signing of an agreement on external debt reduction with commercial creditor banks within the framework of the Brady Plan. The Government pledged to balance the public sector budget and improve the debt position of the country. Through a three-year programme (1992-4), it also undertook to meet certain quantitatively explicit fiscal objectives.

The structural reform of the state clearly had to be part and parcel of any solution. Key reforms were undertaken in the areas of public expenditure and resources. The simplification of the revenue system was an explicit goal. Twenty-some national tax measures had been abolished by the beginning of 1994. The search for improvements in tax legislation and revenue administration focused on the value-added tax. The VAT was applied on all final consumption goods and was raised from 13 to 18 percent. As a consequence, tax collection shot up in real terms by 73 percent in 1991 and 87 percent in 1992. Revenue policy also involved adjustments in the income tax, and income tax revenue swelled by 22 percent in 1991 and 116 percent in 1992.

VAT and earnings tax revenues are among Federal tax co-participation resources destined for the national treasury and provincial governments. Tax co-participation resources therefore increased in real terms in 1991 and 1992. The share of these resources in national

tax collection rose by 68 percent in 1991 and 77 percent in 1992.

In 1992 the transfer from the Federal Government to provincial authorities of the administration of personnel, equipment and documentation for education (except university level), health care and child-related services was completed. The transfer, which had taken about two years, had been carried out through individual agreements between each province and the Federal Government. Administrative functions are now performed at the point of service delivery, and the services are financed using Federal tax co-participation funds.

Previously, tax revenues had entered the national treasury, from which they were assigned by the Federal Government to maintain these services through the ministries. The ministries had supplied the services directly or had allocated the funds to the relevant provincial authorities or private-sector service providers. At the same time, the provinces had also collected taxes and obtained funds through the tax co-participation system. They could use both these sources to support service expenditures according to local priorities.

Through decentralization, the provinces have acquired total responsibility for the supply of these services, and the financing mechanism has been substantially modified. Each province now receives a lump sum through the tax co-participation system. These resources and other local revenue can be used by the province to support services according to its own priorities. (It should be noted that no fresh resources have been transferred to the provinces to finance decentralization.)

This means that the resources assigned by the provinces for social services, as well as social programmes aimed at children, now depend more on local political factors and the economic needs of the provincial governments. This represents a difficulty in the fulfilment of national goals and plans of action in the social sector that are decided upon at the national level and in some cases established by Federal agreement, since the financing and execution of any initiatives are now the responsibility of local governments. Thus, a barrier exists between the commitments the country may assume and the instruments the country possesses to meet these commitments.

The following observations can also be made.

- Decentralization has left the satisfaction of social service requirements entirely in the hands of authorities in each province.

- A significant portion of the costs involved in social service decentralization has been due to salaries. In each province the salaries of local personnel were not the same as those of the personnel transferred from the Federal Government. This prompted the need to level

salaries, the cost of which had not been contemplated beforehand. In some cases this caused imbalances in provincial accounts and aggravated the problems due to a decentralization process which showed a lack of consideration for the social needs of each province.

- The decentralization of social services has been accomplished for fiscal motives rather than as a means of implementing social policy. This renders evident the lack of coordination between the decentralization process and national social policy goals. This will surely have an impact on the ability to reach these goals in the future.

Decentralization and Social Policy Goals

Clearly, national social policy goals can be attained if and only if local goals are realized. Both types of goals must be met in order to obtain equitable social development. Some national goals may be reached if others are abandoned or put off. If the social sector goals of local governments are not consolidated at the national level, conflicting priorities among local authorities may inhibit the achievement of goals. Decentralization is thus a necessary though by no means unique condition for the fulfilment of social goals.

In a decentralized scheme, the Federal Government must assure the performance of the following functions.

- The identification, orientation and consolidation of local and national goals.
- The coordination of sectoral tasks.
- Sufficient budgetary allocations for the delivery of social services.
- The monitoring and evaluation of progress toward the achievement of the goals.

The Federal Government has been left with few of the many instruments required to carry out these functions. The present challenge is to solve this problem through the development of mechanisms which will make it possible to take advantage of the positive efforts of the Federal Government to simplify the tax system, raise revenues and decentralize the budget authority and social services. A basic approach could involve the integration of budget incentives and technical support schemes into social policy programmes. In this way, the Federal Government might encourage the provinces to assign resources for the fulfilment of local goals which are in line with national objectives.

Consensus among the various levels and sectors of government is also vital in the determination of priorities in social service provision, the extent to which demand is to be met within each priority area, the role to be played by each participating agency, especially

the leading agencies, and the source of financing for each social service.

Some issues have already been discussed and resolved by the Government and the provinces within the context of the establishment of the guidelines for action for the fulfilment of the National Commitment in Favour of the Mother and Child (see later). Others remain problems which each province ought to consider in social policy planning and implementation. Solutions will depend on the structure of each particular sector, the results of situation analyses, political will and the gap between the resources which are available and those which are required. This is precisely the challenge for the programmes of action.

III. THE BACKGROUND OF THE NATIONAL PROGRAMME OF ACTION

The Structure of the Social Sector

Decentralization was initiated in Argentina in the mid-1950s, when the Federal Government began to transfer to the provinces the management of the major health care establishments which had been created during the previous decade. The process continued in stages—with some missteps—over the next three decades, until the final transfer of the administration of six hospitals to city authorities in Buenos Aires in 1992.

The health care system can be divided into the following three major components.

- Public sector units which serve the needs of those low-income individuals who are not integrated into the formal sector of the economy and which provide emergency and certain other highly specialized services.

- Social security health organizations (SSHOs), which cover salaried workers, other economically active persons in the formal sector, retirees, pensioners and their dependants.

- The private sector, which meets the requirements of those who pay for services either directly or through private health insurance schemes.

Health care spending is currently estimated to represent between 6 and 8 percent of GNP. Public sector units account for approximately 24 percent of this spending, the SSHOs for 38 percent, and the private sector outlays of individuals for the remainder.

Due to their financial capacity and the fact that they cover 65 percent of the population, the SSHOs are the backbone of the system. Nonetheless, there is practically no overall SSHO infrastructure. Each SSHO subcontracts services for its users through the

private sector. This has been a boon for private sector providers, who have been almost alone in adding more beds over the last 20 years and who rely on the most modern technologies. On the other hand, the private sector has become highly dependent on subcontracting.

The SSHOs have been instituted according to area of economic activity and in some cases even company or professional category. Consisting of nearly 400 different organizations, this component of the health care system is therefore enormously diffuse. Moreover, because of this, variations in the conditions and quality of care among the SSHOs, as well as among the branches of a single SSHO in different parts of the country, are significant.

The importance of health insurance schemes has been expanding in recent years. Even though the portion of the population they cover is less than 10 percent nationwide, their expenditure share within the health care system is rather substantial, since they account for the highest income groups.

The remaining 25 or 30 percent of the population, including the poorest groups, are covered by public sector units. However, these figures are misleading, since almost 40 percent of the services provided by public sector units are used by individuals who have SSHO coverage. Indeed, nearly one-half of all births occur in public establishments. In effect, public sector units in these cases subsidize the SSHOs. In this sense, expenditures are allocated disproportionately to higher income groups under the form of free or subsidized care in sophisticated hospitals (World Bank 1993).

The health system is in reality a medical care system in which, because it is managed according to a market logic, the care provided is generally curative. Responsibility for preventive care and the promotion of better health care lies almost exclusively with the public sector units in all jurisdictions, whether municipal, provincial or national.

This also means that the responsibility for the main initiatives in the effort to achieve the goals of the Argentine National Programme of Action—in line with the Convention on the Rights of the Child, which was approved by the UN General Assembly in November 1989, and the World Declaration on the Survival, Protection and Development of Children, which was adopted at the World Summit for Children at the UN in September 1990—falls upon the public sector, particularly the secretariats of public health and welfare in the 23 provinces and the municipality of Buenos Aires. However, this is a problem, since the enormous demands on the services being furnished by the public sector have already been creating downward pressure on budgetary allocations for primary health care centres, preventive care programmes and the promotion of better health care.

The decentralization in education has been similar to that in health care. In education, the process began with primary schools in the 1970s and continued with secondary schools in the 1990s. As with health care services, a transfer of the relevant budgetary resources from the Federal Government did not accompany the decentralization in education. Consequently, the task of financing fell upon the provincial and, in some cases, municipal authorities. And, also like the situation in health care, the criteria for expenditure allocations are regressive, and proportionately more resources go for university education than for basic education.

The transfer process in education has not been limited to infrastructure, equipment and staff. Since the end of 1991 the Federal Government has also declined any obligation to support nutrition programmes. These programmes have therefore become the responsibility of the provinces, or in some cases municipalities.

Among total social expenditures, 60 percent goes to retirement and pension payments, while health care and nutrition programmes absorb only 17 percent, and education a little more than 20 percent. The overall level of social expenditures has dropped in real terms relative to GNP. Health care and education expenditures fell an estimated 12 to 15 percent between 1987 and 1991. Though there has been a recovery during the last two years, changes in the job market and the general erosion in incomes among blue-collar workers and some professionals have tended to boost the demand for public education and health care services.

The effectiveness of health care, nutrition and education expenditures in reaching those in need has been hampered by deficiencies in resource management, poor service quality and the lack of a strategy for the allocation of resources among and within sectors. This last is evident in the priority assigned to specialized hospitals rather than primary health care and to secondary schools and universities rather than preschools and primary education.

From a conceptual point of view, the development of a National Programme of Action within such a dynamic and changing environment should be the fruit of an intense effort to blend municipal and provincial programmes of action, since those who define local policies, programmes and initiatives, as well as the criteria for budget allocations, are also those who can assume local responsibility, set priorities and determine direction.

However, this theoretical scheme has severe limitations in the actual context of Argentina today. For example, the decentralization of the expenditure authority was carried out very rapidly—in less than 18 months—and was not accompanied by efforts to strengthen institutions or develop more capacity. In many cases this generated serious budgetary imbalances and rendered more acute the chronic management problems in the social sector.

Likewise, because more than one-half of the provinces had been suffering from over 20 years of severe economic crisis, decentralization frequently meant merely the withdrawal of investment in infrastructure and the further deterioration of equipment and the quality of the human resources which provide services to the population. While the country was able to recover growth and fiscal balance within a decade, uniform development was not so forthcoming. Consequently, even greater inequities appeared among social groups and the various parts of the country. The disparities remained large in the capacity and determination of each of the 23 provinces to direct expenditures toward the satisfaction of the basic needs of its population.

Meanwhile, the Federal Government has established steering committees to foster consensus on major policy issues. The function of these committees is limited to the drafting of guidelines, since provincial representatives are not bound by any steps not backed by the majority. In effect, over the last several years the Federal Government has been involved in a process of redefining its domestic role. It now acts as an advisor to the provinces on policy and programmes, provides technical assistance and establishes norms and standards which can be implemented nationwide.

This wide-ranging reform process began in the mid-1980s with projects in the economic sector. Little by little the process was expanded to the social sector and to linkages with the provinces. Because of the adjustment process which is under way, the Federal Government has access to additional sources of financing such as international lending institutions. This gives the Government a certain amount of added influence in the social sector, particularly in orienting social policy. This has been the sort of influence the Government has been exercising in the case of the National Programme of Action.

Social Policy Planning and Administration

Following intense activity in the 1940s, public policy planning began to dwindle because of serious problems with the import substitution model of development and the ineffectiveness of the state as a pivotal actor in the development process. The state planning apparatus almost disappeared.

A similar trend was evident during the 1980s among the planning offices in the various social sector ministries and in the vast majority of the provinces. Even the Government budget no longer performed a guiding function, since high inflation rates tended

to limit its role to a merely formal one.

Though important strides have been undertaken in the social sector in the provinces and at the national level in recent years, the planning and supervisory function has been widely discredited and greatly reduced within public institutions. This has certainly been the product of the economic chaos caused by high inflation and the profound structural changes—both economic and political—to which the country has been subjected. Given that the macro-variables are so unpredictable, it has seemed an exercise in futility to attempt to design extensive social programmes or schedule complicated sets of initiatives.

The school meal programme in the mid-1980s is a good example. A study conducted by the Organization of American States and the Pan American Health Organization (Cohen and Vinocur et al. 1988, Brawerman 1990) has made it possible to determine that, at a time when inflation stood at 20 percent per month, funds for the purchase of food took seven months to reach final consumers. This delay was due not only to organizational problems, but also to difficulties in the National Housing Secretariat, which was putting off the transfer of funds to the provinces, and the complications encountered in the transfer of the funds from provincial authorities through municipal governments to schools.

Thus, the mere management of existing programmes had become a forbidding task. Along with the other obstacles to the effective administration of scarce resources, priorities had to be determined day by day according to explicit requests, which did not necessarily coincide with the most urgent requirements in the social sector.

Up to the late 1960s Argentina was a relatively wealthy country, in which most of the needs of the population could be met through the job market. The job market was expanding in line with the steady growth in the economy. Unemployment was practically nonexistent in most parts of the country. Because of the health of the job market and a long tradition of labour organization, trade unions had become quite powerful, and workers and their families had access to relatively high salaries, health care services, housing programmes and opportunities for recreation.

In the vast majority of cases social policy was embodied in assistance measures which in theory were employed only in transitory situations. For this reason, the need never arose to structure the application of these measures in an efficient manner. Resources seemed abundant, and benefits and subsidies were not targeted according to precise, sound criteria.

This conception of social policy was not questioned until the general economic and political crisis in the country. Consequently, the management of social programmes was not

especially sophisticated, and manpower, institutional and administrative resources in the social sector were not well developed. In this sense, experience with the systematic design, implementation, monitoring and evaluation of policies and programmes over time was practically absent. Moreover, the social sector had never been a problem area from a political or a technical standpoint.

Now, after many years of either inertia, or shock and desperation, the challenge is to convince policymakers, managers and technical experts of the importance, indeed, the necessity to ponder the current situation, identify chief problems and mark new directions.

Major Problems among Children in Argentina

The Argentine National Programme of Action has been formulated within a certain economic, political and structural environment. Likewise, the goals of the NPA—and the strategies and initiatives needed to realize these goals—have been selected within a context of specific problems often faced by women and children in Argentina.

1. *Health.* More than 60 percent of the deaths among under-5-year-olds could be prevented through regular checkups during pregnancy, proper care at delivery, the early diagnosis and treatment of the sick newborn, monitoring of growth and development, timely and adequate treatment of acute diarrhoea and acute respiratory infections, the provision of safe drinking water, good nutrition and better accident prevention (MPHW 1992). The lack of preventive care, especially prenatal care and proper care at delivery, and of the promotion of adequate health care is responsible for the majority of birth-related deaths, which occur most frequently in the poorer provinces and among women who are "structurally" poor. The underreporting for maternal mortality has been estimated at 50 percent, and the maternal mortality rate in Argentina is four times higher than the average rates in developed countries.
2. *Deficient Maternal and Child Health Care Services.* The promotion of better health care is scanty in most provinces, where it is concentrated among public sector units. Health care services tend to be structured according to the demand. Though the network of health care centres and hospitals is large, comprising about 5,500 units, service coverage is spotty. This is due not so much to poor geographical distribution, but to "institutional" factors, such as the number of hours centres are open and the type of care provided, or to economic factors, such as transportation costs and the existence of fees for medical supplies. Moreover, coordination among public health care providers is very poor. The providers located in a

single area depend in many cases on different institutions. Thus, a city may possess several municipal and provincial health care centres and hospitals which, however, do not attempt to share resources or coordinate the workload, though they serve the same population.

3. *The Effect on Children of the Situation of Women.* Female labour-force participation rates rose from 34.6 percent in 1984 to 37.1 percent in 1989 (Tiro Foundation 1991). This not only represented the continuation of a long-term trend, but also reflected in part the need of many households to avoid further impoverishment and the deterioration of real incomes. On the other hand, 20 percent of the female labour force was concentrated in domestic service, where 80 percent of the workers receive only low earnings and no job security.

The increase in the number of working mothers certainly had an adverse effect on small children in poor households, since few day care or other childcare facilities can meet the needs of these households.

4. *Preschool Education.* There are two main sorts of preschools: infant feeding centres, which are community-run nutritional care establishments aimed mainly at 3-to-5-year-olds in structurally poor suburban neighbourhoods, and day care centres and kindergartens, which are rarely located in areas of critical poverty.

A relatively recent phenomenon in Argentina, preschool education has been compulsory for 5-year-olds since 1992. Fifty percent of all under-6-year-olds attend some sort of preschool institution. However, among 4-year-olds the preschool attendance rate is 30.8 percent among the structurally poor and 80.7 percent among the nonpoor. The respective figures among 5-year-olds are 64.2 percent and 91 percent. Among 6-year-olds, that is, children of primary school age, 20 percent of all poor children do not attend school, while the enrolment rate is 100 percent among the remainder of the relevant child population. Thus, the late-starters in the compulsory school system tend to be almost exclusively children from structurally poor households (Carpio, Minujin and Vinocur 1990).

The differences among income groups are also very significant among children who must repeat a grade. In the suburbs of Buenos Aires in 1987, only 13 percent of children from nonpoor families had to repeat a year; the figure among structurally poor children was nearly four times higher.

5. *Food and Nutrition.* Supplementary food programmes are numerous and very diverse. The main types are school meal programmes, milk distribution programmes among children and mothers and direct food or food-stamp distribution among families. However, despite the significant resources involved, information on the number, location and real needs of the

beneficiaries is scarce. The eligibility criteria, the level of targeting in resource allocations and the actual coverage and cost-effectiveness of the many programmes are also little understood. Even less is known about the nutritional impact of these initiatives.

IV. THE NATIONAL PROGRAMME OF ACTION

Child Rights and the Protection of Children

The Convention on the Rights of the Child was ratified by the Government of Argentina in 1991. Nonetheless, the pertinent national legislation concerning children has not yet been modified in keeping with the Convention. Since Argentina has a federal form of government, this can only be accomplished by separate procedures in each of the provinces, as well as the National Congress. In 1993 the relevant bill was passed in one provincial legislature. Commissions exist for the same purpose in other provincial legislatures and in Congress.

A constitutional assembly to amend the Magna Carta, Argentina's Constitution, first sat in May 1994. Practically all political parties are in favour of recognizing the Convention on the Rights of the Child within the Constitution. Such recognition would be a very significant step forward for the Convention in the country, as well as the region.

Political Determination and Commitment

The level of political involvement in social issues decreased tremendously after 1987 and was almost nonexistent between 1989 and 1991. The Government policy agenda was focused on the struggle against inflation. It is important to put this struggle into proper perspective. The Argentine people demonstrated a high degree of dedication in the face of the extremely harsh measures imposed by adjustment and stabilization programmes. This fortitude was rewarded, and the economy had been turned around by 1991. The Government showed great ability, and the abrupt disappearance of tensions in matters of employment and wages is an excellent barometer of the wisdom of both Government and people. Demonstrations and protest declined in the neighbourhoods. The previous administration had suffered through 13 general strikes, while the present one has been a witness to none. The Government was committed to economic reform, and its success has been recognized by the people, who have expressed

their confidence through the three elections since 1989.

Social sector reforms were in all instances being implemented in response to the requirements of the adjustment and stabilization model, rather than in order to improve the level and quality of the services supplied to the population. This was the case in social security reform (retirement and pension schemes), the transfer to the provinces of educational establishments and feeding programmes and the official project to restructure the system of social security health organizations.

The Federal Government was withdrawing from social issues through a process which could very well be viewed as a dismantling of the public social sector. An indication of the role of social issues is the fact that there were four ministers of public health and welfare between 1987 and 1989, when the current administration took office, while between 1989 and 1993 seven different people occupied that post.

Nonetheless, voices were raised in alarm over the social costs of the changes in the social sector and about the urgency to create effective and efficient mechanisms to compensate those who were sacrificing the most. Through the Episcopal Commission, the very influential Catholic Church called attention to the necessity to meet the needs of the poorest. The vast majority of the nongovernmental organizations working in the poorest rural and urban areas of the country, the university community, scientific societies, professional associations, diverse international organizations, a wide range of opposition parties and even segments within the ruling party interceded for the implementation of fresh social policies.

For Argentina this was the context of the World Summit for Children, which took place in late 1990 and which was attended by the president. The Summit launched the debate on the goals of the National Programme of Action.

The Identification of the NPA Goals

Due to the diffuse character of social sector organizations in Argentina and the fact that economic reform held the attention of many officials, others had to take the lead in defining the goals of the National Programme of Action. This shows the value of dynamic social "actors", who despite the difficulties can in certain circumstances bring up at the debating table problems and priorities which are later recognized and dealt with by the state.

In this case, in April 1991 the Argentine Paediatrics Society, in collaboration with UNICEF and the Argentine Federation of Gynaecological-Obstetrics Associations, proposed

the goals for the Argentine National Programme of Action. This proposal was presented to and unanimously approved by the 3,500 participants at the National Paediatrics Congress in May 1991 and eventually accepted by the minister of public health and welfare.

The Public Health Secretariat of the Ministry of Public Health and Welfare determined that, for technical and strategic reasons, guidelines would be required if the goals were to be reached. This emphasis on guidelines rather than on a plan of action was justified because of the lack of coordination among the many institutions which would have to become involved. The overall strategy had to be to adopt a policy and assume the initiative, thereby indicating the direction to be taken by the provinces in defining their own goals and programmes of action.

In cooperation with the Argentine Paediatrics Society, the Ministry of Public Health and Welfare and UNICEF, the leading professionals in the country therefore analysed, debated and finally drew up a list of guidelines. The Federal Government then convened provincial representatives in order to achieve a consensus. These representatives proposed modifications, and a definitive set of guidelines was unanimously adopted in July 1991.

On 31 July 1991 the president of Argentina presented the programme, the National Commitment in Favour of the Mother and Child, to the nation.

This constituted the first decisive step on the path toward fresh social policies and new measures. Since that moment the growth has been substantial in the number of social issues, particularly those related to children, that have been addressed by the Government.

The Government then doubled the budget of the Office of Maternal and Child Health in order to enhance the training of maternal and infant health care personnel, modernize equipment in obstetric wards in major public establishments and boost the surveillance and maintenance of child growth and development through the distribution of powdered milk to pregnant or nursing women and to children between 6 months and 2 years of age.

Likewise, for the purpose of providing a more efficient method for the orientation of the policies of provincial governments toward the fulfilment of the NPA goals, the Federal Government resolved that the backbone of the NPA would be a special mother and child programme which would focus on health care, nutrition and child development. It requested assistance from UNICEF in the design of the NPA and financing from the World Bank. In November 1991 the explicit preparation of the NPA was begun. This process was completed in 1993, and the NPA document was signed by all governors and provincial representatives in March 1994. This document is known as "The Federal Pact for Children".

The Features of the NPA

The aim of the NPA is to meet the basic needs of mothers and children—especially those in structurally poor communities—by assigning a strategic role to primary health care centres and hospital referral systems, feeding and nutrition programmes, the creation of centres for child development, and capacity-building among all relevant institutions.

The target population is composed of two elements: first, those communities in which the poor predominate and basic needs remain generally unmet and, second, those mothers and children (pregnant women, under-5-year-olds) who tend to be the most vulnerable within the overall population of the structurally poor and new poor.

The aim and the target populations of the NPA presuppose a substantial change in the way social policies and initiatives are planned and carried out in Argentina, since they are entirely new in the experience of the country. The implementation of the NPA is expected to enhance management procedures and administration, including decisionmaking processes, in the public sector in the provinces and among nongovernmental organizations dealing with mother and child issues. Similarly, it is anticipated that NPA technical support and training activities will expand the quality and technical capacity of managers, administrators and service providers in the municipalities and provinces and of health care workers, social workers, educators and nutrition specialists.

The design of the NPA was completed in November 1992. Negotiations with the World Bank for the financing of the first phase of NPA implementation were brought to a successful conclusion at that time with an agreement for \$160 million that could eventually be followed by a second financing agreement. Moreover, the municipal, provincial and Federal governments are allocating funds for the NPA each year.

To begin with, the strategy for NPA implementation has been to initiate activities in those communities which are predominantly poor, as long as political determination and commitment, a minimum of institutional infrastructure and sufficient human resources are available locally to undertake the reform process.

The Principal Initiatives

The NPA is to involve the rehabilitation of primary health care services and hospital referral systems in order to expand assistance and preventive care for mothers and children,

supplementary food and nutrition programmes for pregnant women and under-6-year-olds, child development programmes, school meal programmes, technical assistance for the municipalities and provinces, training, public outreach projects, and the development of social sector management, especially in operations, monitoring and evaluation.

V. THE DECENTRALIZATION OF THE NPA

The responsibility for the development and execution of the NPA falls mainly on the Ministry of Public Health and Welfare. Nonetheless, independent initiatives have appeared among municipalities and provinces, generally as a result of the "NPA awareness" activities of the Federal Government, as well as the Argentine Paediatrics Society and UNICEF.

Initiatives of the Federal Government

The NPA has been conceived as a social fund. It is demand driven, since to access the available resources each province must generate at least one specific project for every municipality with a target population of more than 10,000 individuals. The relevant provincial government must agree to the priorities, duties and resource allocations linked with each project. At the same time, programme resources can only be used to meet priorities defined by the Federal Government, which is in charge of most of the financing.

The NPA has been designed in this way because the provincial governments are usually responsible for programmes in health care, nutrition, environment and education within their respective territories, but in many instances municipalities or nongovernmental organizations carry out the programmes.

To conduct the programmes of action in the provinces and to manage separately the financial resources supplied, on the one hand, by the Federal Government and in some cases the World Bank and, on the other, by municipal and provincial authorities, a National Administration Unit, as well as a Provincial Administration Unit in each province in which the NPA is implemented, has been created. The National Administration Unit is directed by the Ministry of Public Health and Welfare, which is assisted by the Public Health and Social Development Secretariats. It is advised by a steering committee, which includes provincial representatives. The Provincial Administration Units are sufficiently independent and flexible

to assure efficient and timely programme operations. They are staffed by personnel from provincial government institutions in areas such as the economy, public health, welfare, education and public works.

The entity at the base of the programmes is the municipality. Each municipality or province which wishes to participate in the NPA must develop a project according to established guidelines. If the target population within the municipality is below the 10,000-person threshold, then the municipality must join with other, neighbouring municipalities until the threshold can be reached. The project is evaluated by the National Administration Unit. If it is approved, it is allotted resources. A Local Administration Unit is formed for each project. These units consist of representatives of the municipalities, appropriate nongovernmental organizations and the province.

Those provinces which are not able to prepare and carry out NPA activities within acceptable standards are eligible to receive technical assistance to strengthen the capacity of local institutions. Up to now this type of assistance has represented the main burden in efforts to reach the NPA goals at the national level.

The NPA strategy is focused on the assembly of a primary health care network for mothers and children and coordination among the various levels of government and public and private institutions from the capital to the community. For this purpose, policy formulation and supervisory units like the departments of the mother and child and the social development and preschool education offices are being strengthened at the provincial and national levels. Mechanisms created to enhance participation and coordination are producing greater coherence, effectiveness and efficiency in NPA activities.

The National Administration Unit possesses the technical capacity to implement training programmes and prepare training materials. The training programmes involve courses and seminars on mother and child issues for relevant staff at the various levels of government, as well as the staff of the Ministry of Public Health and Welfare. The National Administration Unit supplies the Provincial Administration Units with financial resources to draw up contracts for training programmes. Provincial training programmes must be approved by the National Administration Unit.

The responsibilities of municipalities and nongovernmental organizations vary from province to province according to the skills and institutions at hand. The aim of technical assistance and training activities is thus to reinforce institutional capacity. Since the municipality is the basic programme unit, the creation of mechanisms for local participation

and coordination fosters the achievement of this objective.

The NPA is expected to promote changes in the criteria for the allocation of budgetary resources and the transfer of additional resources to local governments for the development of programme activities. It is anticipated that the methods used to administer programmes will also be affected and that the profile of the human resources involved at the community and operational levels, as well as municipal and provincial staff, will be enhanced.

Areas of Support for Municipalities and Provinces

1. The capacity of the *health care* centres located in programme areas and of referral hospitals for mother and child care is to be expanded. Reorganization and outreach activities are being supported in the centres in order to encourage a gradual shift so that most of the focus is on preventive care and the promotion of better health care.

Once the main initiatives to be undertaken within referral hospitals and primary health care centres have been identified, the basic programme package in health care will be implemented. Support for the construction of new health care centres is not part of the NPA. However, the basic programme package includes the repair, renovation and expansion, where required, of health care centres and obstetrics, neonatal and paediatrics service facilities in hospitals. Basic equipment will also be provided.

Financial assistance will be furnished according to a schedule of declining disbursements in order to fill needs which arise from gaps in staffing, the absence of technical or administrative personnel or inadequacies in contracts. The purchase of certain basic supplies, such as medicines and other medical inventory, will likewise be supported according to a schedule of declining disbursements. Over the life of a project (an average of three years), the municipalities and provinces must eventually adjust local budgetary allocations so as to cover such requirements on their own.

2. *Food and nutrition* programmes have been integrated into the child health and development component of the NPA. Food supplements are provided for children on normal diets, and nutritional rehabilitation is promoted among malnourished children. To correct the most common specific deficiencies, programmes furnish macro- and micronutrients through normal foods. The NPA includes education in food and nutrition for communities, health care staff and the personnel in child development centres.

Through the supply of two kilogrammes of whole milk and one kilogramme of cereal

per month per beneficiary, the food supplement covers additional calorie and protein needs for women who are in the third to ninth month of pregnancy or who are breastfeeding. The milk containers are specially labelled with instructions so that the nutritional value of the milk will be conserved and the milk is not fed to nursing infants.

The food offered for malnourished under-6-year-olds and pregnant women is adequate in quantity and quality to foster nutritional rehabilitation. To discourage the value of the food from being diminished through sharing, each food package is sufficient to meet the needs of an entire family.

The food programmes administered through child development centres are designed to round out the diets of children. They compensate for the most prevalent deficiencies in macro- and micronutrients.

3. The objective of the *child development* component is the progressive reorganization of children feeding centres and kindergartens into child development centres to provide an integrated set of services, including food programmes, the surveillance of the growth and development of children, and the stimulative and pedagogical activities of preschools. This will occur in successive stages. The first of these will involve enhancement of the nutrition programmes. Activities aimed at the psycho-social development of children will later be incorporated into the scheme. Meanwhile, the existing infrastructure is being adjusted to meet minimum standards of operation as child development centres, and equipment is being upgraded. The child development centres will follow a full schedule of 12 hours in two shifts of six hours each, with a maximum of 100 children per shift.

4. Each province must determine the *distribution of funding* among the various NPA components according to its needs, but in keeping with the integrity of the overall programme criteria, especially in terms of institutional capacity-building, health care, nutrition and child development.

5. There are two basic routes to the enhancement of *community participation*: education and communication. Education offers tools for the acquisition of general scientific knowledge and particular awareness concerning the local situation as a basis for the planning and implementation of initiatives; it nourishes the changes in attitude that are conducive to greater efficiency. Communication involves the distribution of information and the exchange of ideas that favours greater interest in the programme among the individuals directly involved and the population at large.

6. An important objective of the NPA is the realization of a model for the administration

of social policies that has an impact throughout the public sector. A key element is the NPA *monitoring and evaluation* system, which will generate the tools for the methodical follow-up of the implementation process and the identification and measurement of outcomes. Likewise, management indicators will be used to ease decisionmaking and raise efficiency. The budgeting of expenditures will contribute to better management, enhance supervision and assure more transparency. Finally, the procedures being employed in the formulation of the provincial programmes of action—involving as they do the participation of municipalities, nongovernmental organizations, provincial authorities and the Federal Government—are enabling the establishment of fresh linkages among local and national institutions that, while positive in themselves, also serve to smooth the transfer of services to the provinces.

For the creation of the NPA system, existing information systems are being reviewed to identify relevant indicators for each type of initiative; the costs of the services included in the NPA at all levels are being analysed, and local processing centres are being created or strengthened, so as to develop among the municipalities the skills necessary for programme management. A special survey within the National Employment Survey is being used to set a baseline for monitoring progress toward the fulfilment of NPA goals. The special survey will be run every two or three years. The National Institute of Statistics and the Census and provincial statistical offices are taking part in this effort.

7. The objective of efforts to spread *NPA awareness* is to create an appreciation for the priorities in social policy that will generate commitment and solidarity in favour of the implementation of the programme, while spurring the work of the various people and institutions involved, fostering a network of alliances between public and private sector institutions and the communities, and publicizing NPA initiatives in certain circumstances.

Each province will design and undertake an "NPA awareness" campaign, which will be tailored to each type of community, whether rural or urban, since the needs of each community are multifaceted and complex rather than sectoral. The NPA awareness strategy is aimed at three main groups, each of which will require a special approach. First, the keywords for programme decisionmakers, who include officials in the public sector and in nongovernmental organizations, are "involvement" and "pertinence". Second, reliability and a willingness to cooperate must be clearly demonstrated toward those involved in programme operations, such as the staff at health care centres, hospitals and child development centres. Third, the main concepts for awareness among community members, who are the beneficiaries of the initiatives, are commitment, participation and solidarity.

VI. THE COSTS OF THE NPA

NPA costs can be broken down into the following six general categories (Tables 1 and 2): the refurbishment of facilities—including primary health care centres, child development centres and hospitals—according to proposed NPA standards; the procurement of equipment for the monitoring and evaluation system, including information processing equipment; the purchase of supplies for food programmes for nutritional rehabilitation among the malnourished; the establishment of training programmes for personnel in technical departments and other relevant institutions involved in the NPA at the municipal, provincial and national levels; the spread of NPA awareness, and the operations of the National Administration Unit.

For three years a portion of the costs which must be borne for the development of the proposed NPA initiatives is to be viewed as recurrent costs for services and programmes. The Federal Government will shoulder these costs through financial or resource transfers according to the following schedule: first year, 100 percent; second year, 40 percent, and third year, 10 percent. Over the three years the municipalities and provinces will gradually cover the operational costs of the health care services, child development centres and nutrition programmes through reallocations within local budgets, as well as through additional funds

Table 1: THE TOTAL COSTS OF THE NPA*
(In Millions Of Dollars)

Component	Nationwide Total
Primary health care centres	150.0
Hospitals	46.2
Child development centres	91.0
Nutrition programmes	150.0
Monitoring and evaluation	5.8
Training	17.5
NPA awareness	10.0
National Administration Unit	4.5
Provincial Administration Units	4.6
Technical assistance	3.0
Total	482.6

Source: UNICEF (1992).

* Estimated on the basis of wholesale market prices and then converted to dollars.

Table 2: THE CAPITAL COSTS OF THE NPA*
(In Millions Of Dollars)

Component	Equipment	Infrastructure	Other	Total
Primary health care centres	26.0	18.0	--	44.0
Hospitals	27.0	14.0	--	41.0
Child development centres	20.0	36.0	--	56.0
Monitoring and evaluation	3.3	--	--	3.3
Training	0.25	--	17.25	17.5
NPA awareness	4.0	--	6.0	10.0
Total	80.55	68.0	23.25	171.8

Source: UNICEF (1992).

* Estimated on the basis of wholesale market prices and then converted to dollars.

freed up as a result of efficiency gains in management that are linked to the NPA, as in the case of school meal programmes.

The NPA is expected eventually to involve approximately 150 hospitals, 2,300 primary health care centres and 2,700 child development centres.

VII. INTERMEDIATE OR INDEPENDENT INITIATIVES

It may be some time before the NPA has reached every corner of the country. Because social sector infrastructure is still so diffuse and the creation of the NPA institutional framework by the Federal Government—in conjunction with nongovernmental organizations and the municipalities and provinces—is not yet complete, several independent initiatives outside the NPA-scheme have already been undertaken to promote the goals of the National Commitment in Favour of the Mother and Child and the Declaration and Plan of Action adopted at the World Summit for Children. These initiatives tend to focus on specific issues and are not necessarily coordinated with each other. They should perhaps be considered rather as generous efforts by local leaders and groups committed to the welfare of children. In any case, many are quite worthwhile, offer valuable lessons as dynamic efforts to achieve NPA goals and add to the overall progress toward programme implementation.

The Role of the Argentine Paediatrics Society

The Argentine Paediatrics Society, which was founded more than 80 years ago, counts among its membership more than 8,500 paediatricians and other professionals, including nurses, psychologists, obstetricians, educators and specialists in sanitation and hygiene. It is the largest and most active medical association in Argentina and exercises a significant influence on public opinion. In addition to an executive council, the APS has regional directors and field offices in almost every part of the country, sometimes even several in the same province. It participates in various important forums with other entities and conducts permanent training programmes for its members, as well as for others in the health care profession. The APS is also active at the community level.

The APS has adopted an increasingly firm stand in demanding better living conditions and health care for children. Its representatives have sat on Government commissions dealing with child-related issues, and it has urged the passage of legislation in support of the Convention on the Rights of the Child. From the very beginning the APS has taken an active position in favour of the development and the goals of an NPA, and it has been stressing the need to adopt local initiatives.

With the support of the APS, two provinces—Buenos Aires and Mendoza—have identified their own goals in terms of maternal and child health and nutrition and are currently at grips with the definition of strategies and guidelines for achieving these goals. In both cases these efforts were initiated by individuals who lobbied local government leaders in order to obtain their agreement. This had the effect of preparing the way for the NPA, since these leaders had already become very familiar with the issues even before the national programme had been formulated.

Provincial Programmes of Action

In line with the guidelines produced for the National Commitment in Favour of the Mother and Child, several provincial governments have decided to reform social policy and have requested UNICEF to provide technical support for this purpose. UNICEF has suggested to these governments that they set relevant goals and formulate local programmes of action.

The speed with which the NPA is adopted among the provinces depends on local professionals and government officials, the needs of each province and the available

resources. Some provincial governments have decided on a more active role and are reorienting their resources to meet NPA goals. In this manner, two provinces—Jujuy and Santa Fé—have settled on objectives and joined to the resources available through local authorities those they receive from the Federal Government for technical assistance, food supplementation, equipment for hospital obstetric wards, and training.

Encouraged by the awareness activities of the Public Health Secretariat, three other provinces—La Pampa, Neuquén and Río Negro—have also designated goals and are carrying out projects aimed at the poorest municipalities and the most vulnerable groups.

Based on specific commitments of the governor and the provincial ministry of public health, the Province of Buenos Aires, which is the largest in the country, has reorganized its budget and allotted \$14 million per year to create a straightforward monitoring and evaluation system, distribute nutrition supplements among under-6-year-olds and pregnant women and support gynaecologists, obstetricians and experts in neonatology working in the poorest neighbourhoods. A municipality in the province can gain access to these resources only if it has determined its own goals and defined a programme of action. Community participation is considered crucial, especially in the effort to reduce undernutrition, and grassroots organizations are in charge of local programme management.

Municipal Programmes of Action

The majority of municipal governments in Argentina consist of an executive branch—a mayor and secretariats—and a deliberative council with some legislative functions. The number of council members varies depending on the municipality. Like governors, deputies and senators, the mayors and municipal council members are each elected for a four-year term.

There are around 1,200 municipalities in the country. They range from sprawling metropolises like Buenos Aires, which has millions of inhabitants, 35 hospitals, close to 100 health care institutions and more than 500 education establishments, to small communities with 2,000 inhabitants, no regular government and public services which only operate in emergency situations. (There are around 500 municipalities with more than 5,000 inhabitants and some permanent public services.)

The great differences in terms of government and the availability of public services are due not only to size and the corresponding development in institutions, but also to the fact that, while the National Constitution does not yet provide for local autonomy, there is

a growing trend within provinces to decentralize roles, rights and responsibilities to local governments. Indeed, this trend is already reflected in some provincial constitutions.

In some cases municipalities provide preschool and day care services, but education has otherwise generally remained the charge of provincial governments.

For health care services, the solutions are varied. In most provinces these services are supplied by provincial administrations. However, in some provinces certain primary health care services are always furnished by municipalities; in others the same services may be run either by the provincial government, or by the municipal government, and in a few provinces the entire local health care infrastructure may be managed by municipal authorities.

The situation also varies for water and sanitation services. While these are usually provided by provincial utility companies, in some instances the responsibility resides with municipal or joint municipal-provincial utility companies.

Local governments are most active in public welfare endeavours. Typically they support and coordinate neighbourhood projects, community food programmes, the work of nongovernmental organizations, small-business development, efforts to create jobs, public housing initiatives, and so on. On the other hand, institutions dealing with abandoned child, street children and minors in trouble with legal authorities are generally within the purview of provincial governments, either through their own services, or through their financial patronage of nongovernmental—mainly religious—organizations involved in these areas.

The NPA planning process has involved groundwork for two municipal programmes of action and agreements between UNICEF and authorities in several urban areas with more than 500,000 inhabitants. Important independent experiences at the local level have thus already begun to appear. The most notable up to now is the National Forum of Mayors in Defence of Children within the framework of the Argentine Federation of Municipalities.

Seeking to lay the basis for a greater amount of autonomy and create a platform for the sharing of problem-solving strategies, the mayors of the major cities of the country founded the AFM in 1990. The AFM is managed by an executive council and a steering committee. The executive council is composed of three members: two from major political parties and the third from a minority or local party. The presidency of the AFM is rotated every two years among the council members. The steering committee has 12 members, four from each of the main political groupings.

A member of the AFM executive council, Héctor Cavallero, the mayor of Rosario, one of the largest cities in the country, has led the way in the creation of municipal programmes

of action and the identification of local programme goals. Upon his return from Mexico City, where he had been one of the two Argentine representatives at the Meeting of Mayors, he conferred with UNICEF and then proposed to the AFM the organization of the First National Forum of Mayors for the Defence of Children.

The meeting was held in Posadas in the province of Misiones in November 1993. More than 70 municipal officials participated and during two days discussed the goals of the NPA, examined municipal programmes and analysed methods by which local governments could promote social development through projects favouring children.

Eight of the municipalities which sent representatives to the meeting have since identified goals and formulated programmes of action, and another five are in the process of doing so. In one-half of the cases the municipalities are developing independent initiatives, with some technical support from UNICEF, and in the remainder the municipalities are working on initiatives in tandem with the Federal Government and provincial authorities within the NPA framework.

Some of the programmes respond exclusively to the views of municipal governments, specifically to municipal leaders. Others have been developed within the offices of the mayors and then been approved by the local deliberative councils, on which the various political parties are represented. This latter procedure is thought to offer a better guarantee that, when new officials are elected, the programmes will not be abandoned. Particularly in a country like Argentina, where democracy has only recently been restored and where over the last 60 years only three civilian presidents have taken office through a normal electoral process, such multiparty support and the participation of numerous elements of local society in the design and management of the municipal programmes of action are important.

Municipal Councils in Favour of Women and Children

Councils in favour of women and children were created in the municipalities of Florencio Varela and Rosario in 1993. In both cases the councils were formed through the initiative of the mayors of these municipalities. The councils are made up of concerned individuals who have various responsibilities in the social sector in the local community.

1. *Florencio Varela* is located in the province of Buenos Aires and is 35 kilometres (about 22 miles) from the capital. It is one of the poorest municipalities in the province; more than

one-third of the 250,000 inhabitants experience great difficulty in meeting basic needs.

The mayor initiated the establishment of the municipal council in favour of women and children by bringing together representatives of the local Chamber of Commerce, the Workers Confederation and the Church. The council is headed by the municipal government. Its purpose is to plan and realize efforts aimed at achieving the goals of the local programme of action and complementing NPA activities in the municipality that are financed by provincial authorities, the Federal Government and the World Bank. In 1994 the focus has been on the creation of a fund based on local contributions to allow the expansion of the network of day care and child development centres beyond that foreseen in the NPA over the next three years, thereby responding to the needs of the inhabitants of other poor neighbourhoods in the municipality.

2. *Rosario* is located in the province of Santa Fé. It has one million inhabitants, of whom about 25 percent are living in shantytowns.

The mayor of Rosario is deeply committed to the local programme of action, which has been approved by the city council. The city has allocated 25 percent of its budget to programme initiatives designed to enhance health care, nutrition, education, the welfare of children and the environment. Many of the initiatives encourage community participation. A good example is the central school kitchen managed by the local Federation of School Parents. At a record low cost and with quality controls instituted by the province, 20,000 meals are prepared in the kitchen each schoolday for children in the city.

The mayor has championed the city council in favour of the woman and the child. The council consists of representatives of the local Chamber of Commerce and Industry, the Agricultural Federation (an association of small and medium agricultural enterprises that is influential in the area), the Workers Confederation, the Argentine Paediatrics Society, Caritas, the University of Rosario, the media, the provincial government, and many nongovernmental organizations, as well as the city secretariats of public health, social development, education and culture, and public works and services. A member of the central planning commission of the city serves as executive secretary, and other public officials act as coordinators for joint initiatives with the provincial government and the Federal Government.

A major aim of the council is to promote an intersectoral approach to projects in the poorest neighbourhoods of the city, since a lack of integrated planning would clearly be a barrier to efficiency and the fulfilment of local programme goals. One strategy is the creation of neighbourhood councils composed of representatives of the most dedicated neighbourhood

entities, such as schools, health care centres and churches.

In order to raise the awareness of those taking part in this new experience in joint management, meetings and workshops are being organized among public officials, the staff of the city secretariats and eventually all other interested groups.

In both Florencio Varela and Rosario the participation of UNICEF has been requested in these initiatives not only for technical reasons, but also as a guarantor of continuity and transparency. Moreover, in both cases the mayors have been reluctant to invite the political parties represented on the municipal deliberative councils to join the councils in favour of women and children. These facts reflect two serious obstacles which currently exist for NPA implementation: distrust and political factionalism. However, these obstacles can be overcome. Everyone involved must only understand that, without cooperation, changes will be much more difficult.

VIII. CONCLUSIONS

The Context

The development of the NPA in Argentina is taking place despite a diffuse, almost chaotic, social policymaking apparatus. It involves not so much the problem of seconding the efforts of a government seeking to gain efficiency through decentralization, but rather the problem of supporting efforts to rebuild the centre in order to instil an overall focus in social sector administration and reintroduce certain priorities among municipal and provincial actions. It also means the reinstatement of sound planning practices which have been lost at all levels of government as a consequence of the crisis of the state and the three-digit inflation that have plagued the country during the past two decades. Finally, it entails the cultivation of a habit of making do with scarce resources in a nation used to an abundance of resources.

The birth of the NPA is occurring in a context of the most profound institutional reforms in the country over the last 50 years. The reforms have included the transfer to the provinces of the responsibility for social policy and education and health care facilities. They have also involved the abandonment of many programmes which, through financing or technical assistance, were being supported and managed by the Federal Government.

These reforms have been effected by the Federal Government as part of a successful stabilization plan which has brought inflation down from 50 percent per day in 1989/90 to below 0.5 percent per month since 1993. Other elements in the plan have been privatization, deregulation and the rescheduling of the external debt.

The people have generally accepted the reforms and the restructuring, though the measures have required substantial sacrifice. For most of the population this period has not been seen as negative. The incomes of the poorest groups have recovered as a result of the disappearance of the "inflationary tax", as have those of the middle class. The reestablishment of credit has permitted a return to levels of consumption that have not been witnessed in more than a decade. The economy has been reactivated and is growing again. Meanwhile, poverty has declined, reaching intermediate levels between the highest ones of the period of hyperinflation and the lowest ones of the 1970s.

Stability has restored the possibility of some planning, but it has also revealed in the economy and the social sector the enormous efficiency problems which were hidden under the effects of inflationary chaos. Problems which remained unnoticed for many years have reemerged with a vengeance.

Fresh social initiatives are now being encouraged by the Federal Government within the framework of a new relationship between the municipalities and the provinces and between the provinces and the nation. Among these is the Federal Education Law, which has expanded the duration of compulsory schooling from seven to ten years by extending it from preschool among 5-year-olds to the third year of secondary school. Government leaders at all levels have also pledged to double education budgets over a five-year period, though this goal is probably unattainable in most provinces. In any case, free education is guaranteed.

Another fresh initiative is the NPA, through which health care and nutrition services are being focused on mothers and children. The importance with which the Federal Government views the programme is reflected in the threefold rise in the resources allocated in the Federal budget to municipalities and provinces for such services. This is one of the few cases in which the level of allocations has been not only maintained but also increased.

The formulation of the NPA has fostered the identification of goals and the definition of priorities. This alone has had a positive impact on social policy. The participation by Argentina in the World Summit for Children and the subsequent regional meetings—along with the introduction of the issue of child survival and development onto the public agenda by nongovernmental organizations and UNICEF—has enabled very considerable changes in

public social policy, particularly within the Federal Government.

Among the organizations which are assisting in the development of the NPA, the World Bank has played a noteworthy role, especially in light of the strategic influence it has exercised in the design and implementation of the stabilization programme in Argentina. Because of this influence, the decision by the Bank to participate in the financing of the NPA has encouraged the rationalization of the design of the programme and helped boost the commitment of municipal, provincial and national government agencies to the NPA.

Difficulties in NPA Implementation

The decentralization of the NPA in Argentina represents an opportunity for the development of social initiatives as social sector institutions are reorganized. Yet, much must be accomplished. New technical skills and institutional capacities must be created; fresh resources must be found, and closer linkages in the social sector must be established within and among provinces. The NPA therefore represents a challenge.

Among the barriers to the implementation of the NPA are the following.

1. Most of the provinces, but especially the poorest ones, require significant institutional capacity-building. However, the tight limits imposed by adjustment and the pressure to erase the fiscal deficit mean that Government leaders have little room to manoeuvre. The potential for change along the lines indicated in the NPA is therefore slim. Meanwhile, the World Bank has imposed certain economic and financial restrictions on municipal and provincial governments. These restrictions are quite substantial as regards spending. Moreover, they are not always applied in an evenhanded fashion, since they prohibit the allocation of resources for local programmes of action whenever municipalities or provinces fail to comply, even though such allocations may be very justified from a social perspective.
2. Likewise, municipal and provincial norms, as well as administrative procedures, generally do not coincide with the guidelines set by the Federal Government and the World Bank for the management of resource allocations. This leads to enormous delays. In this case, the Federal Government and the World Bank may not always be sufficiently flexible in adapting to the norms of municipalities and provinces. The process of administrative decisionmaking ought to be streamlined.
3. The availability of resources is not the only prerequisite for carrying out the initiatives

planned in municipal and provincial programmes of action. If the local government leadership is not committed to overcoming all the political, economic and administrative restrictions imposed on the programmes, implementation will be blocked.

4. The formulation of the NPA and the identification of goals mean that political leaders and society as a whole have adopted a certain path in social policy. However, the political and economic environment does not necessarily favour this path. Yet, political leaders have not expressed their commitment sufficiently, nor has society demanded such a commitment. Political leaders in the provinces are concerned with maintaining employment levels and with the struggle for better salaries. Aside from a few exceptions, they have not yet incorporated social issues into the political debate.

The NPA experience in Argentina has been positive up to now, even though the outcome is still uncertain. Child issues have definitely been placed in a prominent position on the public agenda. This is clear from the level of resource allocations and other indicators. Moreover, the NPA is completely coherent with the reform process of the state.

However, resources and reform do not tell the whole story. The poorest children in the poorest provinces cannot afford to wait for the delays in resource allocations to be resolved and the reforms to be completed.

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