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978-0-521-51546-7 - Wealth, Health, and Democracy in East Asia and Latin America

James W. McGuire

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Wealth, Health, and Democracy in East Asia and Latin America

Why do some societies fare well, and others poorly, at reducing the risk of early death? This study finds that the public provision of basic health care and of other inexpensive social services has reduced mortality rapidly even in tough economic circumstances, and that political democracy has contributed to the provision and utilization of such services, in a wider range of ways than is sometimes recognized. These conclusions are based on case studies of Argentina, Brazil, Chile, Costa Rica, Indonesia, South Korea, Taiwan, and Thailand, as well as on cross-national comparisons involving these cases and others.

James W. McGuire is professor in the Department of Government at Wesleyan University. He is the author of *Peronism without Perón: Unions, Parties, and Democracy in Argentina*. Professor McGuire specializes in comparative politics with a regional focus on Latin America and East Asia and a topical focus on democracy and public health. He is a recipient of Wesleyan's Binswanger Prize for Excellence in Teaching.

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CAMBRIDGE UNIVERSITY PRESS
Cambridge, New York, Melbourne, Madrid, Cape Town, Singapore,
São Paulo, Delhi, Dubai, Tokyo

Cambridge University Press
32 Avenue of the Americas, New York, NY 10013-2473, USA
www.cambridge.org
Information on this title: www.cambridge.org/9780521139342

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First published 2010

Printed in the United States of America

A catalog record for this publication is available from the British Library.

Library of Congress Cataloging in Publication data

McGuire, James W. (James William)

Wealth, health, and democracy in East Asia and Latin America / James W. McGuire.

p. cm.

Includes bibliographical references and index.

ISBN 978-0-521-51546-7 (hardback)

ISBN 978-0-521-13934-2 (paperback)

1. Infants – Mortality – East Asia. 2. Infants – Mortality – Latin America.
3. East Asia – Social policy. 4. East Asia – Economic policy. 5. Latin America – Social
policy. 6. Latin America – Economic policy. I. Title.

HB1323.I42E1863 2010

304.6'408832095 – dc22 2009047101

ISBN 978-0-521-51546-7 Hardback

ISBN 978-0-521-13934-2 Paperback

Additional resources for this publication at

<http://www.cambridge.org/us/catalogue/catalogue.asp?isbn=9780521515467>

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*To
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Preface and Acknowledgments

The goal of this book is to advance the understanding of the nature and causes of national development, and to shed light on policies and circumstances that may promote such development. In contrast to some current and past research, national development is conceptualized in this study as the expansion of human capabilities, rather than in terms of economic achievements alone. The analysis focuses on eight middle-income developing societies, four in Latin America (Argentina, Brazil, Chile, and Costa Rica) and four in East Asia (Indonesia, South Korea, Taiwan, and Thailand). Its main findings are that the public financing or provision of basic social services can produce rapid mortality decline, even in difficult economic circumstances; and that political democracy can expand the provision and utilization of mortality-reducing social services, in a wider range of ways than is sometimes appreciated. The experiences of the societies reviewed in this book suggest that Latin America as well as East Asia has produced development models worth emulating.

Several years ago my father alerted me to Amartya Sen's article "More than 100 Million Women are Missing" (1990). This article led me to other works by Professor Sen, notably the book *Hunger and Public Action* (1989), cowritten with Jean Drèze. Sen argued that development should be interpreted not as the enlargement of incomes, but rather as the growth of human capabilities, our abilities to live the lives that we have reason to choose. Like Professor Sen, I became especially interested in capabilities related to physical survival. I began to teach *Hunger and Public Action* in one of my courses, which already included a unit comparing economic development in East Asia and Latin America. The juxtaposition of these lines of research suggested that scholars of national development had focused heavily on income-related outcomes, neglecting the issue of why some societies do better than others at raising life expectancy and reducing infant mortality. I thus began the research that culminated in this book, which reinterprets development in East Asia and Latin America as being mainly about the expansion of human capabilities, particularly those related to physical survival, rather than about the expansion

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of peoples' incomes, whether through economic growth or the reduction of income inequality or income poverty.

The love and wisdom of my late father, William J. McGuire, shaped my personal and intellectual development, and his perspectivist epistemology influenced the research in this book. I dedicate this book to his memory, and to the other members of my family. Amartya Sen provided inspiration for the research as well as support and encouragement over the years. My colleagues in Wesleyan's Government Department, as well as other faculty members across the university, made useful comments on parts of the study, as well as on seminars, papers, and journal articles on related topics. Wesleyan students are an inexhaustible fountain of inspiration and insight. Zuleika Arashiro, Bernard Brown, Laura Frankel, and Lily Oster assisted skillfully and graciously in the research. The ideas in this book were developed in dialogue with Eric Bjornlund, Nauro Campos, David Collier, Ruth Berins Collier, Javier Corrales, Margaret Crahan, Jorge Domínguez, Richard Easterlin, Varun Gauri, John Gerring, Stephan Haggard, Evelyne Huber, Wendy Hunter, Robert Kaufman, Abraham Lowenthal, James Mahon, James Mahoney, Joan Nelson, Jeffrey Nugent, Michael Reich, John Seery, Richard Snyder, Judith Tendler, Danny Unger, Stephanie Weber, and Kurt Weyland, and in response to the useful suggestions of the scholars who refereed the manuscript for Cambridge University Press.

For information, commentary, logistical support, and other contributions that helped to improve particular parts of this book, I am indebted to Dararat Anantanasuwong, Maureen Birmingham, Katherine Bliss, Roger Bonilla, Alasdair Bowie, James Brennan, David Cameron, Minja Kim Choe, Mary Clark, Jorge Vargas Cullel, Deon Filmer, Joseph Fins, Fernando Gore, Carol Graham, Donald Green, James Haft, Michael Hansen, Kenneth Hill, Daniel Hojman, Alma Idiart, Joyce Jacobsen, Wen-Hua Kuo, Fabrice Lehoucq, Evan Lieberman, Michael Lovell, Richard Mann, Juliana Martínez Franzoni, Leonardo Mata, Jumroon Mikhanorn, Amy Nunn, Yaa Oppong, Vicente Palermo, Steve Phillips, Kachanasak Phonboon, Sathirakorn Pongpanich, Lant Pritchett, Dietrich Reuschmeyer, Luis Rosero-Bixby, John Ross, Joshua Salomon, Barbara Stallings, Erica Taucher, Michael D. White, and Stanley Zankel.

The Rockefeller Foundation, and separately the Office of Academic Affairs of Wesleyan University, graciously provided publication subventions that permitted Cambridge University Press to issue this book initially in paperback as well as in cloth. Residential fellowships at the Pacific Council on International Policy, at the Woodrow Wilson International Center for Scholars, and at the Harvard Center for Population and Development Studies provided generous support and a friendly environment for research. A Senior Fellowship from the American Council of Learned Societies helped to fund a year of scholarship and writing, and Wesleyan University Project Grants financed research visits to Costa Rica and Thailand. The direction and interpretation of the research were influenced by dialogue at colloquia at Brown University

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(Watson Institute of International Studies); Cornell University (Weill College of Medicine); Harvard University (Center for Population and Development Studies, David Rockefeller Center for Latin American Studies); Northern Illinois University (Graduate Colloquium); Stanford University (Asia/Pacific Research Center); the University of California, San Diego (Center for U.S.-Mexican Studies); Wesleyan University (Public Affairs Center); the Woodrow Wilson International Center for Scholars; and Yale University (Council on Latin American Studies), as well as by panel presentations at the meetings of the American Political Science Association, International Studies Association, and Latin American Studies Association.

Anne M. McGuire used her knowledge, wisdom, and vast experience to copyedit the entire manuscript and to produce an excellent index. Claire V. McGuire helped with the index and carefully proofread the text. Eric Crahan of Cambridge University Press was a wise and supportive acquisitions editor, and Suzanna Tamminen of Wesleyan University Press provided sage advice about editorial issues. Bindu Vinod of Newgen Imaging oversaw the production of the book with grace, skill, and good cheer.

Occasional sentences or short passages are taken or adapted from “Development Policy and Its Determinants in East Asia and Latin America,” *Journal of Public Policy* 14, No. 2 (April 1995), 205–242; “Labor Union Strength and Human Development in East Asia and Latin America,” *Studies in Comparative International Development* 33, No. 4 (Winter 1999), 3–34; “Social Policy and Mortality Decline in East Asia and Latin America,” *World Development* 29, No. 10 (October 2001), 1673–1697; “Mortality Decline in Cuba, 1900–1959: Patterns, Comparisons, and Causes” (with Laura Frankel), *Latin American Research Review* 40, No. 2 (June 2005), 84–116; and “Basic Health Care Provision and Under-5 Mortality: A Cross-National Study of Developing Countries,” *World Development* 34, No. 3 (March 2006), 405–425.

This research is designed to uncover forces and circumstances that are conducive to human development, and to identify critical points at which policy makers and the public might intervene to redirect the course of events from channels to which historical legacies might otherwise confine them. To the extent that these objectives have been achieved, the individuals and institutions mentioned herein deserve much of the credit. Any errors of fact or interpretation are my own.

Abbreviations

ABRASCO	Associação Brasileira de Saúde Coletiva, Brazilian Collective Health Association
ABRI	Angkatan Bersenjata Republik Indonesia, Armed Forces of the Republic of Indonesia
AIDS	Acquired Immunodeficiency Syndrome
APROFA	Asociación Chilena de Protección de la Familia, Chilean Family Protection Association
ARENA	Aliança Renovadora Nacional, National Renovating Alliance (Brazil)
CAPs	Caixas de Aposentadorias e Pensões, Pension and Retirement Benefits Funds (Brazil)
CARE	Cooperative for Assistance and Relief Everywhere, Inc.
CCSS	Caja Costarricense de Seguro Social, Costa Rican Social Security Fund
CEBES	Centro Brasileiro de Estudos de Saúde, Brazilian Center for Health Studies
CGT	Confederación General del Trabajo, General Labor Confederation (Argentina)
CONTAG	Confederação Nacional dos Trabalhadores na Agricultura, National Confederation of Agricultural Workers (Brazil)
CPT	Communist Party of Thailand
CSO	Caja de Seguro Obligatorio, Mandatory Insurance Fund (Chile)
DTP ₃	Three doses of the antigen against diphtheria, pertussis, and tetanus
EBAIS	Equipos Basicos de Atención Integral de Salud, Comprehensive Basic Health Care Teams (Costa Rica)
EPH	Encuesta Permanente de Hogares, Ongoing Household Survey (Argentina)
FONASA	Fondo Nacional de Salud, National Health Fund (Chile)

FSESP	Fundação Serviços de Saúde Pública, Special Public Health Service Foundation (Brazil)
FUNASA	Fundação Nacional de Saúde, National Health Foundation (Brazil)
FUNDEF	Fundo de Manutenção e Desenvolvimento do Ensino Fundamental e de Valorização do Magistério, Fund for the Maintenance and Development of Elementary Teaching and for the Valorization of the Teaching Profession (Brazil)
FUNRURAL	Fundo de Assistência ao Trabalhador Rural, Rural Worker Assistance Fund (Brazil)
GDP	Gross Domestic Product
HDI	Human Development Index
HIV	Human Immunodeficiency Virus
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
IAPI	Instituto de Aposentadorias e Pensões dos Industriários, Institute of Pensions and Retirement Benefits for Industrial Workers (Brazil)
IAPs	Institutos de Aposentadorias e Pensões, Pension and Retirement Benefits Institutes (Brazil)
IMAS	Instituto Mixto de Ayuda Social, Mixed Institute of Social Aid (Costa Rica)
IMR	Infant Mortality Rate
INAMPS	Instituto Nacional de Assistência Médica da Previdência Social, National Social Security Medical Assistance Institute (Brazil)
Inpres	Instruksi Presiden, Presidential Instruction Program (Indonesia)
INPS	Instituto Nacional de Previdência Social, National Social Security Institute (Brazil)
ISAPRE	Institución de Salud Previsional, Social Security Health Institution (Chile)
JCRR	Sino-American Joint Commission on Rural Reconstruction (Taiwan)
KMT	Kuomintang, Nationalist Party (Taiwan)
MCV	Measles containing vaccine
MDB	Movimento Democrático Brasileiro, Brazilian Democratic Movement
MPAS	Ministério da Previdência e Assistência Social, Ministry of Social Security and Social Assistance (Brazil)
MPN	Movimiento Popular Neuquino, Neuquén Popular Movement (Argentina)
NHI	National Health Insurance (South Korea)
PAB	Piso de Atención Básica, Basic Care Grant (Brazil)

Abbreviations

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PACS	Programa Agentes Comunitários de Saúde, Community Health Agents Program (Brazil)
PAHO	Pan American Health Organization
PIASS	Programa de Interiorização de Ações de Saúde e Saneamento, Program to Expand Health and Sanitation Activities in the Interior (Brazil)
PJ	Partido Justicialista, Justicialist [Peronist] Party (Argentina)
PKI	Partai Komunis Indonesia, Communist Party of Indonesia
PKK	Pemberdayaan Kesejahteraan Keluarga, Family Welfare Movement (Indonesia)
PKMD	Pembangunan Kesehatan Masyarakat Desa, Village Community Health Development Program (Indonesia)
Plan AUGE	Plan de Acceso Universal con Garantías Explícitas, Plan for Universal Access with Explicit Guarantees (Chile)
PLANASA	Plano Nacional de Saneamento, National Sanitation Plan (Brazil)
PLN	Partido Liberación Nacional, National Liberation Party (Costa Rica)
PMDB	Partido do Movimento Democrático Brasileiro, Party of the Brazilian Democratic Movement
PMO	Programa Médico Obligatorio, Mandatory Medical Program (Argentina)
PNAD	Pesquisa Nacional por Amostra de Domicílios, National Household Sample Survey (Brazil)
PNMI	Programa Nacional Materno Infantil, National Mother and Infant Program (Argentina)
PQLI	Physical Quality of Life Index
Prevsauúde	Programa Nacional de Serviços Básicos de Saúde, National Basic Health Service Program (Brazil)
PROMIN	Programa Materno Infantil y Nutrición, Mother and Infant Nutrition Program (Argentina)
PROSANEAR	Programa de Saneamento para Populações em Áreas de Baixa Renda, Low Income Sanitation Technical Assistance Project (Brazil)
PSDB	Partido da Social Democracia Brasileira, Brazilian Social Democratic Party
PSF	Programa Saúde da Família, Family Health Program (Brazil)
PT	Partido dos Trabalhadores, Workers' Party (Brazil)
PUSC	Partido Unidad Social Cristiana, Social Christian Unity Party (Costa Rica)
RGDPCH	Real gross domestic product per capita in international dollars at constant prices according to a chain index
RTG	Royal Thai Government

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Abbreviations

SERMENA	Servicio Médico Nacional de Empleados, Employees' National Medical Service (Chile)
SESP	Serviço Especial de Saúde Pública, Special Public Health Service (Brazil)
SNIS	Sistema Nacional Integrado de Salud, National Integrated Health System (Argentina)
SNS	Servicio Nacional de Salud, National Health Service (Chile)
SUS	Sistema Único de Saúde, Unified Health System (Brazil)
SUSENAS	Survei Sosial Ekonomi Nasional, National Socioeconomic Survey (Indonesia)
U5MR	Under-5 Mortality Rate
UHS	Universal Health Scheme (Thailand)
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund
UPGK	Usaha Perbaikan Gizi Keluarga, Family Nutrition Improvement Program (Indonesia)
U.S. AID	United States Agency for International Development
USOM	United States Operations Mission (Thailand)
WHO	World Health Organization
WIDER	World Institute for Development Economics Research of the United Nations University (Helsinki, Finland)