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Social Protection Systems in Latin America and the Caribbean: Dominican Republic by Milena Lavigne and Luis Hernán Vargas, consultants for the Economic Commission for Latin America and the Caribbean (ECLAC)

During the 20th century, the political and social development of the Dominican Republic was marked by the dictatorship of Rafael Trujillo (1930–1961), who forged the institutional and legal bases of Dominican social policies, and successive governments headed by Joaquín Balaguer (1960–1962, 1966-1978 and 1986-1996). During the 1990s, the Dominican government started once more to implement social policies, among which we can highlight the Fund for the Promotion of Community Initiatives (PROCOMUNIDAD), the country's first poverty reduction programme. During the 2000s, some social reforms were undertaken, such as the creation of the Social Cabinet and reform of the pension system, which set up a model of individual capitalisation. Finally, after the economic crisis that affected the Dominican Republic in 2003, programmes aiming to reduce malnutrition (Comer es Primero) and poverty (Solidaridad) began to be implemented.

In 2010, with the approval of the new Constitution, there was a shift towards greater social protection through the inclusion of social rights such as: universal access to social security; access to decent and remunerated employment; access to free, inclusive, good-quality and compulsory education, both at primary and secondary levels; and access to comprehensive health care.

The current social security system was created in 2001, although it is still in a period of transition, in which individual capitalisation lives alongside the old pay-as-you-go system. However, tax incentives were put in place to promote the shift from the old to the new pension system (contributory, subsidised schemes that cover self-employed professionals and technicians, offering cash benefits equal to or higher than the minimum wage), achieving a coverage of 25.5 per cent of the population.

Regarding non-contributory social protection, it is organised through the Social Protection Network, based on three pillars: conditional cash transfer programmes, social and human development programmes and social inclusion programmes. This network is managed by the Presidency's Cabinet for the Coordination of Social Policies, which hands out magnetic cards (Tarjeta Solidaridad) used for transfers made by the Social Subsidies Administration (ADESS). The main non-contributory scheme is the Solidarity Programme (Solidaridad), currently integrated with other programmes under the name Progresando con Solidaridad (Making Progress with Solidarity). This programme has improved access to food and has created a network of social provision by setting up warehouses in priority areas of poverty. The transfers delivered by the programme are: Comer es Primero (Eating Comes First), Incentivo a la Asistencia Escolar (School Assistance Incentive), Apoyo al Adulto Mayor (Support to the Senior Population), BonoGas (Gas Bonus), BonoLuz (Light Bonus), Incentivo a la Educación Superior (Higher Education Incentive), el Programa de Incentivo a la Policía Preventiva (Incentive Programme for Preventive Police) and Programa de Incentivo a los Alistados de la Marina de Guerra (Incentive Programme for Members of the Navy).

The health care system is going through a process of territorial and administrative decentralisation and faces significant challenges in terms of equity and access. Even though coverage is high, health services are concentrated in urban areas, while the most vulnerable populations face difficulties in terms of access to basic services and are not covered by any health insurance. Social security in health care is universal and compulsory; however, in 2012 it only covered 47 per cent of the population.

Although employment is a constitutional right, the Dominican Republic does not have sufficient capabilities to ensure this mandate. In any case, job creation and market regulation policies have been implemented by the Ministry of Labour. One notable example is the existence of different minimum wage values according to the sector (public or private) and size of companies, although in 2012 the average among these various minimum wages was USD171.5, one of the lowest in the region. To promote work among vulnerable groups, several programmes have been launched as part of a social development strategy based on economic inclusion, mostly geared towards young people. Among them, we can highlight two examples: Juventud y Empleo (Youth and Employment), to improve the employability of poor youth, and Santiago Trabaja (Santiago Works), aimed at promoting employment among working-age adults.

Education is regulated by the General Education Act 66-97, which seeks to enforce this constitutional right based on the principles of equality and non-discrimination, in addition to setting a minimum threshold for education funding of 4 per cent of GDP, or 16 per cent of the total social expenditure. The public management of school education is decentralised through regional and municipal councils; however, these do not have enough decision-making power. In regards to higher education, the State Secretariat for Higher Education, Science and Technology is in charge of authorising the operation of educational establishments. The net school enrolment rate increased significantly between 1999 and 2012 for both primary education (from 82.5 per cent to 90.2 per cent) and secondary education (from 39.4 per cent to 62.3 per cent).

In conclusion, the social protection system seeks to achieve three objectives: the promotion of inclusive growth, the fight against poverty and the creation of productive employment. To this end, the latest Dominican governments have implemented social policies based on three complementary pillars: the Social Protection Network; pension and health care systems with universal coverage, whose services are provided through the social security system; and universal social promotion services (education and training).

Reference:

Lavigne, M and L.H. Vargas (2013). Social Protection Systems in Latin America and the Caribbean: Dominican Republic. Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). This One Pager is a partnership between the IPC-IG and ECLAC.

