

The Social Impacts of Regulations

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Part 1. Taking into account the social and distributional impacts in the development of regulations is now based in France, given the complexity of this measure, on a set of robust tools, even if they are perfectible.

Part 2. Taking into account the social and distributional impacts in the development of regulations also requires their active use in the process of deliberation and political and administrative decision taking, which is still far from being the case despite the limitations of the current situation.

Part 1.

- Measuring distributive and social impacts is particularly complex
- Measuring distributive and social impacts is based on several solid tools
- The measurement of social and distributional impacts may however be improved

Measuring distributive and social impacts is particularly complex

- **The difficulty of defining a priori the "population" concerned and the typology of impacts and hence the fairness objective;**
- **The need, in order to analyze social and distributional impacts, for the integration of multiple measures, multiple meanings (sampling and benefits) from multiple stakeholders (government, local authorities, operators, social security organizations; recipient's own action).**
- **The difficulty, where costs are often tangible and immediate, of measuring diffuse and long term benefits .**

Measuring distributive and social impacts based on several solid tools

- The generalization of an approach to performance targets
- The development of multiple statistical, economic and social sciences tools
- The development of public policy evaluation

The measurement of social and distributional impacts can however be improved

- The impact typologies are either too general or too technical
- The statistical and economic tools are predominant
- Measurement tools are broadly speaking reserved to state authorities

Part 2

- The process of preparation and central policy decision making is experiencing difficulties in mainstreaming tools for measuring social and distributional impacts
- This situation where the central decision-making process incorporates in an unsystematic and not open way the distributional or social impacts of its decisions has strong drawbacks
- How in the end, given this analysis, can we better integrate the consideration of distributional and social impacts into the development of regulations?

The process of preparation and central policy decision making is experiencing difficulties in mainstreaming tools for measuring social and distributional impacts

- A political process focused on the execution of a program made public to the electorate, on the construction of permanent compromises between highly fragmented social groups and taking into account the tangible impacts, which social impact seldom are
- An administrative process weakened by the comparative “poverty” of social ministries
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This situation where the central decision-making process incorporates a non-systematic way and not transparent way the distributional or social impacts of its decisions has two drawbacks:

- Less than optimal decisions
Low acceptability of decisions

How, given the previous analysis, can you finally better integrate the consideration of distributional and social impacts into the development of regulations?

- Reintroduce a dose of politics in the typology of impacts
- Discuss publicly distributive and social impacts of key decisions with all their stakeholders
- Improve structure and working methods of social ministries